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Monitoring of graduated and graduating
countries from the least developed
country category:

Vanuatu



Contents

SUMMARY AND THE MONITORING TIMELINE..... 2

1. VANUATU 3

 1.1. DEVELOPMENT TREND AND FORECAST 3

 1.2. DEVELOPMENT RELATED TO INDICATORS IN THE LDC

Summary and the monitoring timeline

Angola: Scheduled to graduate on 12 February 2021. Income has been sustained at a high level and is expected to recover moderately in coming years from the contraction in 2018-2019. Human assets, while improving, are underdeveloped comparing to other countries with similar income levels. There is no update on the preparation of the smooth transition strategy.

Equatorial Guinea: Graduated on 4 June 2017. GDP is projected to continue to decline significantly due to the depletion of the existing oil reservoirs and limited new investment, but it will remain far above the LDC inclusion and graduation thresholds. HAI remains very low. After graduation became effective, the Government expressed interest on possible postponement of the graduation.

Vanuatu: Scheduled to graduate on 4 December 2020. The growth rate is projected to stay around 3-4 per cent. The HAI and EVI indicators show no major change in 2018-2019. While no indication of regress has been observed, the country remains highly vulnerable to external shocks, in particular natural disasters.

Table 1 Timeline for graduation and monitoring reports

Date	Angola	Equatorial Guinea	Vanuatu
<i>June 2017</i>		Graduation	
March 2018	Graduating	Graduated #1	Graduating
March 2019	Graduating	Graduated #2	Graduating

1. Vanuatu

1.1. Development trend and forecast

The real GDP growth has been stabilized at 3.4 per cent in 2016–2018 (see table 2). A recovery in tourism and agriculture combined with further ramping up of infrastructure projects has contributed to sustaining real GDP growth in recent years. Real GDP growth will average a respectable 2.6 per cent in 2019–20, partly owing to stronger growth in household spending, as rising external demand for key agricultural goods boosts rural incomes.¹

Table 2 Vanuatu: Macroeconomic indicators, 2012–2018

Indicator	2012	2013	2014	2015	2016	2017	2018
GDP (USD millions) ¹	782.0	802.0	815.0	774.0	798.0	870.0	

Table 4 Productive Capacities Index (PCI):