



Monitoring of countries graduating from the category of least developed countries*

The Committee reviewed development progress taking place in Equatorial Guinea, Maldives and Samoa. It noted that there is a great deal of uncertainty on Samoa's near-term economic prospects in view of the negative impact of the tsunami that hit the country in September 2009. The Committee wishes to reiterate the importance it attaches to the implementation of General Assembly resolution 59/209, which calls for all devel-

opment partners to support the smooth transition of countries graduating from the list of least developed countries. The Committee brings to the attention of the Council that the General Assembly has not yet acted upon its recommendation of the graduation of Equatorial Guinea from the list of least developed countries.

By its resolution E/2009/35, the Economic and Social Council requested the Committee for Development Policy to monitor the recent progress of countries earmarked for graduation from the least developed country category, and to include its findings in its annual report to the Council. Samoa and the Maldives are earmarked for graduation. The present report also includes Equatorial Guinea in anticipation of action on that country by the General Assembly, whose recommendation for graduation was endorsed by the Council in July 2009.

The current global crisis adversely affected all three countries in 2008 and 2009. The impacts of the crisis, however, do not appear to be large enough to derail Equatorial Guinea and Maldives from their smooth transition to non-least developed country status. Samoa, on the other hand, suffered human and economic losses from a tsunami that hit the country in September 2009, which is further evidence of the country's vulnerability to natural disasters. The effects of the tsunami seem to have disrupted economic activities, at least for the short term. With the recovery of the global economy, Equatorial Guinea and Maldives are expected to register pos-

itive growth rates, while the economic outlook of Samoa is uncertain.

The outlook for Equatorial Guinea is favourable. After contracting in 2009, gross domestic product is expected to grow in 2010 and 2011, as a result of higher oil revenues. High per capita income can be maintained as the Government continues to adopt prudent economic policies and promotes the diversification of the economy and the development of human resources and social welfare.

Maldives remains economically vulnerable. This fact underscores the importance of continued support from the international community to assist the country in implementing the strategy that it is formulating with its development partners to ensure a smooth transition from the least developed country category by maintaining and/or increasing market access and facilitating financing and development assistance. While the outlook is cautiously positive, it is contingent on the revitalization of the world economy and the successful implementation of the new economic policy measures of the Government of Maldives.

* Excerpt from Committee for Development Policy, Report on the nineteenth session, See Official Records of the Economic and Social Council, 2010, Supplement No. 13 (E/2010/33)

About 150 people lost their lives in Samoa, and a large portion of the population became homeless as a result of the tsunami in 2009. Yet, the country's gross national income per capita will likely remain above the threshold level for graduation from the least developed country category. Economic activity, however, will suffer from the disruption, with the tourism sector being the most affected. Economic growth is expected to recover strongly as reconstruction takes place with international assistance, but the outlook is subject to much uncertainty and depends on reconstruction efforts. In this regard, the Committee draws attention to paragraph 4 of resolution 59/209, in which the General Assembly invites graduating countries, in cooperation with bilateral and multilateral development and trading partners and with the support of the United Nations system, to prepare a transition strategy.