Statement

by

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Attaining Energy, Water and Food Security for All –
the Role of MDBs in Attaining Energy, Water and
Food Security

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New Delhi, India
Excellencies,
Distinguished participants,
Ladies and gentlemen,

Thank you for organising this very important meeting here on crucial issues like water, energy and food nexus this year. I would also like to express gratitude for inviting me to deliver a statement and interact with you on these issues. I will be making the some comments from the perspectives of the most vulnerable countries.

There are 48 countries in LDCs. They are from Africa, Asia and Latin America. They have about 900 million people. They are characterised by low income, low level of human and social development and high level of vulnerability to shocks both man-made and natural. They have high incidence of extreme poverty and deep structural constraints.

LLDCs are 31 countries around the world. Inadequate infrastructure, difficult terrain, high transportation and transaction cost, least integration and low productivity are its peculiar characteristics.

SIDS have small economies, and they face the challenges of remoteness from major markets with high costs of transportation and extreme vulnerability to climate change and sea level rise.

All these countries consider these issues to be of paramount importance to them, because of their huge impacts on poverty reduction and sustainable growth.

2014 is very important for them, as the Third International SIDS conference is taking place in Samoa in September 2014, where they will chart out a vision for the next 10 years. Energy, climate change, oceans, jobs, growth and agriculture are priority issues for them and they are calling for genuine and expanded partnership to be strengthened as a result of the conference.

Similarly, LLDCs are having their conference in Austria in November 2014. They are also calling for trade, infrastructure and connectivity, energy and regional integration and livelihood issues as priorities. The Third UN conference on LDCs was held in Turkey in 2011. They have also focused themselves on productive capacity building with access to energy, water and sanitation, infrastructure, agriculture development and building resilience as some of the key priorities.

As we prepare for the post-2015 development agenda, their contributions would be crucial to make the agenda a success. They are all asking for the separate goals in these crucial issues, while reinforcing their integrated impacts and a holistic approach to deal with them in a coordinated manner.

Let me also highlight how they fare in these areas. They suffer the most due to the lack of access to energy, clean water and food and nutrition security. They have certainly made some considerable progress in the last one decade, but they have to go a long way, because of the low base. The disparity between their plight and the global average is palpable.
Only about 40 per cent of them have access to improved drinking water. Only about 30 per cent have sanitation facilities. Water stress is a huge challenge for all of them. Rain fed agriculture is the norm in all these countries.

80 per cent of them have no access to electricity. And 90 per cent of them have no access to modern fuels. That is a huge barrier to human progress and economic growth.

Hunger is a big challenge. 30 per cent of population is undernourished and suffers from hunger. Children, women and marginalised suffer the most among them. Lack of infrastructure facilities results in huge loss of crops. Low productivity and high disguised unemployment are other challenges. Climate change is exacerbating them further.

Therefore in all these three areas, access, affordability and reliability are key challenges to them.

Not surprisingly, countries with the lowest level of development are also those who lack substantial progress in the three areas. Making rapid progress in an inclusive manner will be of critical importance to them to reduce poverty, accelerate growth and promote sustainable development. In addition, access to sustainable energy could enable many of these countries to leapfrog into the path of green economy bypassing the traditional trajectory of the brown growth. Therefore, as the UNSG has said, SE4ALL is a golden thread that connects all aspects of sustainable development. That is more visible in these countries than elsewhere.

Considering the scale and complexity of challenges, the most effective way to deal with them is to move away from the silos approach to an integrated and holistic approach. That is the key to the solution of these problems. This should be reinforced by multi-stakeholder approach complemented by a strong global partnership, north-south, south-south and multilateral. Addressing them in an integrated manner also helps them adapt better to the climate change impacts.

As I stated earlier, the severity of challenges they face, the nexus that exists and their capacity constraints, all point to the need for an enhanced and effective global support for them. In that respect, Multilateral Development Banks have a key role to play. All these banks are already investing a lot in these countries. I would like to see that enhanced and reinforced.

The following areas could be considered by MDBs for effective support.

1. Integrated policy approach and integrated policy support. We need to have integration at the bank level as well as at the country level to ensure its better delivery. Based on their vast knowledge network, holistic approach would be a key contribution.

2. More support for capacity building. Capacity constraints are key bottlenecks in these countries in all these areas. Research, policy and implementation capacities are all limited.

3. Enhanced Financing arrangements in all these areas will be key to unblock their huge potentials. They need to be able to leverage more resources. These
countries have either hardly any access to global markets or the lendings are very expansive for them.

4. Technology access and their adaptation would be a very important area in order to modernise their economy and leapfrog into the green economic path. The banks can play a great role in facilitating that.

5. Institution building and promoting multi-stakeholder approach in all these issues.

We have heard often from these countries that they want to take leadership in these areas. They know that their future is at stake. They want to make rapid progress. That is a welcome development. Poverty eradication and global development goals cannot be met without taking them on board. In fact that is desirable not only from a moral perspective alone, but also from the perspectives of peace and stability and the global public interests.

Poverty eradication, accelerated economic growth and environmental sustainability are desirable and urgent for all, including the poor and downtrodden around the world. They cannot and should not wait any longer for transformation in their lives. It is therefore a good opportunity as well for the international community to bring about that transformation everywhere, and in particular, in these vulnerable countries with a collective and enhanced support and collaboration.

Thank you.