The Committee monitored the development progress of eight countries that have recently graduated or are graduating from the list of least developed countries. It observed that there had been an overall deterioration of their circumstances since they had been recommended for graduation. Angola, Bangladesh, Bhutan, the Lao People's Democratic Republic, Nepal, Sao Tome and Principe and Vanuatu have been further affected by the socioeconomic impacts of the COVID-19 pandemic, the war in Ukraine, global crises in food, fuel and finance, and disasters and climate change, to varying degrees. All of the countries have limited albeit varying policy space to address short-term challenges originating from external shocks and to achieve long-term development objectives at the same time. Policy interventions in each country need to be carefully designed and implemented to manage trade-offs. Continued support by trading and development partners, including the United Nations system, is required to assist these countries in making progress towards sustainable graduation.

The Committee found that Solomon Islands was facing serious development challenges originating from external shocks, namely, the COVID-19 pandemic, the war in Ukraine, disasters from natural hazards such as the recent earthquake, and domes-22(twc)5()-9 and

national development plan. As an oil-dependent country, structural transformation is crucial for Angola, which requires addressing trade-offs between long-term objectives and short-term macroeconomic stability.

Bangladesh

Bangladesh is scheduled to graduate in November 2026. The country recovered rapidly from the economic impacts of the OOVID-19 pandemic, returning to pre-OOVID levels of growth. The fiscal deficit and debt level have increased in response to the pandemic and the global crises in food, fuel and finance, but remain manageable, especially in view of the recent support from IMF.

recommends that the country actively participate in the enhanced monitoring mechanism and provide more information to the Committee so that appropriate actions can be taken and adequate support delivered in a timely manner.

Solomon Islands

Solomon Islands is currently scheduled to graduate in December 2024. The economy is undiversified and has a narrow export base as well as a highly concentrated export market. The country is heavily reliant on the logging industry, but the resource has been overexploited and is facing depletion.

Solomon Islands experienced significant socioeconomic impacts from the COVID-19 pandemic, particularly as a result of the border closure in 2020 and local outbreaks in 2022. Riots in Honiara in November 2021 resulted in significant economic costs, especially to public infrastructure, owing to the widespread looting and burning. The war in Ukraine also affected the s high dependence on oil and food imports. Two earthquakes in November 2022 affected key

functions of the government ministries responsible for preparing for graduation.

As a result of multiple shocks and crises, Solomon Islands has triggered the crisis response process under the enhanced monitoring mechanism. The country reported that global crises and political turmoil had posed significant challenges in preparing a smooth transition on time. Hence, the Solomon Islands formally requested an extension of the preparatory period of an additional three years. The Committee prepared an interim crisis assessment and consulted with the Government, the inter-agency task force on least developed country graduation and the United Nations country team. It found that the country did in fact require an additional three years given that external shocks had prevented the conduct of wide and inclusive consultations that are essential to prepare a sustainable graduation of the country. The Committee urges the country to make a firm commitment to preparing a draft smooth transition strategy by December 2024 and implementing appropriate policy measures to respond to multiple crises and promote productive capacity, with support from development and trading partners.

D. Deferred countries

As mandated in Council resolution 2022/8, the Committee consulted with countries whose graduation had been deferred, namely, Kiribati and Tuvalu, to discuss the development challenges they were facing. The Committee welcomed the enhanced engagement with those countries.

Kribati reported during the virtual consultation that the impacts of the COVID-19 pandemic and global crises in food, fuel and finance had been significant. The Government has been responding to the shocks with assistance from its development partners.

The Committee held a hybrid consultation meeting with Tuvalu, during which it was noted that the pandemic had had significant economic and social impacts and that the country remained very vulnerable to further external shocks. The Government is strongly committed to participating in the enhanced monitoring mechanism and to acquiring information on international support measures, including the support that could be provided by the United Nations Technology Bank for Least Developed Countries.

E. Enhanced monitoring mechanism

The Committee welcomes the affirmative recognition in the Doha Programme of Action (General Assembly resolution 76/258, annex, para. 284) and the call by the Council on Member States and relevant United Na