I am glad to join this meeting of the Special Body of Least Developed Countries, Landlocked Developing Countries and Pacific Island Developing States that takes place during the Annual Sessions of ESCAP. I send my strong greetings to all government representatives and to the staff of ESCAP and other United Nations organizations supporting this process.

The Committee for Development Policy, which I have the opportunity to chair, concluded the 2021 triennial review of the list of least developed countries in February. From the perspective of the Asia-Pacific region, the triennial review was a demonstration of its development success. We recommended three LDCs in this region for graduation: Bangladesh, Lao PDR and Nepal. Two more LDCs, Myanmar and Timor-Leste, were technically qualified, but we decided to defer a possible recommendation to the next triennial review in 2024 to further assess their development prospects. In 2024, we will also consider Cambodia, which met this year the criteria for graduation for the first time, along four LDCs from Africa. In addition, one country in the region, Vanuatu, graduated last year, two – Bhutan and Solomon Island— are already graduating, and two more – Kiribati and Tuvalu— have been recommended before. Hence, at the end of this decade, there may be almost no LDCs left in Asia and the Pacific. This would be a remarkable sign of progress and an achievement in line with Agenda 2030.

LDCs in Asia and the Pacific, their development partners and the international community can be proud of this progress. But the progress must not be used as an argument for complacency. Graduation itself can pose challenges that must and can be managed. Most importantly, graduation within the next five years and even the decade will happen in very challenging times.

The key common challenge is Covid-19. Preparations for graduation will have to happen in parallel to dealing with the pandemic and working on the recovery. For this reason, we at the CDP suggest that all countries recommended for graduation this year are accorded an extended period of five years to prepare. We also committed to carefully monitor the development progress in graduating countries over the coming years, to see whether Covid-19 or other shocks require further international action.
Covid-19 also calls for special support to LDCs. In our view, they should get priority in access to vaccination, in line with the principle of ‘reaching the furthest-behind-first’. Happily, LDCs in the region are also in the lead among LDCs to vaccinate their populations against Covid-19. But far more needs to be done by the international community. Public health systems of LDCs in the region have been remarkable effective in limiting the spread of Covid-19, despite limited resources. But efforts to strengthen public health need to step up, both by countries and their partners.

However, there are also other challenges, which often vary country by country. Some LDCs have greatly benefited from duty-free and quota-free access to markets in developed and key developing countries. Adjusting to non-LDC status implies reducing the reliance on such preferences. It also requires sufficiently long phasing-out periods after the actual graduation date. For others, external debt is becoming a key challenge. Hence, we are calling for an effective debt relief, as mere suspending debt servicing is insufficient. Debt relief is clearly a global issue, but many of the key actors are here in the region. Most LDCs in the region are also highly vulnerable to climate change and disasters, making continued support imperative. The final key graduation challenge is to ensure a sustainable and inclusive transformation of LDCs’ economies.

The next programme of action for the LDCs to be adopted in Doha next year will be key to advance their development. The programme of action must include a focus on graduation, with meaningful graduation support measures. Regional interest clearly demands that LDCs and its regional partners, not least ESCAP, strongly advocate for and negotiate such support. Better graduation support should also include an improved monitoring mechanism that links monitoring to concrete policy interventions in case countries face setbacks to a smooth transition.

The next programme of action also needs a well-thought through organizing framework. Merely listing many objectives and suggested actions will not advance the interest of LDCs and their partners. We at the CDP have long proposed the theme of “Expanding productive capacity for sustainable development” as organizing framework. The lack of productive capacity has been identified as the key problem of LDCs. The progress towards graduation clearly shows that LDCs in Asia and the Pacific have made progress in productive capacity and made extremely valuable experiences to be shared with LDCs in other parts of the World. But expanding productive capacity to ensure continued development progress in a post-graduation and post-Covid-19 world will be critical for LDCs in the region as well.

I thank you for your attention.