

# **Committee for Development Policy**

Report on the twenty-second session (24–27 February 2020)

Economic and Social Council Official Records, 2020 Supplement No. 13





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# Note

Symbols of United Nations documents are composed of letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

#### Summary

The present report contains the main findings and recommendations of the Committee for Development Policy at its twenty-second session. The Committee addressed the following items: the annual theme of the Economic and Social Council for 2020, "Accelerated action and transformative pathways: realizing the decade of action and delivery for sustainable development"; the voluntary national reviews of the implementation of the 2030 Agenda for Sustainable Development; the finalization of its multi-year programme on a comprehensive review of the least developed country criteria; the monitoring of countries that are graduating or have graduated from the list of least developed countries; improved assistance for graduating and graduated least developed countries; and inputs to the preparations for the next programme of action for least developed countries.

On the theme of the Economic and Social Council for 2020, the Committee stressed that trends in inequality and climate change were driving the 2030 Agenda backwards. Inequalities in income and multiple other dimensions of well-being were rising and the weak global response to climate change were pushing people behind. Inequality and climate change could not be treated as issues on the margin of sustainable development policies. They were at the core of the systems of synergies and trade-offs that made up the Sustainable Development Goals. A transformation commensurate with the scale of the challenge presented by the Goals, inequality and climate change required coherent strategies which harnessed the action of public and private actors and civil society, creating opportunities for employment and investment. A condition for the success of these strategies was a strong, supportive multilateral system. The Council should promote an inclusive process of reform of multilateral rules and institutions to ensure that they supported equitable and green development.

The Committee reviewed its analysis on the reflection of key principles and cross-cutting issues in the 2018 voluntary national reviews. Among the key findings, the Committee highlighted the fact that, while most countries acknowledge the principle of leaving no one behind, voluntary national reviews often remain vague on how to implement it in practice. Regarding the reporting on Sustainable Development Goal 17, the Committee raised concern about the fact that certain targets such as policy space and leadership or investment promotion regimes for least developed countries were hardly mentioned. The finding that Goal 10 on reduced inequalities receives the least attention in voluntary national reviews was also met with concern.

The Committee finalized its multi-year programme on the comprehensive review of the least developed country criteria. While confirming the basic concept of the criteria, it simplified their structure, expanded their coverage of structural impediments to sustainable development and strengthened their individual components. The refined criteria will be applied at the 2021 triennial review of the list of least developed countries, utilizing the established graduation and inclusion rules. The Committee also strengthened the application of the criteria, including by expanding the additional information it uses before making recommendations for graduation. In the view of the Committee, the outcome of the review will contribute to shifting the graduation debate beyond a country classification exercise towards a discussion of how a country can further its momentum towards sustainable development with the support of the international community.

In its monitoring of countries that are graduating and have graduated from the least developed country category, the Committee reviewed the cases of Angola, Bhutan, Sao Tome and Principe, Solomon Islands and Vanuatu, which are graduating, and Equatorial Guinea, a graduated country. The Committee expressed its concern on

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declining income, high inequality and limited diversification in Angola and Equatorial Guinea. It will continue to monitor these countries closely in terms of the income sustainability and macroeconomic stability. The Committee also discussed actions to improve the effectiveness of the monitoring mechanism and to encourage the participation of the countries in the monitoring exercise.

The Committee reiterated that many least developed countries are concerned about losing international support measures following their graduation. In this regard, the Committee continued its work on improving support for graduating and recently graduated countries. The Committee recommended the continuation of current pilot initiatives on improving the process to support graduating countries. It also called for new and innovative forms of assistance for graduating and graduated countries where possible, to ensure their continued sustainable development progress after least developed country graduation.

The Committee reiterated its recommendation that the Fifth United Nations Conference on the Least Developed Countries adopt the theme "Expanding productive capacity for sustainable development" as an organizing framework for the new programme of action for the least developed countries for the decade 2021–2030. The proposed framework is derived from evidence-based analysis carried out by the Committee and other key United Nations entities. Its adoption would provide the basis for an integrated and coherent approach to the formulation of the policy actions needed to overcome key challenges faced by the most disadvantaged countries. It would contribute to ensuring that no country is left behind, thereby furthering a key element of the decade of action and delivery for the 2030 Agenda for Sustainable Development.

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# Chapter I

# Matters calling for action by the Economic and Social Council or brought to its attention

### A. Matters calling for action by the Council

# Accelerated action and transformative pathways: realizing the decade of action and delivery for sustainable development

1. The Committee for Development Policy recommends that, to accelerate action on the Sustainable Development Goals and to ensure that countries are set on an equitable and sustainable development path to 2030 and beyond, the Council urgently put in motion an open, consultative process with the objective of reforming multilateral rules to make them conducive to a global transition towards equitable and sustainable development. The process should identify the rules that stand in the way of the Goals and the global response to inequality and climate change, and establish road maps to address them, with the support of the network of subsidiary bodies of the Economic and Social Council and of the relevant international organizations. The Committee considers ample stakeholder participation to be it critical for the process, for which the Open Working Group on Sustainable Development Goals provides a model. In chapter II of the present report, principles and priority issues are proposed for this process.

## B. Matters brought to the attention of the Council

# Voluntary national reviews of the implementation of the 2030 Agenda for Sustainable Development

2. The Committee will continue its analysis of voluntary national reviews in line with the methodology it developed for the purpose. It congratulates countries on the active participation in the voluntary national review process and calls for further improvements in its effectiveness. Particular attention should be paid to including more robust strategies for implementing the principle of leaving no one behind. As called for in the 2030 Agenda, these strategies should give priority to those furthest behind and go beyond social protection to include the creation of decent and productive jobs and investment in infrastructure. More attention should be paid to reporting on implementing Sustainable Development Goal 10 on reducing inequalities, a goal that is paid least attention in the voluntary national reviews analysed. To strengthen the high-level political forum process as a forum for exchange of experience in implementing the 2030 Agenda, the Committee calls for all voluntary national reviews to cover the contributions of non-State actors, and for broadening the space for civil society and regional dialogues.

#### The comprehensive review of the least developed country criteria

3. The Committee finalized its multi-year comprehensive review of the least developed country criteria. It confirmed the importance of the least developed country category and its criteria in the current development thinking, represented, inter alia, by the 2030 Agenda for Sustainable Development. It also confirmed the definition of least developed countries as low-income countries facing the most severe structural impediments to sustainable development. Identification of least developed countries will continue to be based on three criteria (gross national income per capita; human

assets index; and economic and environmental vulnerability index) and the established graduation and inclusion rules. The Committee further emphasized gender inequities and malnutrition in the human assets index. It simplified the structure of the environmental vulnerability index and broadened its coverage of environmental vulnerabilities. The Committee will apply the refined criteria at the upcoming 2021 triennial review of the list of least developed countries. It highlighted the importance of sharing data with countries considered for graduation in advance of the review.

4. The Committee improved the graduation framework by introducing a set of supplementary indicators, which it uses before making country recommendations. It will also include a statement on the length of the preparatory period in its graduation recommendations and strengthen the graduation narrative by including suggestions for priorities and the type of support needed to ensure smooth transition. Chapter IV of the report contains further details on the outcome of the criteria review.

# Monitoring of countries that are graduating and have graduated from the list of least developed countries

- 5. The Committee monitored the development situation of five graduating countries, namely, Angola, Bhutan, Sao Tome and Principe, Solomon Islands and Vanuatu, and a graduated country, Equatorial Guinea. However, since no report from the countries was received, the Committee was unable to incorporate the country views. In this regard, the Committee reiterates the critical importance of countries presenting their reports to the Committee in the future.
- 6. Equatorial Guinea does not appear to be at risk of falling back into the least developed country category. However, the Committee expressed its concern about the declining income level, high inequality, low level of human assets and limited diversification.
- 7. The Committee expressed serious concern regarding the declining income, persistent inequality and export concentration in Angola. Furthermore, the Committee noted that human assets and economic vulnerability continue to miss recommended Committee thresholds. The Committee also recognized and strongly supports new efforts in Angola to diversify the economy and invest in human assets and will be monitoring progress in Angola closely over the coming year.
- 8. The Committee highlighted the need to improve the effectiveness of the monitoring of graduating and graduated countries. It will develop a proposal for a reform of the monitoring mechanism as an input to the preparatory process of the Fifth United Nations Conference on the Least Developed Countries.

#### Improved assistance for graduating and graduated least developed countries

- 9. The Committee calls upon least developed countries that are graduating or approaching graduation, their development and trading partners, as well as United Nation entities and other international organizations, to continue piloting the recommendations contained in chapter VII of the 2019 Committee report (E/2019/33), on improved assistance for graduated and graduating least developed countries. The Committee will continue to review the implementation of these recommendations and related processes and may include proposals to further improve the graduation process in its 2021 report.
- 10. In its work on improving the process of supporting graduating countries, the Committee expressed its appreciation of the inter-agency task force on least developed country graduation, chaired by the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, particularly with respect to the coordinated

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- efforts in assisting graduating countries. However, the Committee expressed its concern about the significant number of capacity-development activities being organized by United Nations entities and other international organizations outside the framework and coordination efforts of the task force. In this context, the Committee urged all organizations to use the task force as a means of coordinating their graduation-related capacity development activities, collaborating among themselves where possible, and underlined the importance of such support to be demand driven.
- The possible continued structural weaknesses and persisting vulnerabilities of graduating least developed countries, as well as "dual transition" (i.e., moving out of the least developed country category and low-income groups of various multilateral institutions, including development banks, at the same time), have made the transition path of the graduating least developed countries more precarious. In this context, in its discussion on the ongoing concerns of graduating countries about losing access to least developed country-specific international support measures the Committee discussed possible measures for mitigating the impact of graduation, as outlined in chapter VI. The Committee recommends that new and innovative forms of assistance for graduating countries should be identified where possible, in order to pursue the path to sustainable development. Development partners are urged to be ambitious and flexible in their stance towards such initiatives. The Committee views the further specification and implementation of such measures as an important element of a strengthened graduation support framework and will submit its proposals as an input to the preparatory process of the Fifth United Nations Conference on the Least Developed Countries.
- 12. The Committee welcomed the work of the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD) on transition finance and recommends a continued refinement of related tools to support least developed countries in their graduation process. The Committee also commended the OECD production transformation policy review process, which supports developing countries in building productive capacities and participating in the global economy. The Committee recommends that the process be undertaken, on request, in a graduating least developed country, in conjunction with relevant United Nations and international bodies.

#### Framework for the Programme of Action for the Least Developed Countries

13. The Committee reiterated its recommendation that the Fifth United Nations Conference on the Least Developed Countries adopt the theme "Expanding productive capacity for sustainable development" as the organizing framework for the new programme of action for the least developed countries for the decade 2021–2030. The framework will enable the least developed countries to design integrated, coherent and synergistic policy actions needed to overcome persistent binding constraints and obstacles facing them. It will also allow for meaningful alignment with Agenda 2030, respond to the changing geographical composition of the least developed country category and establish an effective monitoring and review mechanism. Chapter VII of the present report provides further details and the rationale for this proposal.

# **Chapter II**

# Accelerated action and transformative pathways: realizing the decade of action and delivery for sustainable development

### Inequality and climate change are driving the 2030 Agenda backwards

- 14. With the decade of action and delivery for sustainable development already under way, it is urgent to recognize and act upon the fact that two challenges that are central to the achievement of the Sustainable Development Goals inequality and climate change are not being overcome and are instead being aggravated. Inequalities in income and multiple other dimensions of well-being including in the security of employment and exposure to violence and crime are rising. Furthermore, without adequate policy frameworks, the rapid advances in science, technology and innovation under way can push vulnerable people further behind rather than acting as instruments for sustainable development. At the same time, an abundant scientific evidence of the catastrophic potential of climate change contrasts sharply with the weak global response. Failure to address the mutually reinforcing problems of inequality and climate change is threatening to reverse the already insufficient advances on the 2030 Agenda, and in particular the pledge to leave no one behind.
- 15. Inequality breeds inequality and hampers implementation of the 2030 Agenda in many ways. As documented in the Global Sustainable Development Report 2019, rising inequalities inhibit economic growth and make it more fragile, aggravating social problems. As expressed both in the Report and by the Committee in 2018 and 2019, inequalities in development are perpetuated by inequalities in decision-making structures, making it more difficult to achieve progress in areas of both national and global concern. Moreover, exclusion and internal divisions have led to political instability and crises in national governance in many countries and to a clear setback on Sustainable Development Goal 16, concerning the promotion of peaceful and inclusive societies for sustainable development, to the provision of access to justice for all, and to building effective, accountable institutions at all levels.
- 16. Shortcomings in the way climate change risk is assessed lead to significant underestimations of both its severity and its impact on inequality. Policy circles often overlook the fact that the risks inherent to climate change are not only contained in the higher frequency and intensity of catastrophic events, but in the long term, cumulative impacts on food, fuel, water and public health. These risks are difficult to quantify but are as critical, if not more, particularly for the most vulnerable populations in both rural and urban areas.
- 17. Inequality and climate change cannot be treated as issues on the margin of sustainable development policies. They are at the core of the systems of synergies and trade-offs that make up the Sustainable Development Goals and failure to act on them will mean deviation from the path set by the 2030 Agenda.

While action by all stakeholders is needed at all levels, States have the responsibility to strategically deploy the full range of policy instruments to catalyse and redirect innovation and investments towards equitable and green development.

18. The multidimensional nature of the 2030 Agenda and the Sustainable Development Goals requires the involvement of all stakeholders at all levels – local,

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<sup>&</sup>lt;sup>1</sup> Independent Group of Scientists appointed by the Secretary-General, Global Sustainable Development Report 2019: The Future is Now – Science for Achieving Sustainable Development, (United Nations, New York, 2019).

<sup>&</sup>lt;sup>2</sup> See E/2018/33, chap. II, and E/2019/33, chap. II.

national, international — with solutions that are context-appropriate, respond to the needs and rights of populations, in particular those furthest behind, and tap into the full diversity of existing knowledge and experience. It is, in fact, encouraging that local, national and regional governments, civil society, academia and other stakeholders have engaged with the Sustainable Development Goal process and are developing innovative approaches and practices. International financial institutions and several central and national development banks have started to better reflect the Goals as a whole in their strategies and policies. There is also an incipient yet significant move by some of the world's business sector, including some of the largest multinational enterprises to reframe their strategies beyond the mission of maximizing shareholder value and short-term results. There is no shortage of calls for action, commitments and initiatives to advance the achievement of the Goals.

- 19. However, isolated interventions will not work. A transformation commensurate with the scale of the challenge presented by inequality and climate change requires public policies and investment to be realigned and streamlined. It requires the development of productive capacities, including industry, infrastructure and science, technology and innovation, to be harnessed towards achieving the Sustainable Development Goals and an equitable and greener economy. It calls for more active policies to expand social services to all, which requires adequate tax revenues and other public sector resources to finance them. It also calls for coherent industrial and infrastructure policies that not only take social and environmental factors into account but also make them central objectives. Political will and the strategic deployment of a full arsenal of policy instruments, including public investment and development finance, can turn the challenges of achieving the Goals into positive opportunities for public and private investment and employment. Citizens, civil society groups and the business sector must be involved in defining the objectives and pathways to be taken and to ensure a just transition.
- 20. In the short to medium term, a coherent strategy for equitable and green development should include the prioritization of public investment that: both creates decent and productive jobs on an equitable basis and addresses climate change; the development and deployment of inclusive technology focusing on the needs of the vulnerable and helping to mitigate concerns of a growing technological divide; carbon pricing schemes combined with appropriate complementary policy instruments to ensure equitable and effective results; public-private insurance schemes for renewable energy and climate-resilient infrastructure where necessary; and comprehensive assessments of the cumulative and multidimensional risks of climate change, particularly for the most vulnerable populations.
- 21. A condition for the success of strategies to address inequality and climate change and to meet the Sustainable Development Goals is a strong, supportive multilateral system.

# Meeting the Sustainable Development Goals and overcoming the challenges of inequality and climate change requires a new multilateralism

- 22. The multilateral system is under threat at a time when it urgently needs reform and reinvigoration to promote the 2030 agenda. As the United Nations approaches its seventy-fifth anniversary, Member States should renew their commitment to multilateral rules and institutions and engage in reforming them to advance the Sustainable Development Goals and ensure a global transition towards equitable and sustainable development.
- 23. The Committee recommends that the Economic and Social Council promote, with substantive support from its wide network of subsidiary bodies, the necessary and urgent transformation of the multilateral system, making it fit for the purpose of

enabling countries to achieve the Sustainable Development Goals. The process should identify the rules that stand in the way of the Goals and the global response to climate change and inequality and establish a road map to address them. The experience of the Open Working Group on Sustainable Development Goals that led to the 2030 Agenda provides a model for an open process that gives a voice to civil society, businesses and States at all levels of development.

- 24. In this context, and acknowledging that solutions for the challenges of multilateralism have been the object of research, debates and initiatives worldwide, the Committee agrees with five principles to guide the design of a new multilateralism, formulated through a series of recent consultations involving a group of stakeholders from the global policy, advocacy and research communities:<sup>3</sup>
- (a) Global rules should be calibrated towards the overarching goals of social and economic stability, shared prosperity and environmental sustainability and protected against capture by the most powerful players;
- (b) States share common but differentiated responsibilities in a multilateral system built to advance global public goods and protect the global commons;
- (c) The right of States to policy space to pursue national development strategies should be enshrined in global rules;
- (d) Global regulations should be designed both to strengthen a dynamic international division of labour and to prevent destructive unilateral economic actions that prevent other nations from realizing common goals;
- (e) Global public institutions must be accountable to their full membership, open to a diversity of viewpoints, cognizant of new voices and have balanced dispute resolution systems.
- 25. Issues that need to be urgently reformed are:
- (a) Rules that limit the capacity of countries to implement progressive tax systems, mobilize fiscal resources, manage international capital flows and curb illicit financial flows;
- (b) Provisions in global, regional and bilateral trade and investment agreements that limit the ability of countries, in particular least developed and other developing countries, to adopt policies to develop their productive capacities and industries in a way that would enable them to move towards equitable and sustainable development;
- (c) Intellectual property rights rules that limit access to or increase the cost of technology related to essential goods, including medicines and inputs for smallholder farmers;
- (d) The current fragmentation of environmental multilateralism, including the climate change architecture, which is incompatible with the interdependencies between global environmental problems. The environment should not be relegated to a secondary status in the multilateral system;
- (e) Governance arrangements that do not guarantee adequate representation of developing countries in international institutions.

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<sup>&</sup>lt;sup>3</sup> The consultations that resulted in these principles, referred to as "The Geneva Principles", were led by the United Nations Conference on Trade and Development (UNCTAD) and the Global Development Policy Center at Boston University. The results are reflected in Kevin Gallagher, Richard Kozul-Wright, "A new multilateralism for shared prosperity – Geneva Principles for a Global Green New Deal" (available at www.bu.edu/gdp/files/2019/04/A-New-Multilateralism-GDPC UNCTAD.pdf).

# **Chapter III**

# Voluntary national reviews of the implementation of the 2030 Agenda for Sustainable Development

- 26. Since 2018, the Committee has undertaken an annual review of the voluntary national reviews. Voluntary national reviews are an important innovation and have become a central instrument for follow up and review of the implementation of the 2030 Agenda. The voluntary national review framework is built around a voluntary, country-led process that is intended to track progress on sustainable development goals; be open and participatory for stakeholders; focus on people, with particular attention to human rights and the people furthest behind; take a long-term perspective; and be rigorous and evidence based. The overall voluntary national review mechanism consists of national consultation processes, regional meetings, main messages summarizing countries' key findings, the presentation of the report at the high-level political forum, as well as voluntary national review labs. The voluntary national reviews are not conceptualized as an accountability mechanism among States; rather, the aim is to strengthen accountability to citizens as well as to facilitate the sharing of experience, including successes, challenges and lessons learned.
- 27. In line with the integrated nature of the 2030 Agenda and to ensure continuity with its earlier voluntary national review analyses, the Committee analysed the reflection of the principle of leaving no one behind and the reporting on Sustainable Development Goal 17 on global partnerships and means of implementation. For the analysis of 46 voluntary national reviews presented in July 2018, additional aspects (Goal 4 on quality education) and an overall review of coverage of the Sustainable Development Goals in the voluntary national reviews were added to complement this focus.<sup>4</sup>
- 28. The Committee found that most reports acknowledge the principle of leaving no one behind, but countries often remain vague on how to implement it in practice. Moreover, the focus of Agenda 2030 on those furthest behind is not often evident in the references to strategies associated in the voluntary national reviews with leaving no one behind. Among developed countries, the idea of "furthest behind" mostly refers to other countries (typically to least developed countries) rather than to groups within their own country. Among groups recognized to be at risk of being left behind, minorities such as indigenous people and racial, ethnical and religious groups, continue to receive less attention than established groups such as women, children and youth and persons with disabilities.
- 29. Moreover, limited reflection is given in the voluntary national reviews to the risks that groups may be "pushed behind" by misguided development policies. Most countries relate leaving no one behind to social protection only, potentially indicating that it is not yet reflected in strategies in other critical areas such as macroeconomic or technology policy strategies. This highlights the need for broader and more robust strategies to ensure the principle of leaving no one behind.
- 30. The qualitative analysis on Sustainable Development Goal 17 on global partnerships and means of implementation showed that, while nearly all voluntary national reviews report on it, the reference is often general and does not always address specific targets or indicators. Certain targets such as policy space and leadership (target 17.15) or investment promotion regimes for least developed countries (17.5) are hardly mentioned by any country, rendering them almost "orphaned" targets.

<sup>&</sup>lt;sup>4</sup> For details of the analysis, see the dedicated section on the Committee for Development Policy website (www.un.org/development/desa/dpad/voluntary-national-reviews.html).

- 31. In their reporting on Sustainable Development Goal 4, most countries discuss both education access and education quality issues. However, there are wide variations across countries regarding focus and concrete examples. This underscores the potential of the voluntary national reviews as an entry point for shared learning among countries.
- 32. Comparing the attention paid to the 17 Sustainable Development Goals in the voluntary national reviews using machine learning shows that Goal 17 receives most attention, which might reflect not only the breadth of Goal 17 but also that countries see global partnership as central to the 2030 Agenda. Concerningly, Goal 10 on reduced inequalities receives the least attention.
- 33. The Committee is encouraged that the findings of its analyses presented at the high-level political forum and related events have been met with considerable interest by member States and other stakeholders. They have not only enriched the global discourse around the voluntary national reviews, but also given the Committee considerable visibility at this central forum on sustainable development.
- 34. The Committee will continue its analysis of voluntary national reviews in line with the methodology that it developed for the purpose. For the analysis of the 2019 voluntary national reviews, the focus will remain on leaving no one behind and Sustainable Development Goal 17. In addition, an analysis of how gender issues and inequalities are represented in the voluntary national reviews is envisaged.

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# **Chapter IV**

# Comprehensive review of the least developed country criteria

35. Every three years, the Committee reviews the list of least developed countries and recommends which countries should be added to or graduated from the list. The Committee has developed criteria as a basis for its recommendation as well as a set of procedures for their application. It regularly reviews the criteria to reflect the evolution of development thinking and changes in data availability. At the midterm review in 2016 of the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020, United Nations Member States mandated the Committee to undertake a comprehensive review of the least developed country criteria. The Committee therefore adopted a 2017-2020 multi-year review programme, which it concluded at the 2020 plenary of the Committee. It reconfirmed its earlier findings on the importance of the least developed country category in the current development context, the definition of least developed countries as lowincome countries facing the most severe structural impediments to sustainable development, as well as the overall criteria framework. Taking into account all aspects of the evolving international development context, including relevant agendas, as mandated by the midterm review, it introduced refinements to the three criteria and their applications as outlined below.<sup>5</sup>

#### A. Income criterion

36. The Committee confirmed that the income criterion is measured by the three-year average of gross national income per capita in United States dollars, using conversion factors based on the World Bank Atlas methodology. It views purchasing power parity rates as not (yet) suitable for the identification of least developed countries, as different rounds of the International Comparison Programme determining purchasing power parity rates can lead to drastic swings in reported gross national income over time. However, the Committee will continue to monitor the work of the Programme and investigate differences between gross national income per capita using Atlas conversion rates and purchasing power parity rates before recommending countries for graduation.

### B. Human assets index

37. The human assets index will be refined by replacing the indicator on prevalence of undernourishment with an indicator for prevalence of stunting as reported by the United Nations Children's Fund (UNICEF)/World Health Organization (WHO)/World Bank joint malnutrition estimates for Sustainable Development Goal monitoring and other processes. The new indicator is better suited to measure malnutrition as a development handicap, whereas undernourishment prevalence is an indicator of food availability.

38. The Committee confirmed the under-5 mortality rate as an indicator for the overall health situation of the country and maternal mortality ratio as an indicator to reflect not only the specific risks associated with pregnancy but also broader development handicaps such as poorly developed health systems and gender inequality.

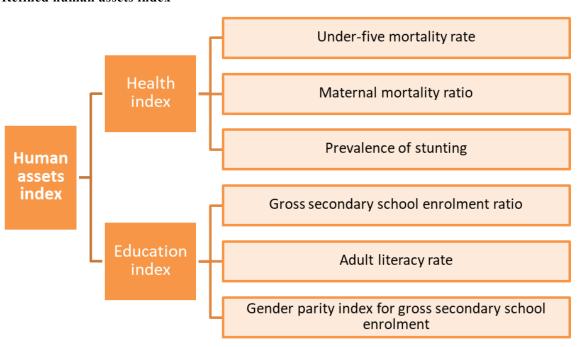
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<sup>&</sup>lt;sup>5</sup> See also the Committees reports E/2017/33 and E/2019/33 for earlier conclusions on the implementation of the work programme and the Committee's website for further details and explanations.

- 39. In the area of education, the review confirmed the gross secondary school enrolment ratio as a measure of the population obtaining a level of skills deemed necessary for significant development progress. The adult literacy rate was confirmed as a measure for the base available for enlarging trained and skilled human resources. The Committee noted the limited data availability of official indicators used to monitor Sustainable Development Goal 4 on quality education that would improve the measurement of the education indicators within the human assets index, while appreciating the increased availability of literacy rate estimates by UNESCO.
- 40. To address gender inequities in education, in particular discrimination against girls, which is a structural impediment to development in many least developed countries, the Committee added the gender parity index for gross secondary school enrolment to the human assets index. The indicator will be replaced by a parity index on secondary school completion or, preferably, proficiency, once data availability for such an indicator is sufficient.
- 41. Indicators are converted into indices using the established methodologies with an equal weight. The refined human assets index will be composed as follows.

Figure I
Refined human assets index



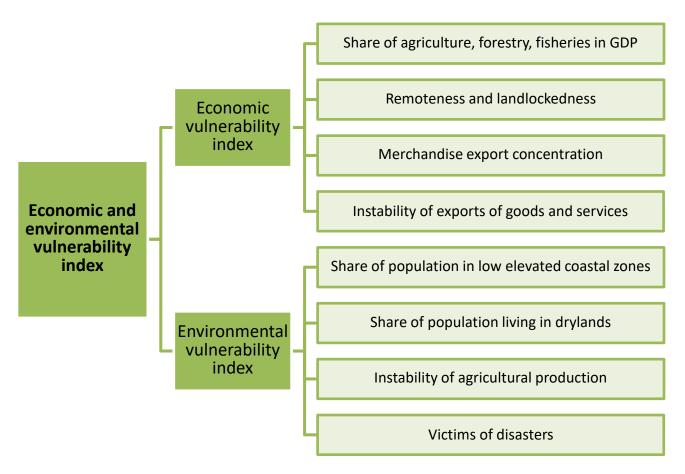
### C. Economic and environmental vulnerability index

42. The economic vulnerability index will be renamed the "economic and environmental vulnerability index", as the current name is misleading. For continuity, the abbreviation EVI will be kept. The refined index will consist of two subindices, one on economic vulnerability and one on environmental vulnerability. Each contains four indicators, keeping the total number of index indicators unchanged. To simplify, all sub-subindices will be eliminated and all indicators will have equal weight. The indicator on population size will be removed, as small size does not directly measure an economic or environmental vulnerability. Specific vulnerabilities associated or compounded by population size are captured in some of the remaining indicators.

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- 43. For the economic vulnerability subindex, the Committee confirmed the share of agriculture, forestry and fisheries in gross domestic product (GDP) as an important and readily available indicator to reflect a lack of structural transformation that exposes countries to external shocks.
- 44. Physical distance from markets continues to be an important source of economic vulnerability. The methodology of the distance-based remoteness indicator reflects the specific challenges of landlocked developing countries in reaching export markets through an adjustment factor. To better reflect this feature, the indicator will be renamed remoteness and landlockedness.
- 45. The review further confirmed that the merchandise export concentration index reflects the exposure to shocks in specific product markets, even though it unfortunately excludes services owing to the lack of appropriate data and methodologies.
- 46. The review confirmed export instability as an indicator for the vulnerability to trade shocks, as highly variable export earnings typically cause fluctuations in production, employment and foreign exchange availability. For the 2021 triennial review, the methodology will be modified by weighing the volatility of exports in volume terms around their trend with the latest three-year trade dependency (the ratio of exports plus imports to GDP). This revision reflects the fact that export instability is more of an impediment for trade-dependent countries. Previously, proneness to trade shocks was to some extent captured by the now-eliminated population size indicator in the environmental vulnerability index.
- 47. In the environmental vulnerability subindex, the Committee confirmed the share of population living in low-elevated coastal zones as an indicator capturing vulnerability to coastal impacts such as sea level rise and storm surges associated with climate change. The updated indicator version to be published by the Center for International Earth Science Information at Columbia University improves the accuracy of the elevation data and better reflects actual settlement patterns.
- 48. To broaden the coverage of environmental vulnerabilities, an indicator on the share of population living in drylands will be added to the environmental vulnerability index. Drylands and their fragile ecosystems are particularly sensitive to changing rainfall patterns and land degradation induced by climate change. Expansion of drylands is expected to continue, owing to continental warming, threatening to aggravate poverty, food and water insecurity in affected areas. The indicator will be calculated by the secretariat of the Committee on the basis of the definition of drylands in the United Nations Convention to Combat Desertification and using readily and publicly available spatial population and climate data.
- 49. The review confirmed the instability of agricultural production as an indicator for vulnerability to the impacts of natural shocks, including droughts and disturbances in rainfall patterns.
- 50. The review also confirmed the share of the population killed or affected in disasters as an indicator of the human impacts of disasters associated with natural hazards. The indicator will be renamed as victims of disasters to better align it with common United Nations terminology. The Committee agreed to adopt the Sendai Framework Monitor used for global Sustainable Development Goal reporting as the source when data availability has sufficiently increased.
- 51. With these changes, the refined environmental vulnerability index is as follows.

Figure II
Refined economic and environmental vulnerability index



### D. Application of the criteria

#### **Thresholds**

52. At each triennial review, the least developed country criteria are applied to all countries in developing regions. Despite the criteria refinements, the overall distribution of index scores around the thresholds remains unaffected, so that the current human assets index thresholds (60 and below for inclusion, 66 and above for graduation) and environmental vulnerability index thresholds (36 and above for inclusion, 32 and below for graduation) will be applied in 2021. Consistent with the established practice, the inclusion threshold of the income criterion will be set at the simple average of the low-income thresholds established by the World Bank for the years 2017–2019. The graduation threshold will be set 20 per cent above the inclusion threshold and the "income-only" graduation threshold at twice the graduation threshold.

#### Inclusion and graduation

- 53. The review confirmed the basic principles behind inclusion and graduation, including the asymmetry between the inclusion and graduation rules.
- 54. Countries need to meet the established inclusion thresholds for all three criteria in a single review to become eligible for inclusion. The Committee removed the additional requirement of having a population size of below 75 million, for

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- simplification. Before recommending a country, the Committee reviews additional country-specific information. Inclusion requires the consent of the country concerned and becomes effective immediately after the General Assembly takes note of the Committee's recommendation.
- 55. For graduation, a country must meet not just one but two criteria at the established graduation threshold at two consecutive reviews. Countries that are highly vulnerable or have very low human assets are eligible for graduation only if they meet the other two criteria by a sufficiently high margin. For such countries, the Committee commits to include in its findings an explicit statement as to whether this condition is fulfilled and how the remaining challenges can be addressed.
- 56. As an exception, a country whose per capita income is sustainably above the "income-only" graduation threshold becomes eligible for graduation even if it fails to meet the other two criteria. Such a country is deemed to have sufficient resources to address its challenges without recourse to least developed country-specific support measures. In the future, the Committee will request an explicit sustainability analysis as part of the country-specific information before making a recommendation under this exception.

#### Additional information

- 57. Before recommending a country for graduation, the Committee considers additional information and consults with the country concerned. The Committee expects that the quality and consistency of the current impact assessments and vulnerability profiles be further improved through the introduction of the graduation assessments discussed in chapter VI.
- 58. The Committee decided to enhance the graduation framework by introducing a set of supplementary graduation indicators. These indicators describe vulnerabilities not fully captured by the least developed country criteria and other factors relevant for graduation, such as inequalities, infrastructure, domestic and external resources, conflict and violence and governance, inter alia. They will be assembled, visualized and published by the secretariat of the Committee for each triennial review, starting in 2021. Indicators will have to be available for most least developed countries and other developing countries and be methodologically sound. These indicators will provide the Committee, as well as the countries concerned, with an additional screening tool for identifying sustainable development challenges faced by countries eligible for graduation. They complement the idiosyncratic information contained in the graduation assessment and related documents. Together with the criteria refinements, the new supplementary graduation indicators also further align the least developed country graduation framework with the 2030 Agenda for Sustainable Development.

#### **Graduation narrative**

59. The Committee resolved to improve its graduation narrative. As discussed in its 2019 report, the Committee will include a statement on whether the standard three-year preparatory period is appropriate or whether country-specific factors require a longer period, not exceeding five years. Drawing on the improved country-specific information and the new supplementary graduation indicators, the Committee will provide suggestions for priorities and the type of support needed to ensure a smooth transition. Overall, the graduation narrative will contribute to moving the graduation debate beyond a country classification exercise towards a discussion of how a country can further its momentum for progress towards sustainable development with the support of the international community.

# Chapter V

# Monitoring of countries that are graduating and have graduated from the list of least developed countries

#### A. Introduction

60. The Committee is mandated by Council resolution 2019/8 and General Assembly resolution 67/221 to monitor the development progress of countries graduating and graduated from the least developed country category. The present report includes the cases of five graduating countries, namely, Angola, Bhutan, Sao Tome and Principe, Solomon Islands and Vanuatu, as well as a graduated country, Equatorial Guinea. The detailed monitoring reports are available on the Committee's website.

### B. Graduating countries

#### Angola

- 61. The economy of Angola is highly dependent on the oil sector and its economic growth has been strongly affected by low international oil prices and reduced oil production. Real GDP has been declining over the past four years. High debt, unstable exchange rates, current account and fiscal deficits bring challenges in maintaining macroeconomic stability.
- 62. The table shows that gross national income per capita, while falling, remains above the graduation threshold. The human assets index score, while improving steadily over the past five years, still remains low. Angola still remains vulnerable, as shown by the high level of the economic vulnerability index. Angola also has a very low productive capacities index, mainly driven by limited private sector diversification. The index is developed and calculated by the United Nations Conference on Trade and Development (UNCTAD), to measure the productive capacities, defined as the productive resources, entrepreneurial capabilities and production linkages which together determine the capacity of a country to produce goods and services and enable it to grow and develop.

# Least developed country criteria and productive capacities index in 2020: monitored countries that are graduating or have graduated

	Least developed country criteria			
	Gross national income per capita (United States dollars)	Economic vulnerability index	Human assets index	Productive capacities index
Graduation threshold (2018 review)	≥ 1 230	≤ 32.0	≥ 66.0	_
Angola	3 496	37.9	59.3	14.0
Bhutan	2 941	35.4	77.5	27.8
Sao Tome and Principe	1 717	41.9	90.2	19.9
Solomon Islands	1 721	50.6	74.4	22.0
Vanuatu	2 913	45.5	79.9	25.1
Equatorial Guinea	8 346	23.9	59.1	17.7
Least developed country average	1 295	41.0	55.2	17.3
Other developing country average	9 075	31.7	87.8	28.3

Source: Calculation by the secretariat of the Committee for Development Policy (least developed country criteria) and UNCTAD (productive capacities index). Data as at 19 February 2020.

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63. In 2019, the Government of Angola resumed its work on preparing for graduation, assisted by the technical cooperation activities of the Department of Economic and Social Affairs (DESA). The Government has yet to report progress in implementing the initial steps in the preparation of a smooth transition strategy.

#### Bhutan

- 64. The economy of Bhutan has been steadily progressing, and its macroeconomic indicators, including inflation and current account show no sign of deterioration. Following a new foreign direct investment policy initiated in 2019, the inflow of foreign direct investment may accelerate the expansion of the economic base, employment generation, foreign exchange earnings and revenue generation.
- 65. The gross national income per capita of Bhutan has continued to grow fast, as has the human assets index score. The environmental vulnerability index for Bhutan improved slightly from 2018 but remains above the graduation threshold. According to the productive capacities index, the country's productive capacity outperforms other least developed countries in almost all subindicators, including information and communications technologies (ICT), structural change, institutions, energy, human capital, the private sector and transport.
- 66. Whereas Bhutan has started its preparations for a smooth transition with the support of the United Nations system, the country has not reported its initial steps in the preparation of a transition strategy.

#### Sao Tome and Principe

- 67. Sao Tome and Principe has grown 2 to 3 per cent annually in the past three years. Its merchandise exports are limited to some agricultural products, mostly destined to the European Union. The country relies heavily on service exports, essentially tourism.
- 68. Gross national income per capita of Sao Tome and Principe and, in particular, the human assets index, are well above the graduation thresholds, whereas the environmental vulnerability index continues to indicate high vulnerability, mainly caused by the limited productive base. The productive capacities index also indicates productive capacity at an average least developed country level, lagging behind in many of the subindicators, including natural capital, energy and transport.
- 69. In 2019, responding to the request from the Government, the inter-agency task force on least developed country graduation assisted the Government in starting its work on establishing a road map to prepare a transition strategy.

#### **Solomon Islands**

- 70. The Solomon Islands economy has slowed down in 2019, with weaker logging activity, from the strong performance in 2018 driven by fishery, wholesale, retail and transport.
- 71. The Solomon Islands gross national income per capita and human assets index are well above the corresponding graduation thresholds. However, the environmental vulnerability index is very high owing to the natural-resource based economic structure, as well as climate change-induced vulnerabilities. Its productive capacities index is only slightly higher than the least developed country average, mainly owing to the low level of ICT and limited structural change.
- 72. In 2019, the Government started its process in preparing for graduation, assisted by the inter-agency task force on least developed country graduation. It has already negotiated alternative arrangements for duty-free quota-free access with the European

Union which would counteract the withdrawal of least developed country-specific preferences.

#### Vanuatu

- 73. Five years after Cyclone Pam struck Vanuatu, causing extensive damages, reconstruction is near completion. Real GDP growth remains relatively stable and the Government balance is positive. Construction has been the main driver in recent years, while tourism revenue has grown the most strongly since the cyclone.
- 74. The gross national income per capita of Vanuatu is more than double the least developed country graduation threshold. The human assets index score is slightly increasing while the environmental vulnerability index score remains far above the graduation threshold. While the country remains highly vulnerable to the ever-present danger of natural hazards, the national disaster planning framework has been improved substantially in recent years. With respect to the productive capacities index score, Vanuatu is among the leaders in the group of graduating least developed countries, mainly owing to high scores in human capital, private sector, institutions and structural change.
- 75. The Government of Vanuatu adopted a smooth transition strategy in late 2019, outlining complementary least developed country specific actions grouped in eight specific themes, namely, (a) trade; (b) private sector development and productive capacity; (c) infrastructure; (d) macroeconomic stability and finance; (e) strengthening of national systems, including planning, budgeting and monitoring; (f) aid coordination and monitoring; (g) statistical systems and data; and (h) institutional and staff capacity development.

#### C. Graduated countries

### **Equatorial Guinea**

- 76. Equatorial Guinea is highly dependent on the oil sector and continues to face serious challenges due to the decline in hydrocarbon production, compounded by low investment. Real GDP has contracted rapidly since 2013, and other macroeconomic indicators, such as exports, consumption and fiscal space, also show steady and slow declines. Prospects of rebounding oil production and exports, helped by the discovery of new oil fields remain unclear.
- 77. Despite the negative growth in the past years, gross national income per capita remains seven times higher than the graduation threshold. Progress in improving human assets is slow, while the environmental vulnerability index is lower than for the graduating countries monitored by the Committee. Productive capacity remains in line with the average for least developed countries, lagging behind, particularly in the human capital and energy components of the productive capacities index.
- 78. Equatorial Guinea has not yet submitted a report on its implementation of a smooth transition strategy since its graduation in 2017.

### D. Improved monitoring mechanism

79. The Committee found that the current monitoring mechanism is not effective, as no feedback or input has been received from the Governments and as there is no follow-up on the monitoring outcome. The Committee will prepare a concrete proposal to further improve the effectiveness of the monitoring mechanism as an input to the preparatory process of the Fifth United Nations Conference on the Least

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Developed Countries (see also chap. VI). It will also explore more modalities for consultations with the countries concerned on its monitoring reports. The Committee further requested its secretariat to provide monitoring-related capacity development to countries under its review.

# **Chapter VI**

# Improved assistance for graduating and graduated least developed countries

80. The Committee reiterated that many least developed countries are concerned about losing international support measures following their graduation. The Committee resumed its work on improving the support to graduating and graduated countries. 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 smooth transition from the least developed country category.

#### Improving the graduation process

- 81. The Committee reviewed the progress in piloting the graduation assessments for the 2021 triennial review (see E/2019/33, para. 64). The graduation assessment represents a consolidated United Nations voice and appraisal regarding graduation from the least developed country category. It is aimed at preserving the respective strengths and integrity of the impact assessments prepared by DESA and the vulnerability profiles prepared by UNCTAD, while incorporating additional inputs from main development and trading partners and the United Nations entities concerned at the national and international levels. It involves an early start for the analysis (shortly after a country is identified for graduation for the first time) and improved country consultations.
- 82. The Committee noted that its secretariat had coordinated with the resident coordinator for the Lao People's Democratic Republic on its work aimed at strengthening smooth transition, better coordinating United Nations support and engaging with development and trading partners. In line with these efforts, the Office of the Resident Coordinator intends to organize a meeting with United Nations entities and bilateral development and trading partners to discuss the country's possible graduation and the specific needs of the country for continued support. The deliberations of the meeting will be reflected in the final pilot graduation assessment of the Lao People's Democratic Republic.
- 83. The Committee requested that its secretariat, in cooperation with UNCTAD and other entities, continue to pilot the graduation assessments for the Lao People's Democratic Republic and Myanmar. It will also continue to review the implementation of other process-related aspects of improved assistance for graduating and graduated least developed countries.

### Support measures for graduating countries

- 84. Inequality has been increasing in some graduating countries and vulnerabilities often persist. In this context, and in line with General Assembly resolutions 59/209 and 67/221 on smooth transition from the least developed country category, the Committee reiterated the importance of support measures for graduating and graduated countries, taking into account the considerable size of their vulnerable populations and the common interest of the international community in avoiding shocks and disruptions to their development progress and its responsibility in that respect. The Committee underscored that support measures should be transitional and timebound and should not create a new category of countries.
- 85. It recommended increased attention to access to finance for graduating and graduated countries and welcomed the inclusion thereof in the Secretary-General's road map for financing the 2030 Agenda for Sustainable Development because of the

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continued structural handicaps and macroeconomic imbalances that many graduating countries face. Many of these countries are undergoing a "dual transition" of least developed country graduation and transition to middle-income status, the latter potentially increasing the cost of finance.

- 86. The Committee decided that it would prepare a proposal for a graduation support package as an input to the preparatory process of the Fifth United Nations Conference on the Least Developed Countries. Such a package could also be considered in other relevant processes, such as the twelfth Ministerial Conference of the World Trade Organization (WTO). The Committee reviewed the background reports prepared and considered that some of the following elements for graduation support could be included in its proposal:
- (a) International financial institutions and other partners could build the capacity of graduating countries to access development finance. National capacity in graduating and graduated countries should also be developed to counteract short-term shocks, manage exposure to financial or commodity markets, reduce disaster risks and effectively manage other official flow and private finance, as well as new and innovative sources of finance such as climate finance, blended finance and instruments such as sovereign, green and GDP bonds. Care should be taken to ensure that programme design in these countries does not increase inequalities. In this regard, the Committee underscored the importance of ensuring that social sectors do not become underfunded after graduation because of a reduction in grant funding;
- (b) Southern providers should be engaged in the discourse on support measures for graduating countries, including also the promotion of South-South dialogue, cooperation and knowledge-sharing on managing graduation and developing smooth transition strategies;
- (c) The Committee noted that, while the role of private philanthropy was relatively small in graduating and graduated least developed countries, it could be critical in certain sectors such as health and education;
- (d) Policy support and capacity-building aimed at the development of productive capacities, as well as science, technology transfer and national innovation, should be considered as part of graduation support;
- (e) Extension of access to special and differential treatment in the WTO agreements should be granted, especially in Trade-Related Aspects of Intellectual Property Rights (TRIPS), for a transitional period beyond the date of graduation. Furthermore, continued access to all least developed country-specific trade preferences should be considered for a transitional period beyond graduation;
- (f) Monitoring of graduating and graduated countries should be improved, including with regard to macroeconomic conditions and finance, as well as inequality and vulnerable populations (see also chap. V).
- 87. While the Committee cautioned against the establishment of new institutions, it noted that implementation of such graduation support may also require improved support and retooling of existing facilities and mechanisms. In this context, the Committee will consider whether the concept of a graduation support facility as considered in its 2019 report (E/2019/33, para. 76) could serve as a useful framework to bring together and enhance existing efforts and integrate graduation-related advisory services.
- 88. The Committee encouraged relevant actors to advance the above elements for graduation support in different forums. A critical proponent for developing a graduation support package should be the Group of Least Developed Countries themselves, making it essential for the Group to coordinate among its various

constituencies in locations such as New York, Geneva, Brussels, London and Paris. The role of the Secretary-General and the inter-agency task force on least developed country graduation in further elaborating and advocating for concrete support measures by bilateral and multilateral partners will also be essential.

89. Furthermore, in its discussions on graduation support, the Committee welcomed the work of the OECD Development Assistance Committee on transition finance, in particular for improving the information base for graduating least developed countries, and recommended a continued refinement of related tools to support least developed countries in their graduation process. The Committee also commended the OECD Production Transformation Policy Review process, which supports developing countries in building productive capacities and participating in the global economy. The Committee recommended that the process be undertaken, on request, in a graduating least developed country, in conjunction with relevant United Nations and other international bodies.

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# **Chapter VII**

# Framework for the programme of action for the least developed countries

- 90. The new programme of action for the least developed countries for the decade 2021–2030, to be adopted at the Fifth United Nations Conference on the Least Developed Countries, which will be held in Doha in March 2021, will be critical for improving the lives of millions of people in the most disadvantaged countries and the implementation of the 2030 Agenda for Sustainable Development. While the success of the new programme of action will ultimately depend on the actions by least developed countries and their development partners, the choice of a suitable organizing framework is an essential precondition for a successful programme of action.
- 91. As reported in 2019 (see E/2019/33), the Committee recommends that the Fifth United Nations Conference on the Least Developed Countries adopt the theme "Expanding productive capacity for sustainable development" as the organizing framework. The framework has been developed by the Committee over the period 2015–2017,6 on the basis of analytical studies which built on the work of UNCTAD and other organizations. The limited development of productive capacities has been identified as a root cause of the persistent challenges facing least developed countries, including insufficient progress in resilience building, the failure to create decent and productive jobs and limited technological upgrading. In its work, the Committee identified five policy areas that are critical for building productive capacities. These include: (a) building development governance capabilities; (a) creating positive synergies between social outcomes and productive capacities; (c) establishing conducive and macroeconomic and financial frameworks; (d) developing industrial and sectoral policies that promote technological upgrading and structural transformation; and (e) providing adequate international support. In the light of the increasing importance of climate change and other environmental shocks for the productive sectors, the Committee suggests including environmental policies as a sixth pillar of the policy framework rather than subsuming it under sectoral policies. The environmental dimension would not only cover climate and other environmental risks for productive activities, particularly those affecting the most vulnerable populations, but also opportunities arising from decarbonization and other necessary global policy shifts.
- 92. The advantages of the coherent framework proposed by the Committee is that it facilitates integrated and synergistic policy actions by requiring that, in all actions associated with the framework all critical linkages are taken into account. Alternative approaches, such as a listing of unconnected priorities, risk missing critical synergies and trade-offs, even if productive capacity is included as a priority. Hence, such alternatives could contribute to suboptimal outcomes such as increased education levels without job opportunities for the youth, or debt-financed infrastructure geared towards unsustainable production structures.
- 93. The proposed framework ensures that the programme of action is founded on solid analysis and adapts policies that have already been successfully implemented by least developed countries that are in the process of graduation or have already graduated. As shown by the various pathways to graduation from the least developed country category, the proposed framework is also flexible enough to capture the heterogeneity within least developed countries, avoiding the fallacy of a one-size-fits-all approach. The linkages between the expanding productive capacity and least

<sup>6</sup> See, in particular, www.un.org/development/desa/dpad/publication/expanding-productive-capacity-lessons-learned-from-graduating-least-developed-countries/.

developed country graduation also further contributes to ensuring continuity between the current Istanbul Programme of Action and the new programme of action, as bringing the issue of least developed country graduation to the political forefront is arguably one of the main achievements of the current programme.

- 94. Moreover, the framework will enable least developed countries to address critical emerging issues. It allows, for example, the alignment of the programme of action with the 2030 Agenda, because of the intrinsic linkages between expanding productive capacities and achieving the Sustainable Development Goals. If implemented successfully, it contributes to advancing the development of the most vulnerable countries, thereby ensuring that no country is left behind.
- 95. The framework also reflects the upcoming changing geographical composition of the least developed country category. Difficulties in expanding productive capacity, which limits the ability of least developed countries to benefit from international support measures, such as least developed country-specific preferential market access, is the main factor as to why most least developed countries in Africa have made less progress towards graduation than their peers in Asia and the Pacific.
- 96. Finally, the framework will facilitate the effective monitoring of progress in the implementation of the programme of action, benefiting from existing initiatives for measuring productive capacities developed, among others, by UNCTAD and the United Nations Industrial Development Organization (UNIDO).

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# **Chapter VIII**

# **Future work of the Committee for Development Policy**

- 97. The Committee for Development Policy will continue to align its work programme to the needs and priorities established by the Economic and Social Council, with a view to contributing effectively to the Council's deliberations and assisting it in the performance of its functions. In this context, the Committee will address the theme of the Council for 2021. In parallel, the Committee will also continue its research and analysis on the voluntary national reviews as a key feature of discussions related to the Sustainable Development Goals.
- 98. The Committee will undertake a review of the list of least developed countries in 2021. In addition to measuring the progress of countries vis-à-vis the criteria adopted at its 2020 plenary, the Committee will review background reports prepared for the triennial review, as well as additional information as discussed in chapters IV and VI, for Bangladesh, the Lao People's Democratic Republic, Myanmar, Nepal and Timor-Leste, and consult with the countries concerned.
- 99. In accordance with the provisions of Economic and Social Council resolution 2013/20 and General Assembly resolution 67/221, for its session in 2021, the Committee will monitor the development progress of Equatorial Guinea and Samoa, which have graduated from the least developed country category, and the following graduating countries: Angola, Bhutan, Sao Tome and Principe, Solomon Islands and Vanuatu (Angola and Vanuatu, scheduled to graduate on February 2021 and December 2020, respectively, will be monitored as graduating countries owing to the monitoring period).

100. The Committee will also continue its work related to support for graduating and graduated countries, as well as to making contributions to the new programme of action for the least developed countries for the decade 2021–2030.

# **Chapter IX**

# Organization of the session

101. The Committee held its twenty-second session at United Nations Headquarters from 24 to 27 February 2020. Twenty members of the Committee (including two by video link), as well as observers from several international organizations, attended the session. The list of participants is included in annex I to the present report.

102. The Department of Economic and Social Affairs provided substantive services for the session. Following a subgroup meeting on the morning of 24 February, the Chair of the Committee opened the session and welcomed the participants. Subsequently, the President of the Economic and Social Affairs and the Under-Secretary-General of the Department of Economic and Social Affairs addressed the Committee. Statements are available on the Committee's website at: www.un.org/development/desa/dpad/publication/cdp-plenary-2020/.

103. The agenda for the twenty-second session is contained in annex II to the present report.

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### Annex I

# List of participants

1. The following members of the Committee attended the session:

Adriana Abdenur

Debapriya Bhattacharya

Ha-Joon Chang

Diane Elson

Marc Fleurbaey

Sakiko Fukuda-Parr (Vice-Chair)

Kevin Gallagher

Arunabha Ghosh

Gertruida Maria Hartzenberg

Stephan Klasen (by video)

Amina Mama

Mariana Mazzucato (by video)

Jacqueline Musiitwa

Keith Nurse (Rapporteur)

José Antonio Ocampo (Chair)

Leticia Merino Pérez

Taffere Tesfachew

Kori Udovicki

Rolph van der Hoeven

Natalya Volchkova

2. The following entities of the United Nations system and other international organizations were represented at the session:

Commonwealth Secretariat

**Development Coordination Office** 

Economic and Social Commission for Asia and the Pacific

International Monetary Fund

Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

Office of the United Nations High Commissioner for Human Rights

Organization for Economic Cooperation and Development

United Nations Conference on Trade and Development

United Nations Industrial Development Organization

United Nations Office for Disaster Risk Reduction

### **Annex II**

# Agenda

- 1. Meeting of all least developed country subgroups.
- 2. Opening session.
- 3. Contribution of the Committee for Development Policy to the theme of the Economic and Social Council.
- 4. Overview of the work of the Committee for Development Policy on least developed country issues and preparation for the 2021 triennial review.
- 5. Overview of assessments of the five countries that the Committee for Development Policy may recommend for graduation in 2021.
- 6. Development policy and new inequalities.
- 7. Support measures for graduating and graduated countries.
- 8. Voluntary national reviews.
- 9. Monitoring of graduating and graduated least developed countries.
- 10. Contributions of the Committee for Development Policy to the new programme of action for least developed countries.
- 11. Meeting of Committee for Development Policy subgroups.
- 12. Committee for Development Policy impact, workplan and Members feedback.
- 13. Drafting of recommendations and report to the Economic and Social Council.
- 14. Closing session.

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