COMMITTEE FOR DEVELOPMENT POLICY 405 EAST 42ND STREET, ROOM S-2978 NEW YORK, NEW YORK 10017

TEL.: 1 (212) 963.4752 • FAX: 1 (212) 963.1010

REFERENCE: EAPD/2021/004 Date: 26 February 2021

Excellency,

I have the honour to inform you that during the triennial review of the list of least developed countries (LDCs), undertaken on 22-26 February 2021, the Committee for Development Policy (CDP) decided to recommend to the Economic and Social Council (ECOSOC) the graduation of Bangladesh from the LDC category.

The Committee highlighted that the triennial review took place amidst unprecedented challenges caused by the Covid-19 pandemic. Countries recommended for graduation will need to prepare for graduation while planning for post-Covid-19 recovery and implementing policies and strategies to reverse the economic and social damages incurred by the Covid-19 shock. Therefore, the Committee stressed that a five-year preparatory period would be necessary for countries to effectively prepare for a smooth transition. Further details about the recommendation of the Committee will be contained in the report of the Committee to ECOSOC.

The Committee further commits to pay close attention to the impacts of Covid-19, including to the implementation of recovery plans and the provision of international support, during its annual monitoring of graduating countries and at the triennial review in 2024.

Her Excellency
Ms. Rabab Fatima
Permanent Representative of the People's
Republic of Bangladesh
to the United Nations
New York

The decision to recommend your country's graduation was made in accordance with General Assembly resolution A/RES/59/209 and the guidelines for graduation of countries from the LDC category adopted by the CDP in 2007 and endorsed by ECOSOC resolution 2007/33. It was based on the graduation criteria and supplementary graduation indicators, UNCTAD's vulnerability profile, the impact assessment prepared by the United Nations Department of Economic and Social Affairs (UNDESA) with the collaboration of your government and other partners and stakeholders, the submissions received from your government, and the CDP's Comprehensive study on the impact of COVID-19 on the least developed country category. The attached document contains information on next steps in the graduation process.

Please accept, Excellency, the assurances of my highest consideration.

José Antonio Ocampo

Chair

Committee for Development Policy

Attachment:

Information on next steps in the graduation process.

INFORMATION FOR COUNTRIES RECOMMENDED FOR GRADUATION FROM THE LDC CATEGORY

The Committee for Development Policy (CDP) has recommended the graduation of your country from the LDC category. This note outlines next steps and resources.

What happens next?

- ⇒ The CDP will communicate its recommendation to the Economic and Social Council (ECOSOC) through the official report on its plenary session. The CDP has included in its recommendation a statement on the length of the preparatory period (i.e. the period between the General Assembly resolution and the effective date of graduation).
- ⇒ The next step is for ECOSOC to consider the recommendation. If ECOSOC agrees with the CDP's recommendation, it will state in its annual resolution on the CDP report that it endorses the recommendation. It will recommend, in turn, that the General Assembly take note. As a reference, see the 2018 resolution here: https://undocs.org/en/E/Res/2018/27.
- ⇒ ECOSOC may refer, in the resolution, to the CDP's statement on the preparatory period and may recommend that the General Assembly take note.
- ⇒ The draft ECOSOC resolution on the CDP report is usually introduced by one of the ECOSOC Vice-Presidents, with the support of the CDP Secretariat. Negotiations on ECOSOC's resolution on the CDP report usually take place in May and June. Countries recommended for graduation typically engage actively during the negotiations, as do development partners.
- ⇒ The final step is for the General Assembly to "take note" of ECOSOC's endorsement in its resolution on the graduation of countries from the least developed country category. It is also in this resolution that the General Assembly determines the length of the preparatory period. As a reference, See the 2018 resolution here: https://undocs.org/en/A/RES/73/133.
- ⇒ The resolution is issued during the first General Assembly session following the ECOSOC endorsement of the CDP recommendation, as stipulated in resolution A/67/221. For countries recommended for graduation in 2021, the relevant General Assembly session is the 76th session, starting in September 2021. Traditionally, the draft for this resolution is submitted by the G77, without reference to a main committee. Countries recommended for graduation are typically active in the negotiations on this resolution, in addition to their role within the G77.
- ⇒ The country will cease to be an LDC (will effectively "graduate") in accordance with the text of the resolution. E.g. If the resolution is adopted on December 14, 2021, and the preparatory period is established as five years, the date of graduation will be December 14, 2026.
- ⇒ The period between the date of the General Assembly's resolution and actual graduation is known as the "preparatory period". During this period, countries are encouraged to elaborate, with support from the UN system and development partners, a "smooth transition strategy" to ensure that they make the most of the remaining eligibility periods on international support measures (ISMs) that are exclusive to LDCs, prepare to mitigate any impacts of graduation; negotiate alternative support with development and trading partners; and engage actively with the international processes relevant for graduation, including at the World Trade Organization (WTO), the upcoming Fifth UN Conference on the Least Developed Countries and similar opportunities.
- ⇒ The CDP monitors countries that are graduating and those that have recently graduated, in accordance with mandates by ECOSOC and the General Assembly. The CDP is developing an enhanced monitoring mechanism, including a crisis response process. Further information will be provided over the course of the year.
- ⇒ Some ISMs have established "smooth transition periods", that is, limited periods after graduation during which countries continue to benefit from the measure. For example, the European Union's Everything But Arms (EBA) initiative for preferential market access has an in-built three-year transition period: countries continue to be eligible for three years after graduation; the Technology Bank for LDCs has a five-year smooth transition period. It is not within the mandate of the CDP to determine the extension of any LDC-specific ISMs beyond graduation. These decisions must be made by the relevant development and trading partners and, when applicable, their governing bodies.

Resources

Gradiet Information on LDC graduation www.gradjet.org	LDC Portal – International support measures for LDCs www.un.org/ldcportal
CDP reports to ECOSOC and ECOSOC and General Assembly	Information on the graduation process on the CDP website
resolutions on graduation	http://bit.ly/Graduationprocess
http://bit.ly/CDPreportsresolutions	