

From: Rupesh Shrestha
To: EC
Cc: Md Emdadul Hoque Molla; Mohammad Aminul Hakim; Gaurab Raj Upadhaya;ISPAN Nepal
Subject: [EC] LDC Discount staggered waiver schedule.
Date: Wednesday, 25 June 2025 8:56:42 AM
Attachments:

1. Background:

APNIC has been providing a 50% discount in its membership fee to the members from the Least Developed Countries (LDC). Once the United Nations declares the graduation of the country from LDC to Developing, APNIC's discount is removed henceforth. This proposal request is to consider a staggered increment or a moratorium period for increment of the membership fee when the member country is graduated. Details of the status, justification and proposal is submitted in this proposal.

a) Criterias for graduation from LDC to Developing Country

The United Nations uses indicators to assess the health, education, and economy of Least Developed Countries (LDCs). These indicators include:

- Human Asset Index (HAI)
- Economic and Environment Vulnerability Index (EVI)
- Gross National Income (GNI) per capita.

After achieving the thresholds of these 3 indicators the LDC countries are graduated to Developing Countries.

(<https://www.un.org/development/desa/dpad/least-developed-country-category/ldc-criteria.html>)

b) Report of Nepal and Bangladesh graduation:

Threshold	1306	66	32
2023	Gross National Incom per capita	Human Asset Index	Environment Vulnerability Index
Nepal	\$1,430	76.1	29.7
Bangladesh	\$2,880	77.5	21.9

(GNI per capita ref: <https://data.worldbank.org/indicator/NY.GNP.PCAP.CD>)

- Transition from LDC to Developing Country is based on country indexes just managing to exceed the minimum thresholds. GNI per capita is the financial index which is still much lower for these countries than the average GNI per capita for other countries of Asia Pacific (Australia : US\$63150, China: \$13,390, Thailand: \$7200, Malaysia: \$11710 etc).
- Nepal is scheduled to graduate from Least Developed Country (LDC) status to developing country status in November 2026
- Bangladesh is scheduled to graduate from the Least Developed Countries (LDCs) and become a developing country by the end of 2026

- Out of the total 45 LDCs worldwide, Asia-Pacific has following LDCs
 - Asia (8): Afghanistan, Bangladesh, Cambodia, Lao People's Democratic Republic, Myanmar, Nepal, Timor-Leste and Yemen.
 - Pacific (3): Kiribati, Solomon Island and Tuvalu.

2) Proposal:

As mentioned above in 1.b) the LDC Graduation is only slightly above the threshold, as compared to other significant developing and developed countries. These countries still need time for their economic growth to be financially stronger.

Also, the impact of the increase may see reduced membership and/or unhappy membership. So, we propose and request to APNIC through its Executive Committee to provide a staggered increment of membership fee from the current 50% LDC discount. This can be prospective from 2025 onwards, if not retrospective from 2023.

- 1st year after Graduation: APNIC provides a 35% discount.
- 2nd year after Graduation: APNIC provides a 25% discount
- 3rd year after Graduation: APNIC provides a 15% discount.
- 4th year after Graduation: No LDC discount applicable and full membership billing.

I hope APNIC EC will take this proposal favorably considering the difficult circumstances that may be created to the members from this region with the sudden increase, which may also impact in reduced memberships and unhappy memberships. Hence, I humbly propose for a serious consideration to this proposal for the upcoming LDC graduating countries and its APNIC members, that may be affected.

As per the blog post by APNIC DG dated 13 June 2025, I am pleased to read that potential LDC graduation will not be a basis for improving the balanced budget by 2027 and thereby this proposal will be an impact mitigation strategy for the members to be affected.

Looking forward to a positive decision and answer. Thank you.

Regards,

Rupesh Shrestha

Chairperson

South Asian Network Operators Group (SANOG)

On behalf of SANOG and for the Asia Pacific Community.