

# Progress towards graduation

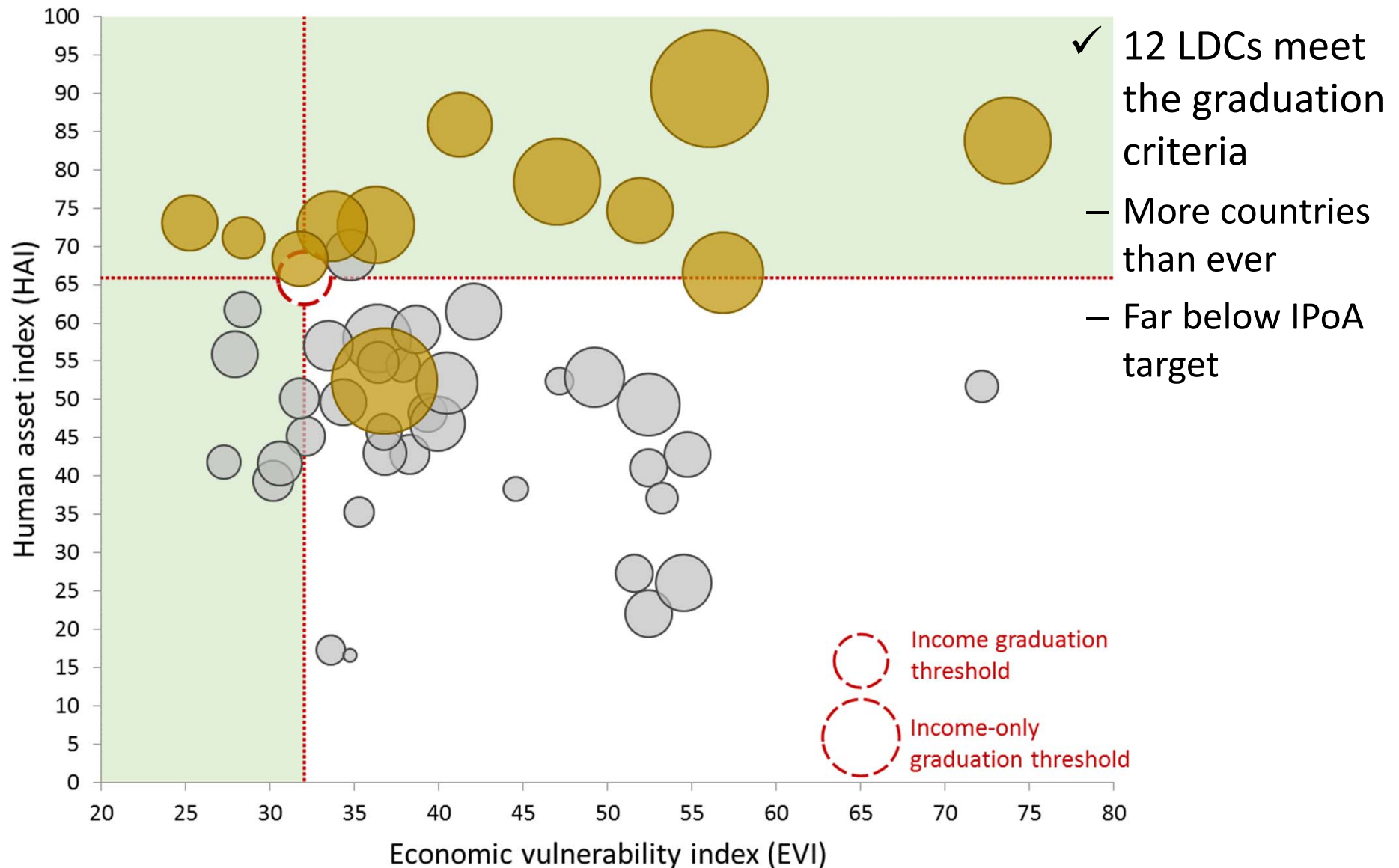
## Session 1

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Secretary

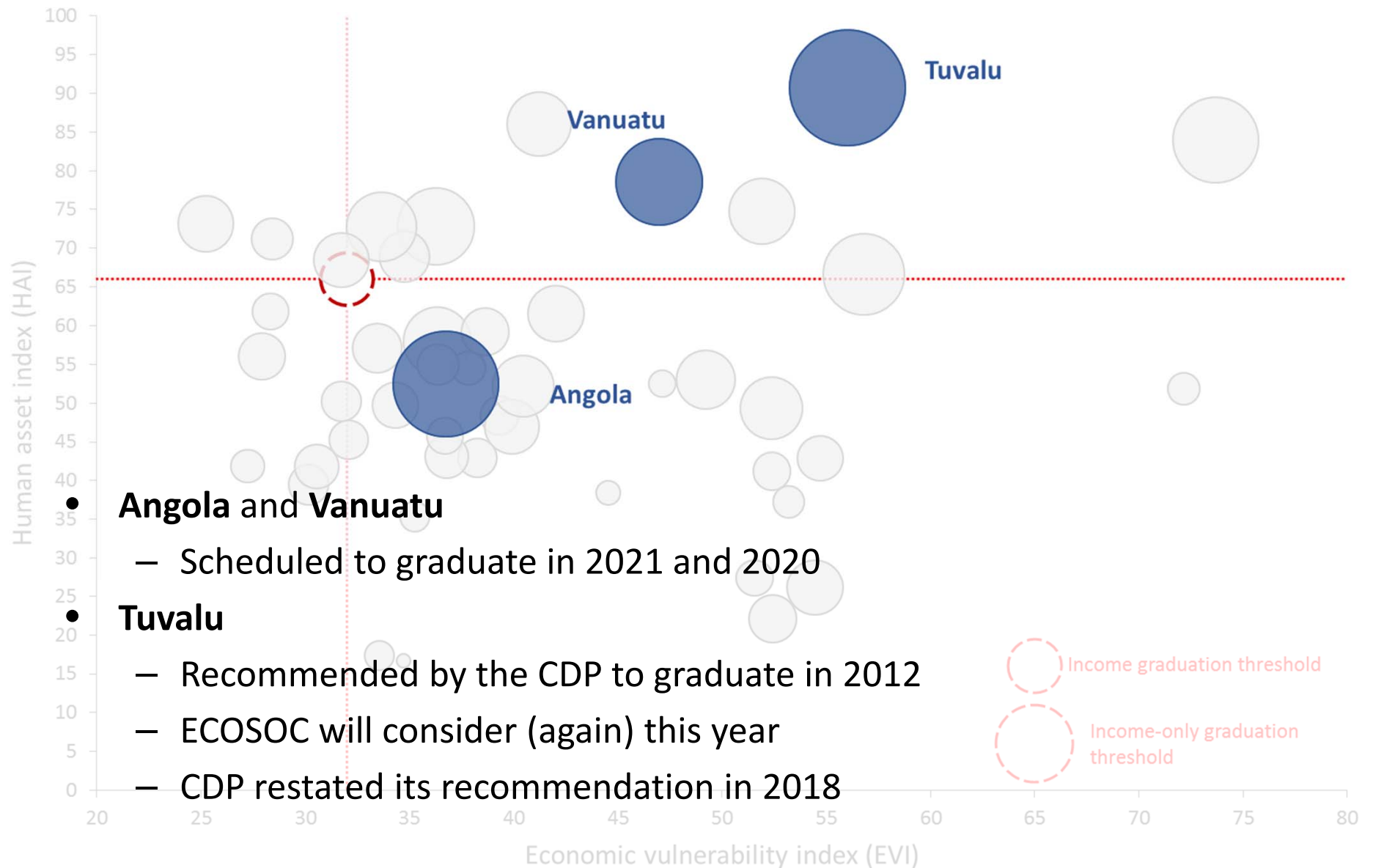
Committee for Development Policy (CDP)  
Glen Cove, 29 June 2018



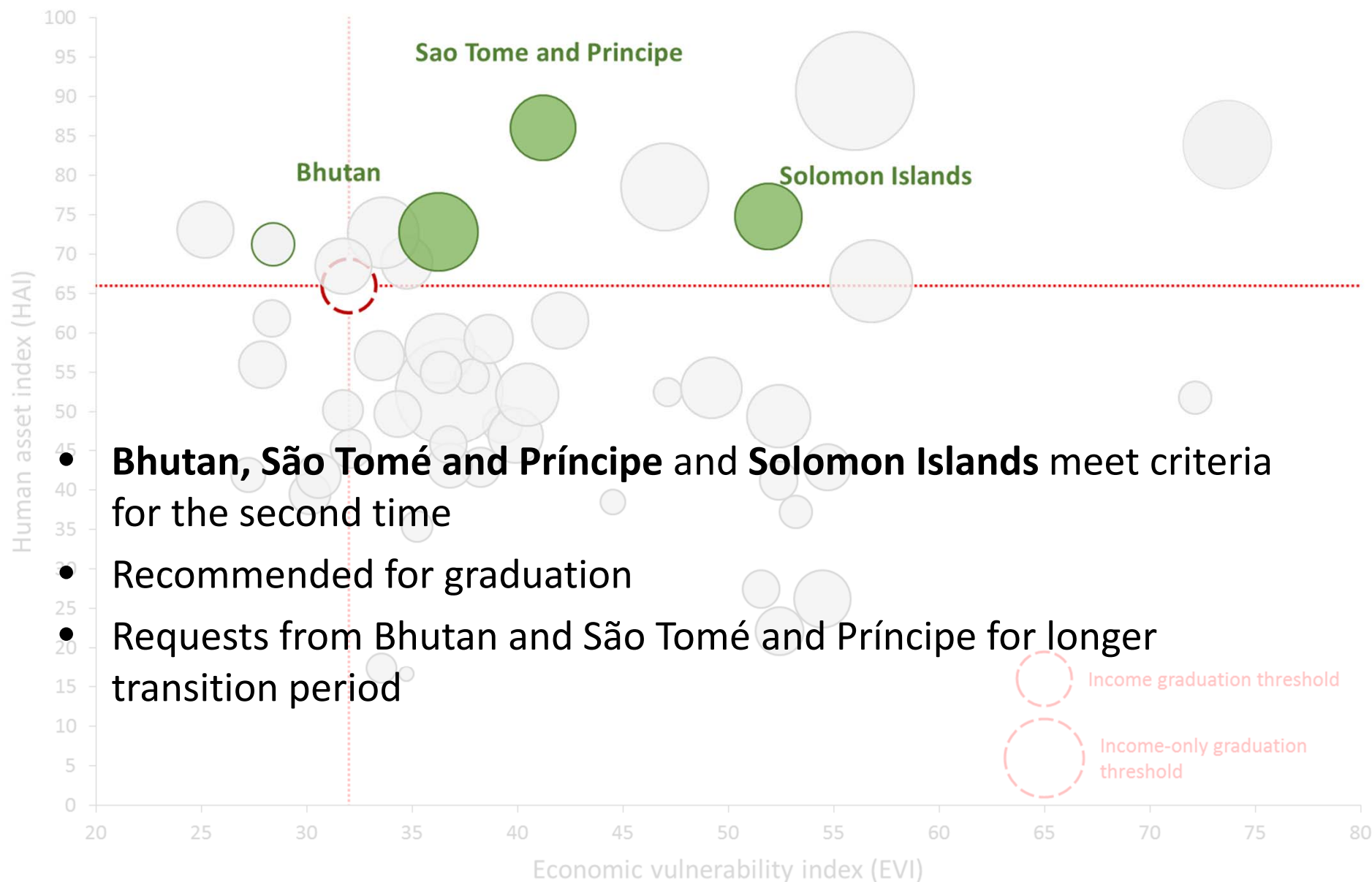
# Triennial review results– overview



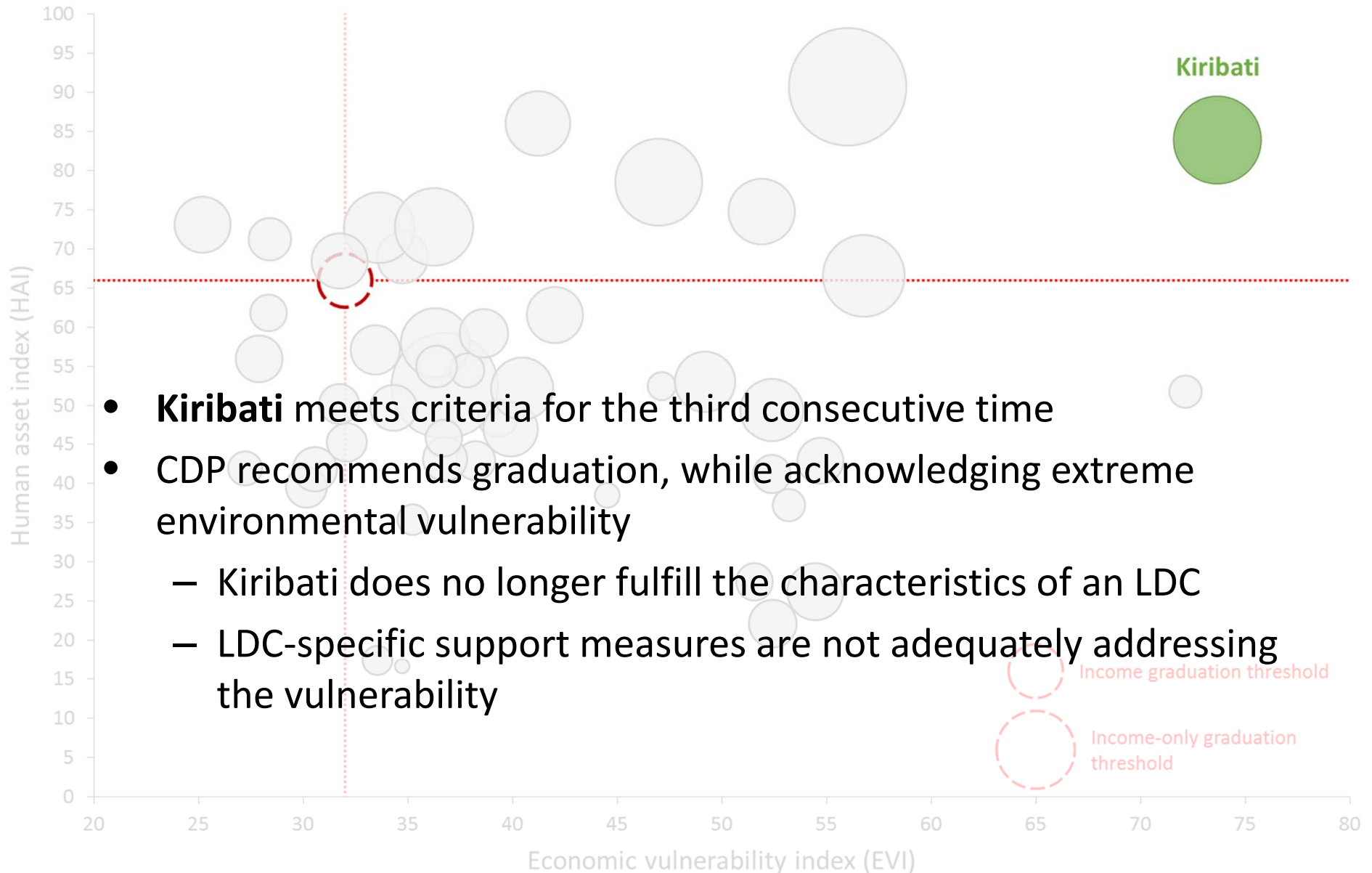
# Graduation – past decisions



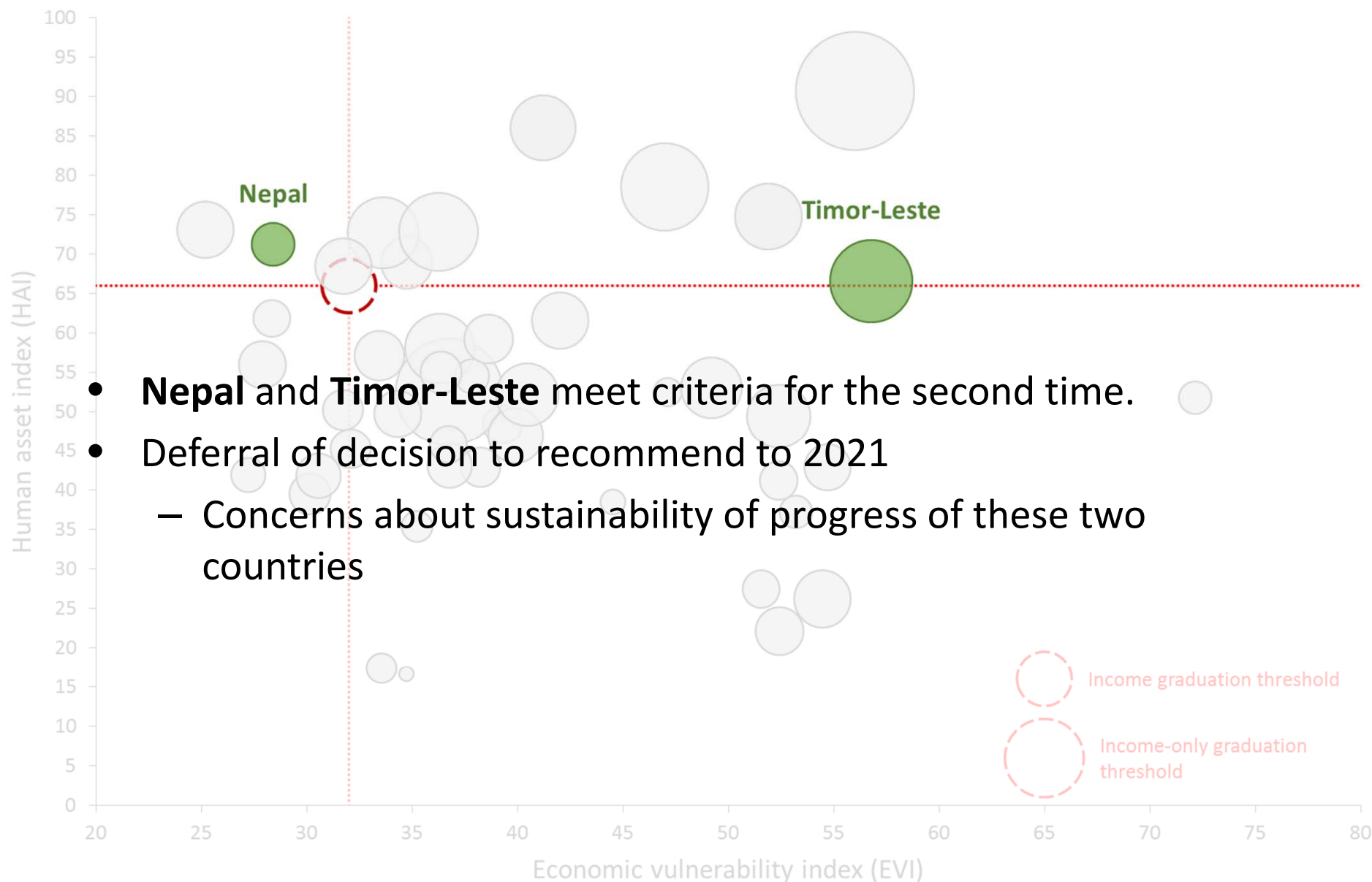
# Graduation – recommendations (I)



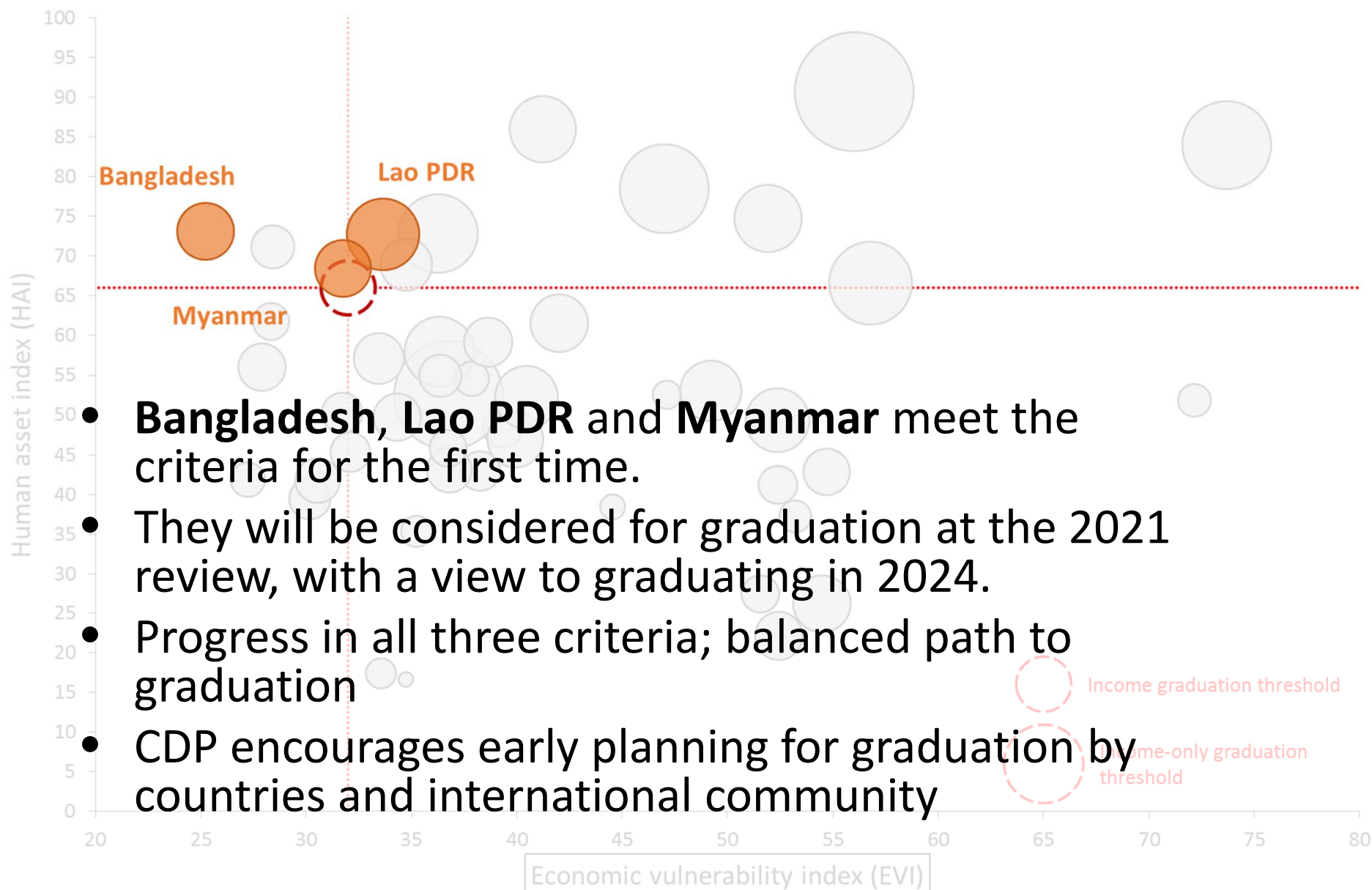
# Graduation – recommendations 2018 (II)



# Graduation – deferred decisions



# Graduation – first eligibility 2018





## Context: Challenge for graduating countries



- LDCs general concern of losing access to ISMs  
(graduated countries may face reduced support or no longer have access to certain support measures in trade, official development assistance and other areas)
- Uncertainty surrounding the loss of ISMs (lack of knowledge)
- LDC graduates still face development constraints and challenges  
(The relative improvement in their situation does not imply that international support is no longer important).

## Absence of link between results achieved by graduating countries, and incentives to encourage further results

- So far, measures put in place by the international community are at best smooth transition measures (a delay in the loss of LDC-specific support, rather than appropriate incentives designed for countries that are no longer going to be LDCs).

## Opportunity

- Identify an assistance package for graduating and recently graduated LDCs, including analytical inputs, advisory services and new forms of concrete development cooperation aimed at smoothing the impact of graduation.



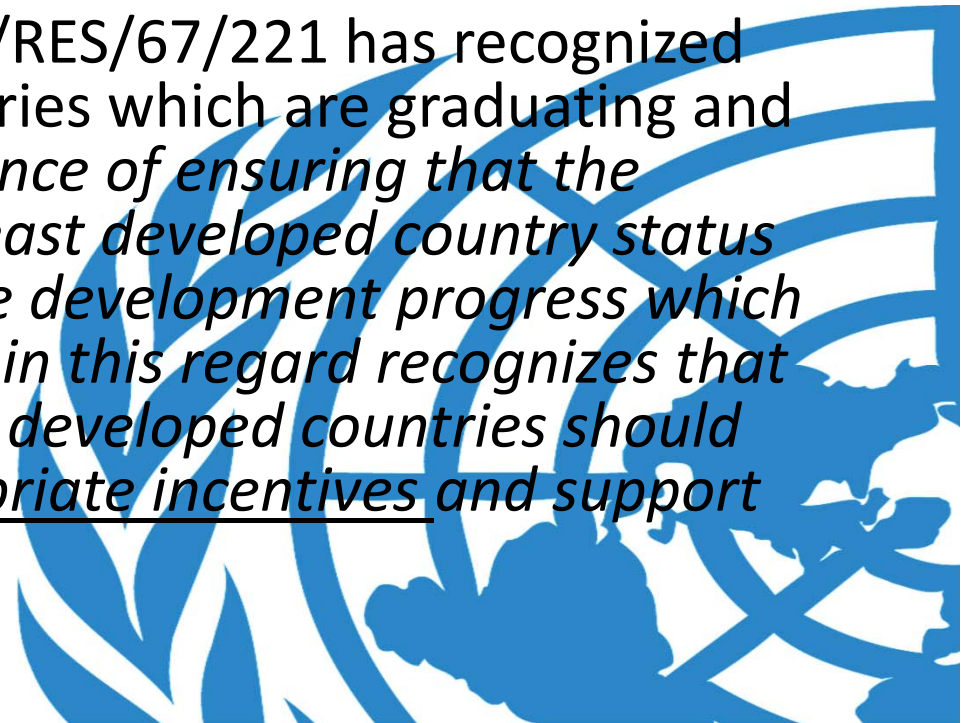


## Objectives of the assistance package

- i) Send a signal to countries that graduation is a positive moment in their development process;
- ii) Show with concrete assistance that the international community stands ready to support countries to transition to the next level of development and towards achieving the SDGs.

## Mandate

General Assembly resolution A/RES/67/221 has recognized the challenges related to countries which are graduating and has reiterated “[...] *the importance of ensuring that the graduation of a country from least developed country status does not cause disruption in the development progress which that country has achieved, and in this regard recognizes that the graduation process of least developed countries should include consideration of appropriate incentives and support measures [...]*”.



- Opportunities/challenges sustainable graduation
- How to cope with phasing out ISMs
- Reduce dependence on external support
- Development partners focus in preparation of graduation

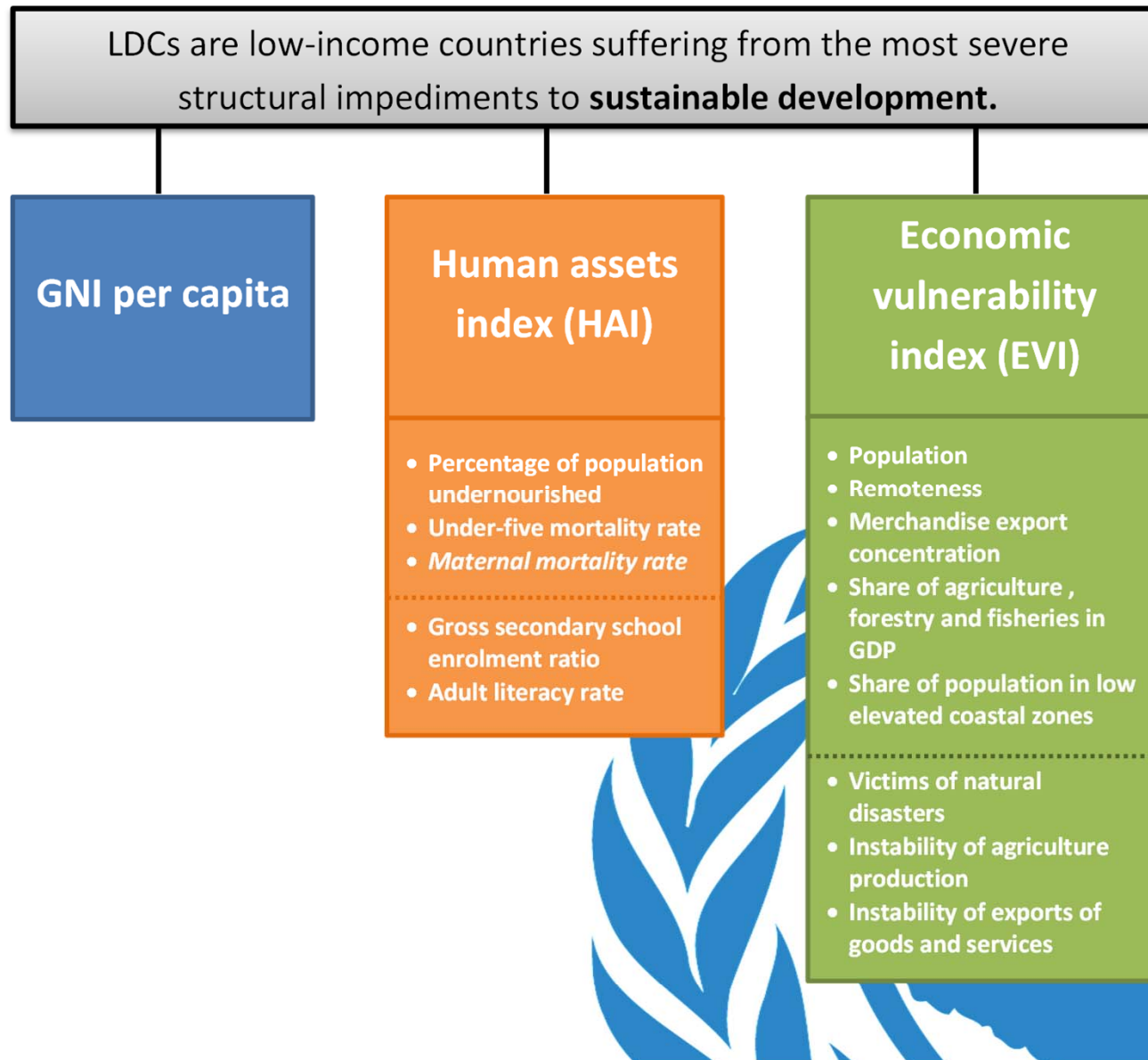




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# LDC criteria and indicators



# Basic eligibility rules

- **Inclusion**

- Country meets inclusion thresholds for all three criteria
- Country must agree to its inclusion
- **No country recommended for inclusion in 2018**

- **Graduation**

- Country passes thresholds of any 2 criteria
  - **GNI** and **HAI** ; or
  - **GNI** and **EVI** ; or
  - **HAI** and **EVI** .
  - Or: Income > twice income graduation threshold
- Country must meet criteria at **two consecutive reviews**
- No automatism: **impact assessment, vulnerability profile, country views** taken into account



# Application of criteria

- Data collected for all 145 UN Member States in developing regions
  - Most data from UN sources
  - All data available at [cdp.un.org](http://cdp.un.org)
- Thresholds:
- **GNI per capita** (2014-2016 average, in \$ using Atlas exchange rates)
  - Inclusion: **\$1,025** and below
  - Graduation: **\$1,230** and above
  - 'Income only' graduation: **\$2,460** and above
- **Human assets index**
  - Inclusion: **60** and below
  - Graduation: **66** and above
- **Economic vulnerability index**
  - Inclusion: **36** and above
  - Graduation: **32** and below

