

Briefing on the work of the Committee for Development Policy and Launch of the 4th edition of the LDC Handbook

Wednesday, 10 November 2021



**United
Nations**

Committee for
Development
Policy

Introductory remarks

H.E. Collen Vixen Kelapile
Permanent Representative of Botswana to the
United Nations in New York and President of
ECOSOC

CDP contributions on the ECOSOC theme

José Antonio Ocampo, CDP Chair

CDP analysis of Voluntary National Reviews (VNRs)

Sakiko Fukuda-Parr, CDP Vice Chair

Update of work on least developed countries (LDCs)

Taffere Tesfachew, CDP member and head of the
LDC subgroup

Launch of the fourth edition of the Handbook on the LDC category

CDP secretariat

Questions & Answers

CDP contributions on the ECOSOC theme

2021

- ➡ Priority action on public health response; finance and debt relief; climate change; social protection; multilateralism
- ➡ Stressed that the aim of recovery should not be to return to pre-crisis development patterns but to reframe development towards equality, resilience and environmental sustainability
- ➡ Builds on prior work on multilateralism, finance, COVID impacts on LDCs

*Theme 2021:
Sustainable and
resilient recovery (...)
that promotes
economic, social and
environmental
dimensions of
sustainable
development (...)*

2022

- ➡ Focus on industrial policy

*Theme 2022: Building back
better (...) while advancing the
full implementation of the 2030
Agenda for Sustainable
Development*



Post-pandemic industrial policy for jobs, growth, sustainability and resilience - what will it take?

Join us for a dialogue with the Committee for Development Policy, UN DESA and UNIDO



Elliott
Harris

José Antonio
Ocampo

Adriana
Abdenur

Ha-Joon
Chang

Kori
Udovički

Arunabha
Ghosh

Smeeta
Fokeer



November 17
8:15-9:45am New York/ET



Register at <https://bit.ly/CDPIndustrialPolicy2021>

Annual reviews of VNRs: what do they (not) reveal?

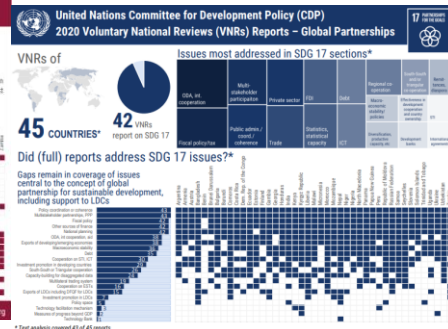
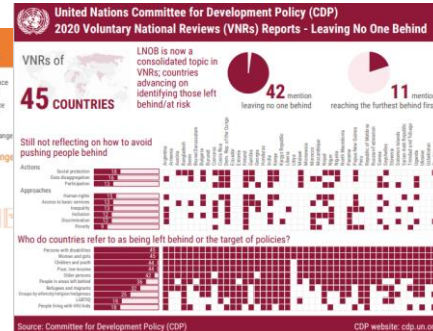
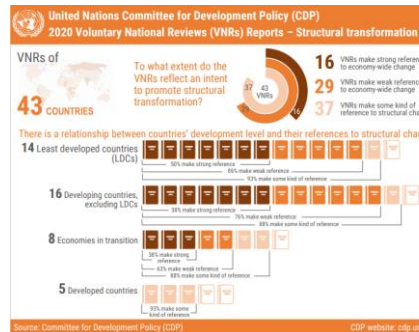
- ➔ Systematic **under-reporting** on environmental sustainability, inequality, LDCs, structural constraints
- ➔ Do not reveal the kind of **transformative action** needed to overcome the pandemic and meet SDGs
- ➔ Need for more substantive analysis, **diverse** perspectives

Number of VNRs addressing each SDG

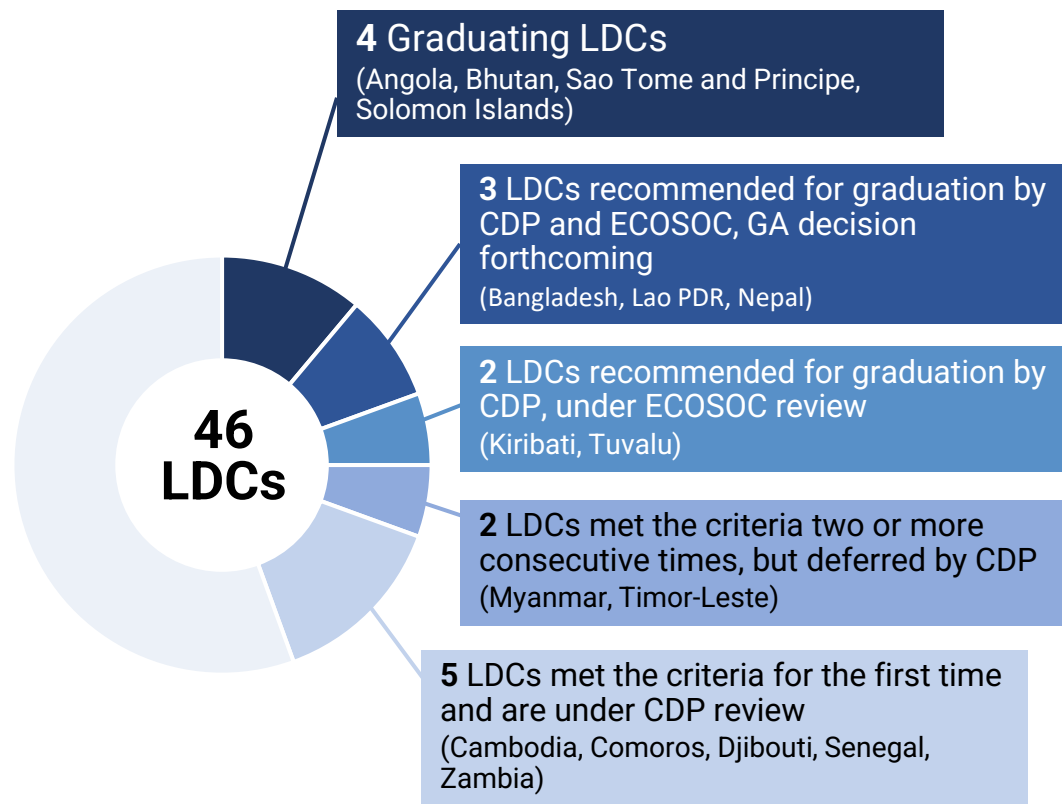
➔ Goals closely related to the environmental dimension of sustainable development (6, 12, 13, 14, 15) and inequality (10) are least reported on



<https://bit.ly/CDPVNRs>



CDP work on least developed countries (LDCs)



Ongoing and upcoming CDP activities

- ➔ Annual monitoring of graduating and graduated LDCs
 - ➔ Enhanced monitoring mechanism under development
- ➔ CDP country rapporteurs
- ➔ Country consultations for monitoring and preparing 2024 triennial review
- ➔ Reviewing country-specific analysis
- ➔ Special attention to COVID-19 impacts and recovery
- ➔ Guide targeted graduation support
 - ➔ Sustainable graduation support facility to be launched at LDC5
 - ➔ Assist identifying specific support needs based on CDP analysis
- ➔ Highlight core development constraint of LDCs: lack of productive capacity

HANDBOOK ON THE LEAST DEVELOPED COUNTRY CATEGORY:

Inclusion, Graduation and Special Support Measures



<https://bit.ly/2021-LDC-handbook>

Chapter I The least developed country category: criteria and procedures for inclusion and graduation

Handbook on the Least Developed Country Category

Figure 1.3
Inclusion in and graduation from the least developed country category, as of the 2021 triennial review^a

2024	Angola, Sao Tome and Principe, Solomon Islands
2023	Bhutan
2020	Vanuatu
2017	Equatorial Guinea
2014	Samoa
2012	South Sudan
2011	Maldives
2007	Cabo Verde
2003	Timor-Leste
2000	Senegal
1994	Botswana, Angola, Guinea
1991	Cambodia, Democratic Republic of the Congo, Madagascar, Solomon Islands, Zambia
1990	Liberia
1988	Mozambique
1987	Myanmar
1986	Kiribati, Mauritania, Tuvalu
1985	Vanuatu
1982	Djibouti, Equatorial Guinea, Sao Tome and Principe, Sierra Leone, Togo
1981	Guinea-Bissau
1977	Cabo Verde, Comoros
1975	Bangladesh, Central African Republic, Gambia
1971	Afghanistan, Benin, Bhutan, Botswana, Burkina Faso, Burundi, Chad, Ethiopia, Guinea, Haiti, Lao People's Democratic Republic, Lesotho, Malawi, Maldives, Mali, Nepal, Niger, Rwanda, Samoa, Somalia, Sudan, Uganda, United Republic of Tanzania, Yemen

Source: CDP secretariat.

Note: Countries in bold have already graduated from the list; those in bold italics are scheduled for graduation. Blue arrows indicate inclusion; green arrows indicate graduation.

^a On 6 June 2021, the Economic and Social Council, in its resolution 2021/11, endorsed the recommendations by the Committee for Development Policy (CDP) to graduate Bangladesh, the Lao People's Democratic Republic and Nepal. In line with the finding of CDP that a five-year preparatory period is necessary for these countries prior to graduation, the Council also recommended that the General Assembly decide that their graduations would become effective five years after the Assembly had taken note of the recommendations to graduate those countries. The General Assembly is scheduled to act on those recommendations during its seventy-eighth session (14 September 2021–12 September 2022).

Chapter II International support measures for the least developed countries

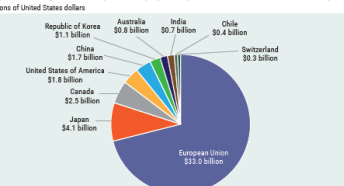
International support measures for the least developed countries

Duty-free, quota-free market access and preferential tariffs

Most developed countries grant either full or nearly full DFQF market access to LDCs, and an increasing number of developing countries have extended DFQF market access to a significant number of products from LDCs (see table II.4). In some cases, access to DFQF arrangements is contingent on the fulfilment of certain conditions additional to LDC status such as, in the case of the Everything But Arms initiative of the European Union, the non-violation of principles laid down in human rights and labour rights conventions. Table II.4 summarizes the main multilateral non-reciprocal LDC preference schemes in place. The WTO database on preferential trade arrangements contains detailed information for each WTO member providing or benefiting from these arrangements. In addition, the South Asian Free Trade Area (SAFTA) and Asia-Pacific Trade Agreement (APTA) grant greater preference (coverage and tariff margins) to LDC members (see section on special treatment under regional agreements).

The practical significance of preferential market access schemes depends on the country's productive capacities, type of export products and the existence of other preferential trading arrangements.³ Figure II.1 shows the distribution of imports utilizing LDC-specific benefits, covering the 10 schemes with the highest utilization. Based on the latest available data, merchandise products with a value of more than \$4 billion are benefiting from LDC-specific schemes each year, with the European Union being by far the largest market.

Figure II.1
Imports utilizing least developed country-specific preference scheme, latest available year
Billions of United States dollars



Source: CDP secretariat, based on preferential trade arrangements database. Imports refer to 2019, except for China (2018) and India (2015).

³ See, e.g., WTO Committee on Rules of Origin, note by the Secretariat on the utilization of trade preferences by least developed countries: 2015–2019 patterns and trends, document LDC/WTO/24.

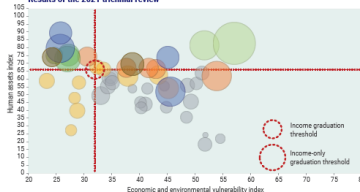
Chapter III Indicators, methodology and data sources for the least developed country criteria

Indicators, methodology and data sources for least developed country criteria

Summing up: the 2021 triennial review

In figure III.2, individual LDCs are represented by a bubble. The horizontal and vertical positions of the bubbles correspond to EVI and HAI scores, respectively, whereas the bubble size illustrates GNI per capita. The colour of each bubble reflects the performance of LDCs vis-à-vis the graduation thresholds and their status in the graduation process.

Figure III.2
Results of the 2021 triennial review



--- Graduation thresholds

- Graduating LDCs: income-only, Angola, GHI, HAI and EVI: Bangladesh, Lao People's Democratic Republic, HAI and EVI: Nepal
- LDCs not eligible for the first time and income-only CDP review: GHI, HAI and EVI: Cambodia, income-only: Djibouti, GHI and HAI: Comoros, Senegal, Zambia
- LDCs not eligible for graduation criteria at least two consecutive times, but deferred by CDP: GHI, HAI and EVI: Myanmar, GHI and HAI: Timor-Leste
- LDCs recommended by graduation by CDP and endorsed by ECOSOC: GHI, HAI and EVI: Burkina Faso, Chad, Eritrea, Ethiopia, Guinea, Guinea-Bissau, Liberia, Madagascar, Malawi, Mali, Micronesia, Niger, Sierra Leone, Somalia, South Sudan, United Republic of Tanzania, Yemen
- LDCs recommended by graduation by CDP, income-only and HAI: Jordan, Tuvalu
- LDCs recommended by graduation by CDP, income-only: Cabo Verde, Togo
- LDCs meeting no criteria: Afghanistan, Benin, Bhutan, Burkina Faso, Burundi, Chad, Eritrea, Ethiopia, Guinea, Guinea-Bissau, Liberia, Madagascar, Malawi, Mali, Micronesia, Niger, Sierra Leone, Somalia, South Sudan, United Republic of Tanzania, Yemen

Source: CDP 2021 triennial review, available at bit.ly/LDC-data.

Note: Bubble size designates value of GNI per capita.

Moreover, figure III.7 and table III.6 show the results of the 2021 triennial review for LDCs, and simultaneously present the scores of the three different criteria. Sixteen countries met the eligibility criteria for graduation at the 2021 triennial review. In addition, 10 LDCs passed the graduation threshold of a single criterion and were therefore not yet eligible for graduation. Almost half of the LDCs (20 countries) did not yet meet the graduation threshold of any of the LDC criteria.

"I hope that the updated and revised Handbook will continue to promote a better understanding of the category and the challenges confronting LDCs. I trust it will inform the upcoming Fifth United Nations Conference on the Least Developed Countries, scheduled to be held in January 2022 in Doha, and other global efforts working towards implementing the 2030 Agenda for Sustainable Development."

Liu Zhenmin

Under-Secretary-General for Economic and Social Affairs
October 2021

