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Statement

by

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Under-Secretary-General

High Representative

**for the Least Developed Countries, Landlocked Developing
Countries**

and Small Island Developing States

**Opening session of the Regional Meeting of the Asia-Pacific Least
Developed Countries on Sustainable Energy**

Venue: Radisson Hotel

Kathmandu, Nepal

22 March 2017

09:30 a.m. – 11:00 a.m.

- Hon'ble.Min Bahadur Shrestha, Vice-Chairman, National Planning Commission
- Hon'ble Dr. Prakash Sharan Mahat, Foreign Minister,
- Hon'ble Mr. Janardan Sharma, Minister of Energy,
- H.E. Mrs. Rensje Teerink, Ambassador, European Union,
- Ms. Caitlin Wiesen-Antin, UNDP Regional Hub
- Representative of the Chair of the LDC group
- Excellencies
- Distinguished Delegates from LDCs,
- Ladies and Gentlemen,

I express my warm appreciation to the Government of Nepal for hosting the Regional Meeting of the Asia-Pacific LDCs on sustainable energy in Kathmandu.

I am particularly delighted that so many senior officials from the least developed countries in the Asia and the Pacific have joined us here today.

I would also like to welcome the development partners, representatives of the private sector and civil society as well as representatives of international organisations and development banks. Your presence this morning serves as a positive acknowledgment of the importance of the broad alliance of stakeholders that is needed to advance the sustainable development aspirations and to ensure that no one is left behind.

It is my hope that by bringing together all stakeholders, this meeting will accelerate the implementation of the Istanbul Programme of Action, especially in reaching the target on energy, while also building synergy with Sustainable Development Goal .

LDCS remain at the centre of the global development challenges, but they also offer a great opportunity to make the world more prosperous and more stable , because progress and prosperity of LDCs is in the larger interest of the international community as a whole.

The Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020, has the overarching goal to overcome the structural challenges faced by the least developed countries in order to eradicate poverty, achieve internationally agreed development goals and enable half the number of least developed countries to meet the criteria for graduation by 2020.

This may sound ambitious. Yet, it is a worthy goal that we should achieve as early as possible. In this day and age of globalization and interdependence, and with unprecedented global capacity and extraordinary advances in science and technology, we should not lower our ambitions. And the people in LDCs will not settle for less.

There is a solid reason for that. Most of the LDCs are rich in natural resources and human assets. They will have to transform these resources and their knowledge and skills into productive capacity with strong national leadership and equally strong global partnership.

Energy is included in the eight priority areas for action in the Istanbul Programme of Action. We all know that energy poverty has far-reaching impacts at all levels of the societies. This tells us very clearly that there is a direct and positive relationship between energy access, and Eradication of poverty, structural

transformation and building resilience. Sustainable energy is a big multiplier of social, economic and environmental benefits, and it has strong linkages to climate action, health, education, water and food security as well as women's empowerment.

Excellencies,Ladies and Gentlemen,

SDG 7 aims to ensure access to affordable, reliable, sustainable and modern energy for all by 2030 with emphasis on efficiency gains and renewables.. It also makes a special reference to expanding infrastructure and upgrading technology for supplying modern and sustainable energy services, in particular in the least developed countries and other vulnerable countries. Likewise, the Paris Climate Change Agreement and the Addis Ababa Action Agenda underline the importance of sustainable energy and map out necessary actions.

Despite the global efforts drawing attention to energy access as part of larger development frameworks, the situation remains daunting in least developed countries, where two thirds of the population still remain without access to electricity.

Access to electricity in the 13 Asia-Pacific least developed countries increased slightly, from 52.8 per cent of the population having access in 2010 to 56.2 per cent in 2012. From 2010 to 2012, energy access grew 3.2% annually on average in these countries. The rate of growth has been considerably higher for the rural population compared to the urban population (5.1% and 1.4%, respectively), yet the gap in access in these areas remains vast because of the low initial condition in

the rural areas: in 2012, only 44.0 per cent of the rural population had access compared to 90.0 per cent of the urban population. Then there is a challenge of reliable and uninterrupted supply of energy even in the urban areas.

Many countries have accelerated their progress since 2012. Yet so much more work needs to be done and therefore, our message remains loud and clear. We need to scale up, speed up and make our success inclusive of all.

Excellencies,Ladies and Gentlemen,

The majority of the Asia-Pacific LDCs are endowed with vast reserves of renewable energy resources. This, together with new technologies offer many new solutions for gaining energy access. Many of the Asia-Pacific LDCs have already successfully tapped into using hydropower, and the use of solar and wind power are also increasing. Many countries in the region, including the host country Nepal is a good example of it.

Even though the challenges that the Asia-Pacific LDCs face vary, rural electrification and productive capacity enhancement remains a concern in all these countries. Renewable energy solutions can also provide tools to scale up and speed up rural access. Many LDCs including Small islands among them have a unique set of challenges. Some of them are heavily dependent on fossil fuels for their energy needs, spending large shares of their GDP to energy imports, with electricity costing up to USD 0.90 per kilowatt hour to end -users, among the highest per unit costs in the world.

Furthermore, The adverse impacts of climate change are already being felt severely in many LDCs. In this sense, the challenge is how in the process of addressing climate change impacts, these countries could transform their economies and societies into resilient and sustainable ones. We need to fight climate change impacts and pursue development together. In the long run, we can prosper only by doing both.

Excellencies, Ladies and Gentlemen,

In the past four years, my Office has been carrying out activities in the area of sustainable energy to make sure that LDCs will also achieve the global goals on energy. In this regard, OHRLLS has brought together the leaders and policy makers from these countries to discuss the challenges they face in enhancing their energy access. It has clearly emerged from these discussions that the national ownership and political will for energy transition is there, and these countries are eager to scale-up and speed-up their energy initiatives.

Nevertheless, access to finance remains a key challenge for LDCs. The main constraints for accessing finance for expanding modern energy include lack of scale, lack of substantial local investment, institutional capacity constraints, poor or non-existent credit ratings, as well as low project preparation capacities and skills to deploy financing models that encourage blended finance to attract more funds. We all know that given the energy needs we need huge investment in this sector. Investment has to come from all, private and public, domestic and international. In this regard, energy investment plans play a critical role in paving the way forward. The plans need to aim at increasing the viability of energy

investments, lowering the associated risks and making the initiatives more “bankable.” It is estimated that in order to meet the business-as-usual energy demand, the Asia and Pacific region would require a cumulative investment of approximately \$11.7 trillion in the energy sector for the for years 2010-2035.

This meeting provides a unique opportunity to discuss the issues and share experiences and best practices with delegates from countries facing similar development challenges. We are pleased that we are joined here today by delegates from the Ministries of Energy as well as Ministries of Finance and Development and Planning.

The sessions in the next two days will discuss and offer practical, workable solutions on financing sustainable energy in the least developed countries. These will be discussed in the regional context to further advance the creation of an enabling environment for sustainable energy through cross-sectoral policy frameworks and end-to-end business models. Grid, mini-grid and off-grid solutions will be all reflected in the discussions as each country’s transition to a sustainable energy involves a unique mix of opportunities and challenges.

I hope that after two days of debate and discussions, the LDC delegates will return home with new ideas on how to accelerate energy access, mobilize finance and bring light and transformation in the lives of the people. I also hope that the development partners and private sector representatives will be energised to continue and expand their support for and collaboration with the least developed countries.

My Office and the host country will bring back the key messages of this meeting to New York, to the United Nations High-Level Political Forum, which monitors the implementation of the 2030 Agenda and its global Sustainable Development Goals (SDGs). This is crucial for ensuring that the unique views on how those furthest behind have embarked on SDG 7 implementation are heard at the global level , while making sure that support and resources can be directed to where it is needed most.

As a Member of the SE4All Advisory Board, representing the voice of the least developed countries, my Office will also bring the main messages from LDC representatives in this meeting to the next advisory board meeting.

Finally let me conclude by thanking the Government of Finland for its generous support for the organisation of this conference. I also thank our generous hosts, the Government of Nepal for hosting this meeting.

I look forward to fruitful discussion over the next two days.

Thank you for your kind attention.