



Improved assistance for graduating and graduated least developed countries *

The Committee for Development Policy has made a number of recommendations in chapter VII of the present report to improve the framework in support of graduated and graduating countries. The Committee

will, in collaboration with relevant graduating countries and development and trading partners, further develop and pilot the recommendations as part of its work programme for 2019 and report on its findings in 2020.

The Committee emphasized that many least developed countries were concerned about the prospect of graduation and losing international support measures. The Committee underscored that it was important to provide an incentive to those countries that qualify to graduate from the category. While graduation is a milestone in development progress, graduated countries continue to face the risk of external shocks and challenges, which should be taken into account systematically to ensure a smooth transition. The

Committee therefore calls for the strengthening of smooth transition provisions, an improved graduation process, enhanced and more coordinated support by United Nations entities, additional efforts by graduating countries and their trading and development partners and dedicated capacity-building. The Committee also underscored the importance of prioritizing graduation at the political level. The following proposals and pilot recommendations were agreed upon by the Committee for follow-up.

Strengthening smooth transition measures

Smooth transition measures that have already been agreed upon by the international community should be urgently implemented. The extension by development and trading partners of specific support for least developed countries for a fixed period of time after graduation would greatly reduce uncertainty about the effects of graduation. Hence, partners that do not yet

grant predictable smooth transition provisions should be encouraged to do so, particularly with regard to trade-related support measures. The Committee also looks forward to an agreement on enhanced smooth transition for specific support measures for least developed countries provided under the United Nations Framework Convention on Climate Change.

Piloting a graduation assessment

The Committee decided that there should be one consolidated United Nations voice and assessment regarding graduation from the least developed countries category. While preserving their respective strengths and integrity, the impact assessments currently prepared by the Department of Economic and Social Affairs of the United Nations Secretariat and the vulnerability profiles

currently prepared by the United Nations Conference on Trade and Development (UNCTAD) should be merged into one consolidated document – a graduation assessment – and enriched with inputs from the country identified for graduation, the members of the inter-agency task force on graduation of least developed

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countries, the United Nations country team and other relevant organizations, as well as bilateral development and trading partners. The secretariat of the Committee, in close consultation with partners, will develop the outline, coordinate the graduation assessment and compile inputs from the entities involved for submission to the Committee. The Committee also recommended

United Nations support

The Committee decided that there should be one consolidated United Nations voice and assessment regarding graduation from the least developed countries category. While preserving their respective strengths and integrity, the impact assessments currently prepared by the Department of Economic and Social Affairs of the United Nations Secretariat and the vulnerability profiles. The Committee recommended that, under the guidance of the Development Coordination Office and the leadership of the resident coordinator (in line with General Assembly resolution 67/221), the United Nations country team establish a country task team on graduation when a country is first found eligible for graduation. The task team should include all the main multilateral and bilateral development partners (including international financial institutions) operating in the country and receive input from the inter-agency task force, which coordinates efforts at the international level.

The Committee noted that, in the context of the current reform of the United Nations development system, the United Nations country teams are being called upon to produce better and more integrated policy advice, tackle programmatic challenges and cross-border issues more successfully, ensure better transparency and achieve

Country coordination

The Committee recommended that graduating countries establish a country-level graduation focal point, preferably the senior government official who is the existing focal point for the Programme of Action for the Least Developed Countries, to provide inputs to the preparation of the graduation assessment, identify the support needed and coordinate the seeking of support. The Committee also recommended that the graduating country present its graduation challenges and provide inputs to the work of the United Nations country team and the country task team on graduation, as well as to the meeting on graduation support organized by the

Involving development and trading partners

The Committee emphasized that bilateral and multilateral development partners (including

that, in view of the fact that the triennial review is to be conducted in 2021, the graduation assessment combine the existing reports on Bangladesh into one report and that the secretariat of the Committee, UNCTAD and other entities pilot the early and consolidated graduation assessment proposal for the Lao People's Democratic Republic and Myanmar.

better results. The Committee noted that, under the reform, the new United Nations Development Assistance Framework is a central living document to assist all countries in achieving the Sustainable Development Goals, and that all United Nations entities will feed into it.

The Committee recommended that the resident coordinator, based on the consolidated draft graduation assessment and the work of the country task team on graduation, organize a country-level meeting on graduation support. The meeting should involve development partners and include the inter-agency task force on graduation of least developed countries to provide in-depth knowledge of the process and facilitate learning from the experiences of graduated countries.

The Committee also recommended that the Department of Economic and Social Affairs, in partnership with the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, organize a dedicated session on graduation at the Development Cooperation Forum or other appropriate intergovernmental forums to allow graduating and recently graduated countries to present their experiences and requirements for support, and development and trading partners to highlight their efforts.

country team on actions to be taken by development partners in support of the country's graduation.

The Committee reiterated that to facilitate the preparation of the transition strategy and the identification of associated actions, the country should establish a consultative mechanism with development and trading partners, which can be supported, if the country so requests, by the United Nations country team, and that the consultative mechanism should be integrated with other relevant consultative processes and initiatives between the graduating country and its development partners.

international financial institutions) should actively participate in the consultative mechanism. In the

mechanism, partners should not only agree on financial commitments, including concessional financing, but also on the most appropriate cooperation modalities and instruments for each stage of the graduation process. The mechanism should be closely aligned to United Nations processes.

The Committee reiterated that to facilitate the preparation of the transition strategy and the identification of associated actions, the country should establish a consultative mechanism with development and trading partners, which can be supported, if the country so requests, by the United Nations country team, and that the consultative mechanism should be integrated with other relevant consultative processes and initiatives between the graduating country and its development partners. The Committee recommended that the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD) design a toolkit for supporting graduating and graduated least developed countries. Given the fact that least developed countries also receive cooperation from non-OECD countries, an appropriate consultation and participation process could also be established to involve those countries in the design of the toolkit.

The Committee recommended that discussions about trade measures between a graduating least developed

Dedicated capacity-building

The Committee recommended that capacity development work be undertaken in support of graduating and graduated countries. In this connection, the Committee requested its secretariat, as part of its capacity development activities and in close collaboration with other relevant United Nations entities, to explore the creation of a graduation support facility. The objective of such a facility would be to assist in

The way forward

The Committee noted that the pilot recommendations are also highly relevant to the preparations for the new programme of action for the least developed countries for the decade 2021–2030, which are addressed in chapter VIII of the present report.

country and its trading partners should start immediately after a country is first found eligible for graduation and that trading partners also consider alternative market access solutions for the post-graduation period, such as free trade agreements and preferential market access arrangements that are not specific to least developed countries.

In line with General Assembly resolutions 59/209 and 67/221, the Committee underlines the importance of extending to graduated countries the existing special and differential treatment measures and exemptions available to least developed countries under various World Trade Organization (WTO) agreements for a period appropriate to the development situation of the country. In this regard, the Committee hopes that the next Ministerial Conference of WTO, to be held in 2020, will agree on measures to address the loss of special and differential treatment for graduated least developed countries.

The Committee reiterated the importance of development partners including, in line with General Assembly resolution 67/221, all three least developed country indicators (gross national income per capita, the human assets index and economic vulnerability index) as part of their criteria for allocating official development assistance.

obtaining the support requested by graduating countries to address the loss of specific support measures provided to least developed countries and to provide countries with specific policy advice. Capacity-building support should also help inform development partners about the best way to assist countries following graduation.

The Committee decided to establish a subgroup on support for graduated and graduating countries to further discuss and review the outcome of the pilot recommendations and include them as part of the Committee's work programme for 2019–2020.