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The High-Level Euro-Asia Regional Meeting on
Improving Cooperation on Transit, Trade Facilitation and
the 2030 Agenda for Sustainable Development

Session 1: Enhancing implementation of the 2030 Agenda for Sustainable Development

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It is an honour and pleasure for me to participate in this important high-level meeting. At the outset, on behalf of UNDP, I would like to express my deep appreciation to the Government of Viet Nam and UN-OHRLLS for inviting UNDP and me to this important meeting. I am pleased to note that this session is focussed on how cooperation between the LLDCs and their transit countries could enhance implementation of the 2030 Agenda for sustainable development.

Ladies and gentlemen,

The 2016 report of the UN Secretary General on Progress towards the Sustainable Development Goals highlighted that the poverty, undernourishment and under-five mortality rates in LLDCs are about 100, 76 and 46 percent higher, respectively, than the average of developing countries. This shows that development deprivation is more severe and thus achieving of the SDGs will be much more challenging in LLDCs than the average developing country. This also shows that the strategy to achieve SDGs cannot be business as usual.

Ladies and gentlemen,

These are challenging times for LLDCs. Some of the critical challenges that LLDCs facing currently are:

- **Weak economic growth** - LLDCs have been hit hard by low commodity prices and low demand. As a result, their growth decelerated to less than 3.0 percent recently. Even with high economic growth in the last decade, LLDCs have failed to achieve several MDGs. Now such a low economic growth means lower employment growth, lower government revenue and lower per capita income and thus slowdown of SDGs progress.

- **Lack of inclusive development** - Many LLDCs confront the challenge of creating more and better jobs for their growing youth labour force. Unemployment rates among youth and women are high and rising. Lack of access to employment opportunity and to basic services aggravate prevailing inequality and exclusion.

- **Increased vulnerability to natural disasters** - In the last decade, frequency and intensity to adverse weather events and natural disasters increased.
Growing demands for water, energy and food have also exacerbate the existing shortages.

Ladies and gentlemen,

In these challenging circumstances, how LLDCs and their transit countries could cooperate further to enhance the SDGs implementation?

Development experience shows that enhanced cooperation between LLDCs and their transit countries is a smart strategy to overcome many of current LLDCs problems. Such a regional cooperation not only is an ideal approach to reap efficiency gains, exploit economies of scale and sustain economic growth, but also is critical for supporting effective SDGs implementation at the national level. The 2030 Agenda recognises the importance of regional cooperation, integration and interconnectivity. SDG 9 explicitly calls for an enhancement of cross-border measures such as the development of regional and trans-border infrastructure connectivity.

By building seamless cross-border connectivity, intraregional supply chains, and stronger financial links, regional economic integration can play a key role in accelerating economic growth, narrowing development gaps among countries, reducing poverty, raising productivity and employment, and strengthening institutions.

Such regional cooperation can also help LLDCs to overcome constraints arising from small domestic markets and allows them to reap the benefits of scale economies, stronger competition and increased investment. Recent sluggish growth in LLDCs has underlined the urgent need for investment on economic diversification and value addition to achieve sustainable economic growth. Such economic diversification and value addition won’t happen unless LLDCs and transit countries work together in enhancing regional and trans-border physical infrastructure connectivity (roads, transport, power, ICTs) and soft infrastructure connectivity (policies and institutions to promote trade facilitation, skilled migration and investment). Unless they work together, regional and global value chains, which is a key for building resilience to economic shocks and to sustain development momentum, also won’t happen. In this context, immediate needs are improved cross-border connectivity and trade facilitation measures.
Effective regional cooperation can also provide financing for regional public goods, facilitate trade flows and attract investment into key sectors. It can also provide excellent opportunities for information exchange and peer learning in socio, economic and environmental affairs. It can also provide a platform to facilitate the national harmonization, comparability of statistics and data, and monitoring progress, and ensuring accountability. Regional economic and social cooperation can also reduce political conflicts and wars. Strategic gains are also important when LLDCs negotiate with transit countries as a unified group in multilateral trade agreements.

Environmental and climatic issues such as river pollution, air pollution, and glacier melting are by nature cross-border issues, which cannot be effectively addressed individually but are best tackled in a cooperative framework. Regional environmental cooperation and joint resource management efforts can slow or reverse the degradation of natural resources or to promote more efficient and more equitable use of existing regional resources. Such cooperation can further help provide or protect regional public goods (like environment, river water, and migration) and improve developmental and environmental efficiency gains.

As most of the poor live and work in rural and agriculture in LLDCs, sharing markets, energy, investment, ideas, technology and skilled labourers are key for improving agricultural productivity, promoting rural industrialisation and financial inclusion and thus achieving inclusive development.

Ladies and gentlemen,

Let me also highlight how UNDP is supporting LLDCs in implementing the SDGs agenda

First is coordination - UNDP supports SDG implementation through its ordination role – coordinating UN Country Teams and others in delivering integrated solutions.

Second is facilitation - UNDP facilitates countries’ to access relevant knowledge, expertise, technology, and resources to implement the SDGs through South-South and Triangular Co-operation.

Third is building partnerships - UNDP also support countries to establish a broad SDGs alliance involving national and sub-national governments, legislators, civil society, NGOs, the private sector, and other stakeholders.
Fourth is policy advice—UNDP also supports countries to integrate the 2030 Agenda into their national planning and budgeting framework. It also supports LLDCs to monitor, report on, and apply lessons learned from SDG implementation, as it did for MDGs. It also supports LLDCs to build their productive capacities, mobilise financing for development, and build the resilience of people, communities, and countries to be able to withstand shocks.

**Ladies and gentlemen,**

To conclude, the 2030 Agenda has presented a window of opportunity for LLDCs and their transit countries to enhance their cooperation and integration. UNDP stands ready support them in this regard.