UMIC to HIC

Transition Finance Toolkit

TRANSITION PROCESS

There are currently 60 Upper-middle income countries (UMICs) and 80 High-income countries (HICs).

Average GNI per capita:
UMICs: USD 6,473
HICs: USD 24,826

Average HDI score:
UMICs: 0.7
HICs: 0.8

Gini coefficient:
UMICs: 41.5
HICs: 40.7

Transition Criteria
A country reaches high income status when it obtains an income level greater than USD 12,375 (current USD, Atlas method).

Note: The World Bank reassigns income categories on July 1 each year. Classifications are based on GNI per capita for the previous calendar year. The Development Assistance Committee (DAC) revises income groups per country every three years.

TRANSITION IMPACT

ODA Graduation
Official development assistance (ODA) graduation follows when the country has exceeded the high income threshold for at least three consecutive years at the time of a review of the DAC List of ODA recipients.

ODA is government aid designed to promote economic development and welfare of developing countries; in 2018, total ODA on a grant equivalent basis amounted to USD 153 billion.

Concessionality
High-income countries are no longer eligible for ODA once removed from the DAC List of ODA recipients.

RECENT & SCHEDULED GRADUATES


Key Resources
Chile Transition Finance Pilot
DAC List of ODA recipients
The Transition Finance Toolkit (https://oe.cd/tf-toolkit)