

Comprehensive Review of the Least Developed Country identification criteria

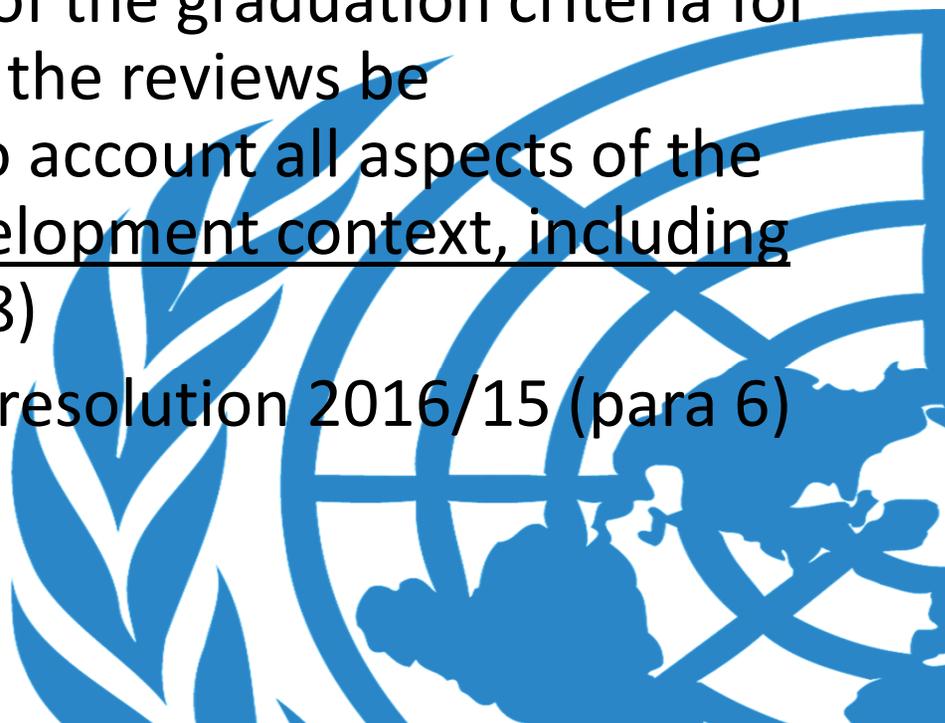
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20-24 March 2017



Mandate

- Comprehensive High-level Midterm Review of the Implementation of the Istanbul Programme of Action (IPoA), Antalya, June 2016
- Member States resolved to “recognize the importance of the reviews by the CDP of the graduation criteria for the LDCs, and recommend the reviews be comprehensive, taking into account all aspects of the evolving international development context, including relevant agendas”. (para 48)
- Reiterated by the ECOSOC resolution 2016/15 (para 6)



Structure of presentation

- LDC criteria and international agendas
- CDP work programme
- Comprehensive review of the LDC criteria
- Summary



LDC criteria and international agendas

- Current LDC criteria
- Application of the LDC criteria
- Principles of LDC criteria review
 - Inter-temporal consistency
 - Stability
 - Flexibility
 - Methodology and data



Relevant international policy agendas

- 2030 Agenda for Sustainable Development
- Addis Ababa Action Agenda
- Paris Agreement under the United Nations Framework Convention on Climate change
- Sendai Framework for Disaster Risk Reduction 2015-2030
- Istanbul Programme of Action



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CDP work programme

1. Review basic structure of LDC criteria and its application principles;
2. Assess to which extent the LDC indicators reflect global agendas and identify areas of insufficient coverage;
3. Assess to which extent indicators used for monitoring relevant agendas reflect structural impediments to sustainable development;
4. Assess whether incorporation of indicators identified in step 3 improves identification of LDCs;
5. Identify additional indicators and assess whether their incorporation improves identification of LDCs;



	Comprehensive criteria reviews	Timeframe
Phase 1	Step 1: Basic structure and principles	March 2017
	Adoption of criteria for 2018 review	March 2017
	Step 2: Identify areas insufficiently covered by LDC criteria (a) Agenda 2030	(a) March 2017 (Preliminary); July 2018 (Final)
Phase 2	(b) Other agendas	(b) October 2018
	Step 3: Review of areas for measuring additional structural impediments (a) Agenda 2030 (b) Other agendas	(a) July 2018 (b) October 2018
	EGM to prepare revised criteria for 2021 review	November 2018 (tentative)
	Step 4: Assess candidate indicators for LDC criteria	December 2018 December 2019 (update)
	Step 5: Assess additional indicators	December 2018 December 2019 (update)
	Interim review of revised criteria	March 2019
	Adoption of revised criteria for 2021 review	March 2020

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Step 1: Reviewing basic structure and application principles of LDC criteria

- Three criteria to identify LDCs since 1971: one on income and two on structural impediments.
- Multi-dimensional criteria
- The agendas do not provide any additional guidance on:
 - the number of criteria
 - asymmetries between graduation and inclusion
 - the threshold rules
- Inter-temporal consistency and stability. CDP review in 1991, 1999, 2000, 2005, and 2008.
- **Conclusion: the basic structure of LDC criteria and application principles remain valid in the evolving international development context.**
- Adoption of criteria and procedure for 2018 triennial review



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Step 2: Identifying areas of sustainable development insufficiently covered by LDC criteria

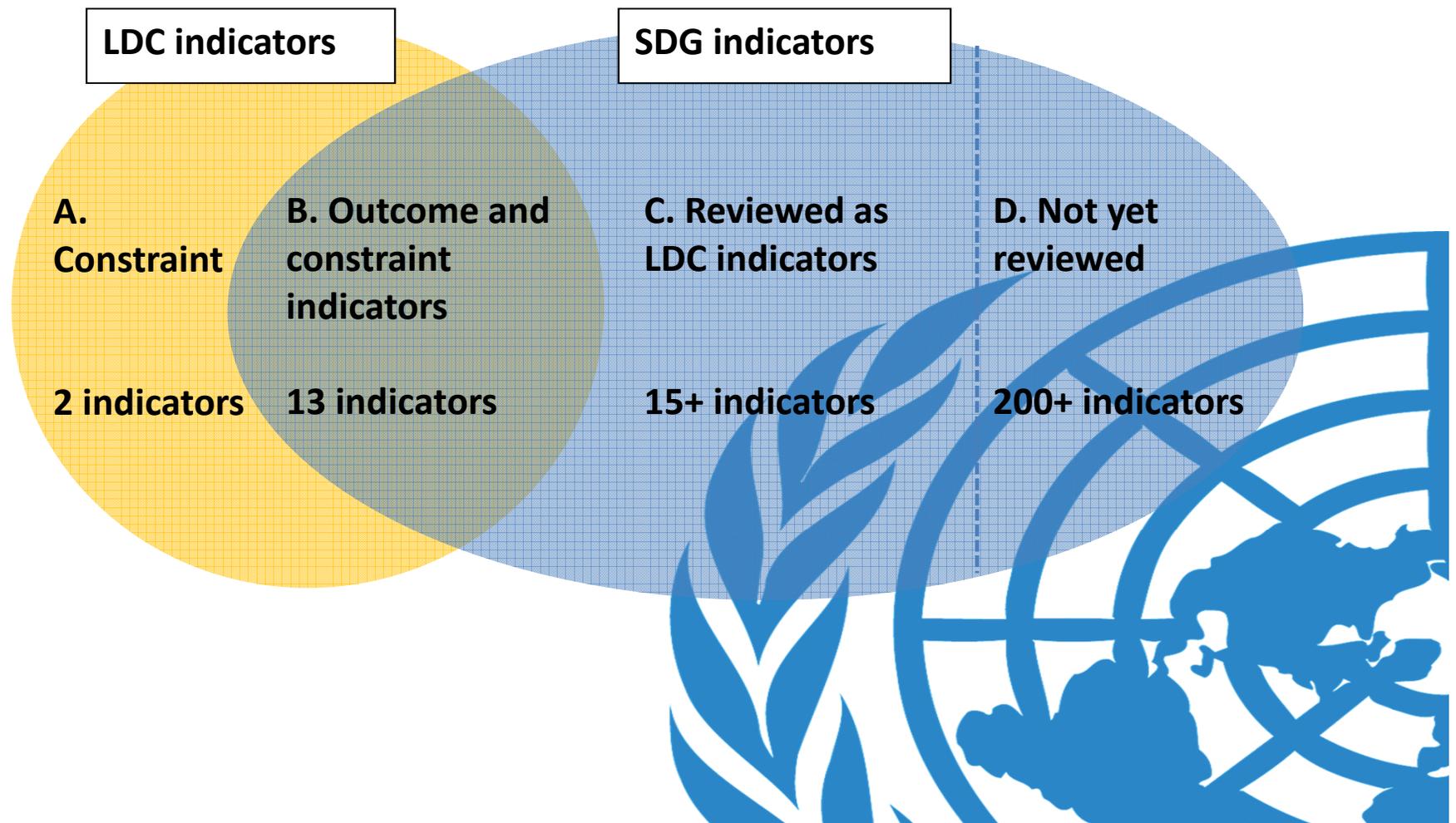
(a) Agenda 2030

Two fundamental differences:

1. Agenda 2030 (as the other agendas) are agendas for action while LDC criteria are on constraints.
2. Agenda 2030 is more detailed - 169 targets with 230 indicators-, while LDC criteria use 13 indicators



Linkages between LDC indicators and SDG indicators



SDG targets and indicators related to LDC criteria (current and reviewed)

SDG	Income	HAI	EVI	Reviewed in the past
1. No Poverty				
2. Zero Hunger				
3. Good Health and Well-being				
4. Quality Education				
5. Gender Equality				
6. Clean Water and Sanitation				
7. Affordable and Clean Energy				
8. Decent Work and Economic Growth				
9. Industry, Innovation and Infrastructure				
10. Reduced Inequality				
11. Sustainable cities and Communities				
12. Responsible Consumption and Production				
13. Climate Action				
14. Life Below Water				
15. Life on Land				
16. Peace, Justice and Strong Institutions				
17. Partnerships for the Goals				

Note: Light blue 1 SDG indicator matched; Blue 2 SDG indicators; Dark blue 3 or more indicators

Step 2: Identifying areas of sustainable development insufficiently covered by LDC criteria

(b) Other agendas

- done by October 2018 to identify certain policies areas that are not covered or insufficiently by the LDC indicators.



Step 3: Review of areas for measuring additional structural impediments

(a) Agenda 2030

- By July 2018, assess whether the areas in Agenda 2030 identified in step 2 (not adequately incorporated in the LDC criteria) reflect severe structural impediments faced by LDCs.
- For instance, SDG 16 (peace), are not covered by LDC criteria, but targets and indicators are more geared to policy formulation and implementation, not necessarily related to structural impediments.

(b) Other agendas

- Done by October 2018



Step 4: Assess “candidate” indicators

- Review data availability and methodological soundness.
- Only the indicators that are assessed positively will be assessed further with regard to the principles of stability in the criteria.
- Afterwards, the principle of inter-temporal consistency of the list will be explored through simulation of hypothetical reviews with possible new indicator sets.
- To be done by December 2018.
- Update by December 2019.



Preview of step 4

The Inter-agency and Expert Group on SDG Indicators (IAEG-SDGs) classified SDG indicators into three tiers based on their level of methodological development and data availability :

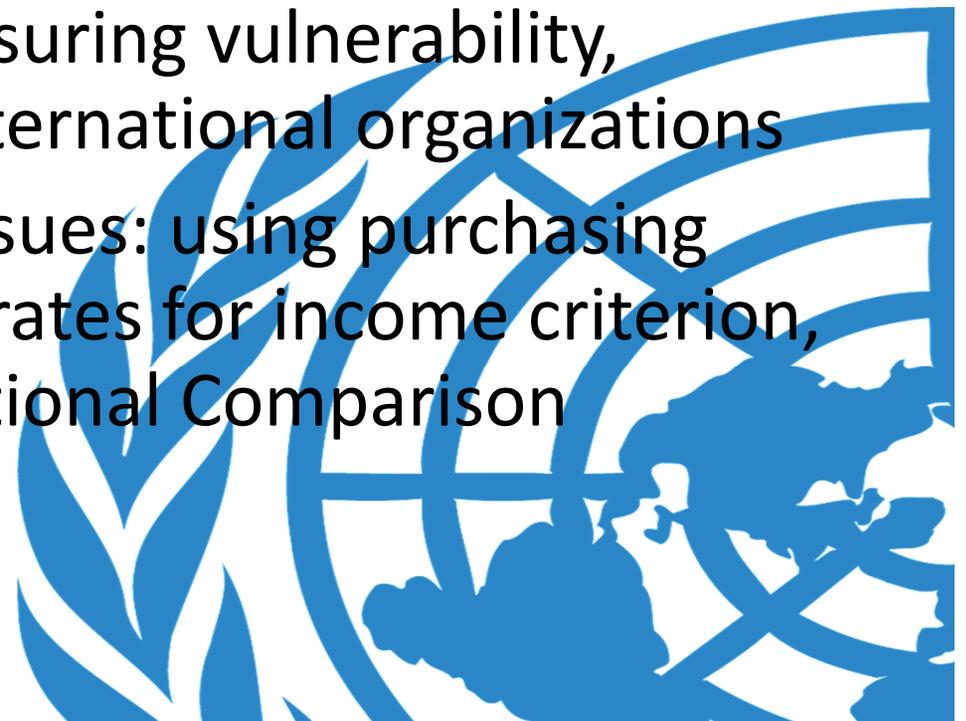
- Tier 1: conceptually clear, established methodology and standards, data regularly produced;
- Tier 2: conceptually clear, established methodology and standards, but data are not regularly produced;
- Tier 3: methodology and standards not established or being developed/tested.



SDG	Targets	Indicators related to current LDC criteria	Indicators related to past CDP reviews	Data Tier
12. Ensure sustainable consumption and production patterns	12.1			III
	12.2		12.2.2	II,III
	12.3			III
	12.4			I,III
	12.5			III
	12.6			III
	12.7			III
	12.8			III
	12.a			III
	12.b			III
	12.c			III
13. Take urgent action to combat climate change and its impacts	13.1	13.1.2		II
	13.2			III
	13.3			III
	13.a			III
	13.b			III

Step 5: Assess additional indicators

- Assess indicators used in other related global monitoring processes or frequently used in the relevant literature
- Example: the newly initiated inter-agency technical group on measuring vulnerability, composed of various international organizations
- Reassess outstanding issues: using purchasing power parity exchange rates for income criterion, related to 2017 International Comparison Programme (ICP)



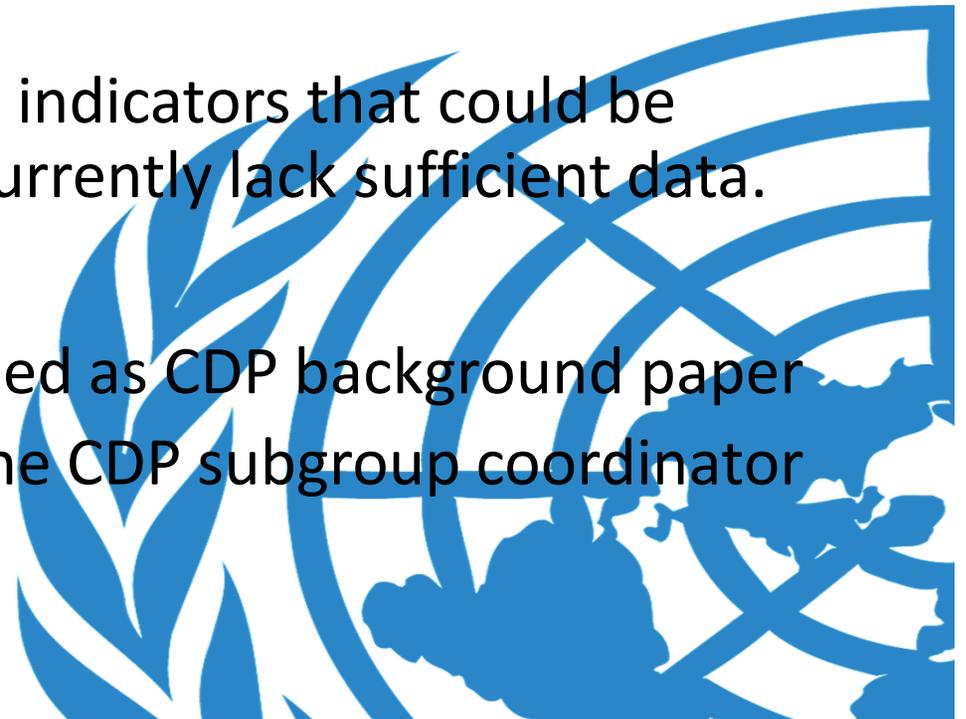
Summary

- Objective: comprehensive review of LDC criteria, taking into account all aspects of the evolving international development context, including relevant agendas, such as the Agenda 2030, IPoA, 4A, Sendai Framework, and the Paris Agreement.
- Plan: multi-year work programme 2017-2019
- Five steps:
 - (1) Review basic structure and application
 - (2) identify areas of insufficient coverage
 - (3) Assess structural impediments to sustainable development
 - (4) Assess whether incorporation of indicators improves identification of LDCs
 - (5) Identify additional indicators



Summary (cont)

- Preliminary results
 - Step 1: Validate the basic structure and application
 - Step 2: LDC indicators cover a large part of the SDGs, but also identifies certain SDGs that are not (or only partially) covered.
 - Step 4: a number of SDG indicators that could be assessed in the future, currently lack sufficient data.
- Moving forward
 - Detailed analysis published as CDP background paper
 - Secretariat works with the CDP subgroup coordinator





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