



# The Least Developed Country Category: Overview



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# Overview

1. The CDP and its Secretariat
2. The LDCs
3. The criteria
4. The process
  1. Inclusion
  2. Graduation
5. Preparation and Smooth transition

# 1. The CDP and its Secretariat

**CDP** : Subsidiary body of ECOSOC (resolution 1998/46)

- Policy advice
- Identification of LDCs:
  - Triennial reviews
  - Methodology and process
  - Monitoring of graduating and graduated LDCs

**CDP Secretariat** (DESA/DPAD):

- Dissemination of CDP work
- Substantive support
- LDC Portal on support measures

## 2. The LDCs

2014	➡	Samoa
2012	➡	South Sudan
2011	➡	Maldives
2007	➡	Cape Verde
2003	➡	Timor-Leste
2000	➡	Senegal
1994	➡	Botswana
	➡	Angola, Eritrea
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
1977	➡	Cape 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, Sikkim, Somalia, Sudan, Uganda, United Republic of Tanzania, Yemen

- ➡ Countries consistently lagging behind
- ➡ Category created in 1971
- ➡ Special measures for catching up with other developing countries
- ➡ From 25 to 49 Countries
- ➡ 12 from ESCAP
- ➡ 3 (4) graduations

# What is an LDC?

- ➔ Low-income countries + facing structural handicaps to sustainable development
- GNI per capita (as a measure of income)
- Structural impediments to **sustainable development**:
  1. Level of human development measured by the Human Asset Index (HAI),
  2. Structural vulnerability to shocks proxied by the Economic Vulnerability Index (EVI)

# Selecting indicators: requirements

- Relevance
- Observations
- Methodologically robust
- Comparable
- Coverage
- Frequency

# 3. The criteria

## 1. GNI per capita

## 2. HAI

(equal weights)

- % undernourished
- U5MR
- Gross secondary enrolment
- Adult literacy

## 3. EVI

### a. Exposure index

- Smallness: Population (1/4)
- Location: Remoteness (1/8)
- Structural:
  - Export concentration (goods) (1/16)
  - Agric., Forestry and Fisheries (% GDP) (1/16)

### b. Shock index

- Natural shock:
  - Homelessness (1/8)
  - Agricultural production (1/8)
- Trade shock: Exports of goods and services (1/4)

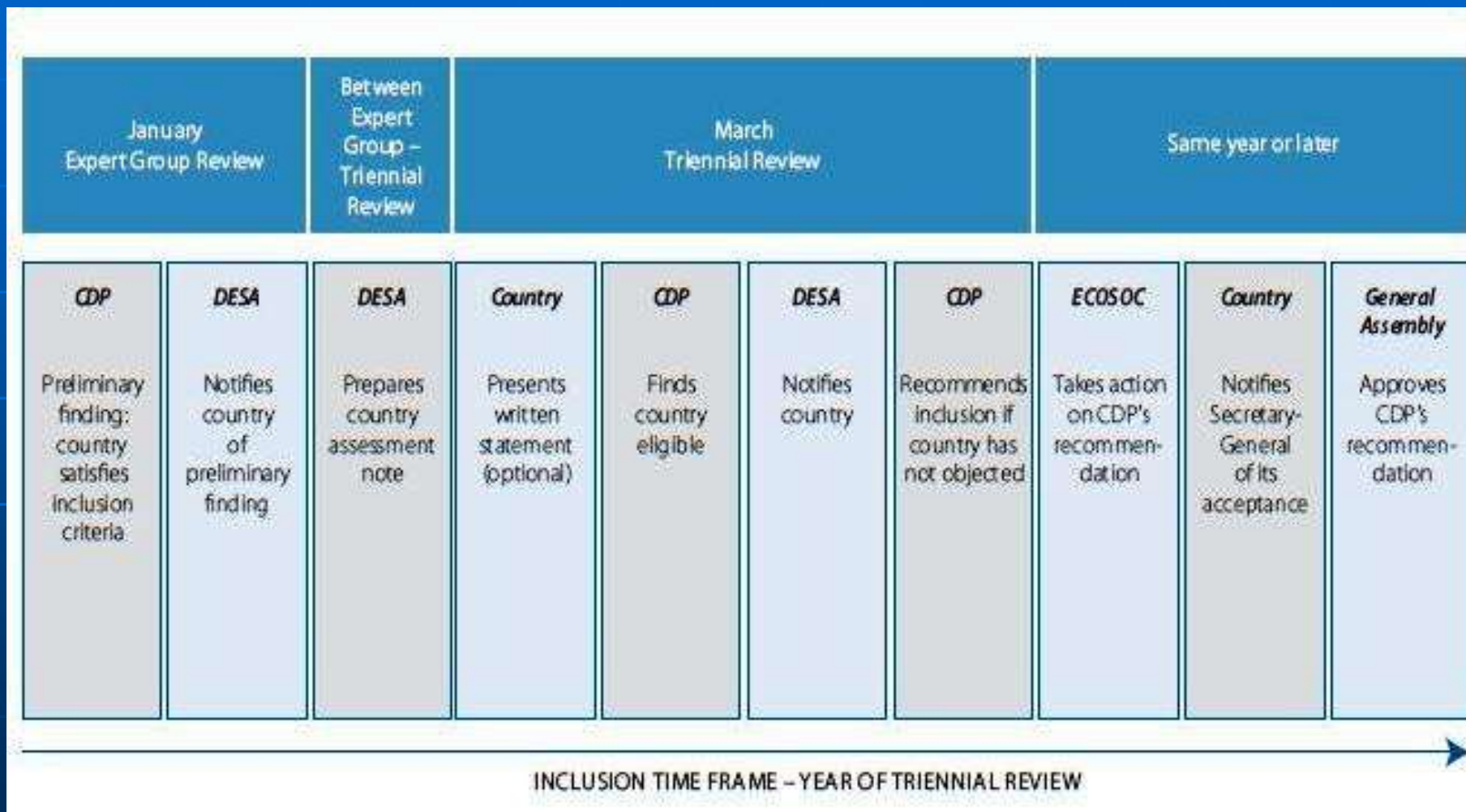


# 4. The process: inclusion

- ✓ Country satisfies 3 criteria
- ✓ Population < 75 million
- ✓ Recommended by the CDP
- ✓ Country agrees to inclusion
- ✓ Endorsed by ECOSOC and UNGA
- ✓ Effective immediately



# Inclusion time frame



# Special Support Measures for LDCs

## **A. Official Development Assistance:**

- ⇒ Financial flows and technical assistance
- ⇒ Bilateral and multilateral donors

## **B. International trade:**

- ⇒ SDT on WTO obligations
- ⇒ Market Access

## **C. Other forms of support:**

- ⇒ Caps contribution to UN budget, PKO discount contributions
- ⇒ Travel funds
- ⇒ Others

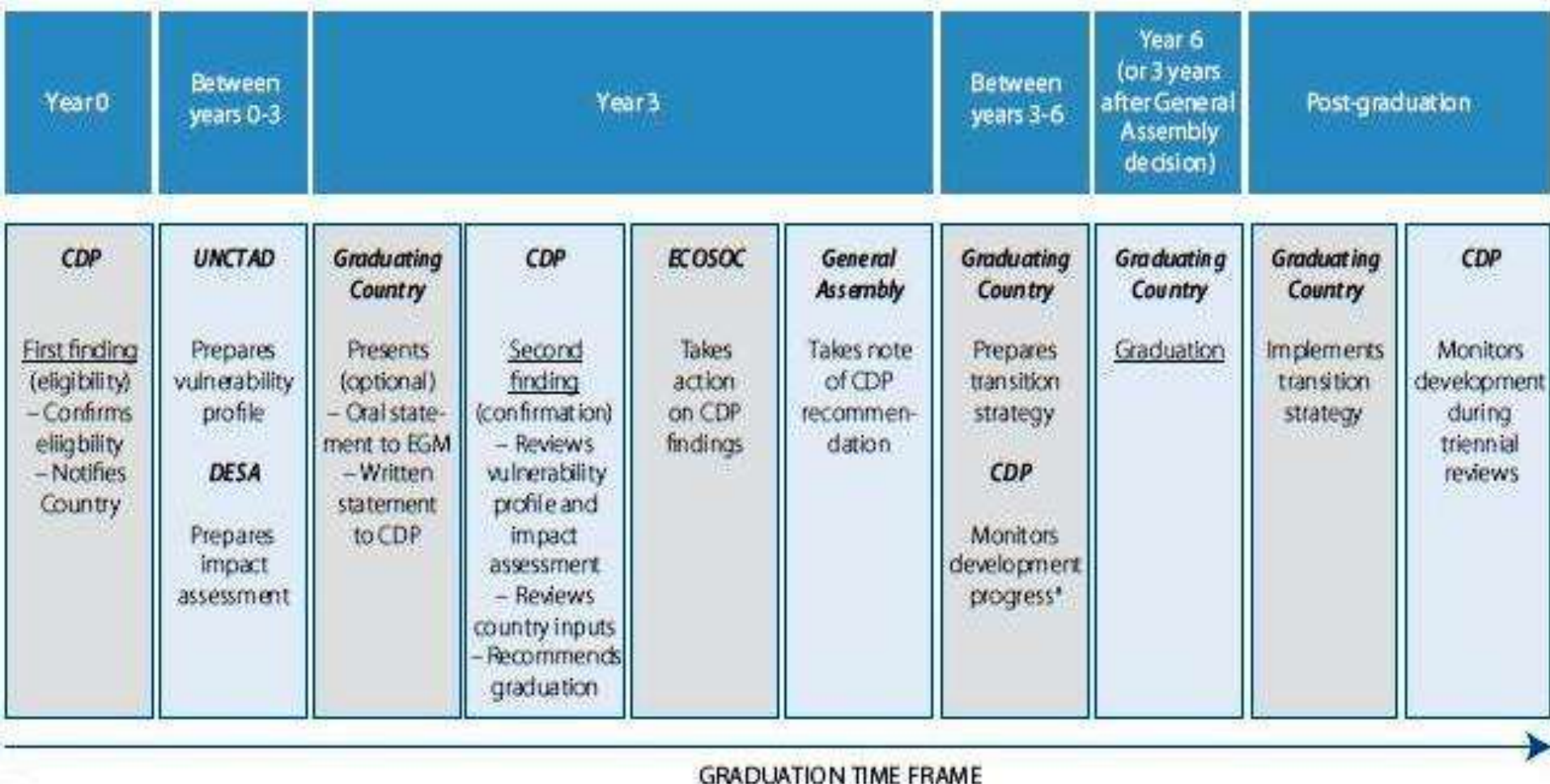
⇒ Since 1981, support by the development partners framed by the Programmes of Action for LDCs

# 4. The process: graduation

## Asymmetries:

- ✓ Graduation > Inclusion
  - ✓ Country to meet any 2 criteria or income > double graduation threshold
  - ✓ Eligibility ascertained twice
    - ✓ Not mechanical:
      - Country consultations
      - DESA ex-ante impact assessment
      - UNCTAD vulnerability profile
  - ✓ Country need not to agree
- 
- Recommended by CDP
  - Endorsed by ECOSOC
  - Taken note by the UNGA
  - Graduation effective after 3 years

# Graduation time frame





# 5. Preparation and smooth transition

## Preparation:

- Graduating country: prepares transition strategy with partners
- CDP: monitors development progress
- Country still LDC with access to LDC specific support

## ★GRADUATION★

## Smooth transition:

- Graduated country: implements smooth transition strategy
- Development and trading partners: provide support for the transition
- CDP: monitors development