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Localizing Global Agendas
Introductory Statement by Lal Shanker Ghimire, Joint Secretary,
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27-29 September 2016, ADB Headquarters, Multi-Function Hall
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Session: Setting the Stage (11.00-12.30)

1. Thank you Ms. Suki,
2. A very good morning to everybody. To give justice to the word ‘Global’ already repeated many times this morning and continue to be repeated over the next three days, I will attempt to go global.
3. So, let me start with a question, that is, where are we living?
4. We are living in the 21st Century. And, in this Century, we are faced with several global mega trends or challenges which we will require us, for that matter to countries, to be prepared to address or overcome them. This morning, I will mention four such trends or challenges - one being undeclared but real and felt, and others three - two already declared and one to be declared soon. They are;
 - **First and undeclared:** Transformation of global economy - such as rise of emerging economies and middle class, inequality and disparities within, and between countries,
 - **Second and declared: The SDGs** - Incorporating SDGs in Development agenda,
 - **Third also declared: The Paris (Climate) Agreement** - Challenge of environment and climate change, and
 - **Fourth soon to be declared: New Urban Development Agenda** - Urbanization, requiring a new urban agenda.

5. For stage setting, I would like to express some of my views on these issues in the context of our Region, the Asia and the Pacific Region and in the national context - in my case, it is best that I express my views in the context of my own country, Nepal - and since I am from National Planning Commission, I can mention what we are thinking and planning to do at the national level, including the challenges of incorporating in Long Term or Periodic Development Plan. Actually, I will mention more about country status, actions taken so far, and strategies in the afternoon session.

6. By the way, when I said in the context of our Region, I meant diversity of Asia and the Pacific. The diversity in terms of;
 - a. Rich and poor individual or people – 562 out of 1826 individual listed in Forbes and 476 million below the poverty line,
 - b. Richest and poorest countries (Qatar - US\$74667 and Afghanistan - US\$ 590.3),
 - c. Population (China - 1.3 billion and Nauru or Tuvalu - about 10,000),
 - d. Growth rate (Papua New Guinea - 16 percent and Yemen - -28 percent),
 - e. Size of the economy (China - US\$ 20 trillion and Tuvalu - US\$ 37 million),
 - f. HDI (New Zealand - 0.913 and Afghanistan - 0.465),
 - g. Languages (Papua New Guinea - 852 or Indonesia - 719 and Vanuatu - 113),
 - h. Ethnics (Indonesia - 1128 and Korea - 1),
 - i. Rich and Poor Countries (Members of OECD - 4 and LDCs, LLDCs and SIDs -17
 - j. Geographical diversity (Mount Everest - 8848 meter and Dead Sea - 409 meter), and
 - k. People living below the poverty line (Timor-Leste - 46.76 percent

and Malaysia - .028 percent).

7. In the last four decades, Asian growth has been remarkable but it has been at the cost of inequality and environmental degradation. Asia has the major challenges of moving or directing or guiding its growth towards sustainable development, that is, development which will consider economic, social and environmental considerations in its development model.
8. Now I turn to a few key points on the four challenges I mentioned earlier;
 - First, **Changing nature of Asian Economic Growth:** The most important challenge for Asia is inequality and disparities within the country. I am very optimistic that the SDG goals of Ending Poverty and Ending Hunger (Goal 1 and 2) by 2030 will be met but I am concerned about reducing inequality (Goal 10) and the specific challenges facing the countries - we have countries vulnerable; we have Least Developed Countries; we have Land Locked Countries; and we have Small Island Developing States, as well as those countries facing middle income trap. Providing access to economic opportunities, access to basic health and education, gender equality, and social protection to each and everyone will remain a challenge in developing Asian countries.

The SDGs that support such agendas will need special considerations if we have to meet the intended targets by 2030. Furthermore, the emerging economies will face -some are already facing - the middle - income trap, which provides them the challenge of getting out of this trap. In this context, I am reminded of ADB's work the "Asia 2050" which has clearly identified this concern. *(By the way, I used to be at ADB one time and happy to be back here to see some ADB and Philippines colleagues around).*

Today, in the global context, our region is facing a challenging new economic condition. With growth in advanced countries tepid, the world economy is providing little impetus to Asian growth. China is now the major trading partner of most major regional economies, particularly in East Asia and ASEAN. Hence, Chinese economic growth is important for Asia. China's slow down means a slower pace of growth across Asia. The IMF has indicated it already.

- Second, **SDGs**: Let me make 3 points here;
 1. **One**, SDGs is aspirational and global, requiring each government to set its own national targets. The challenges of translating global aspirations to national level is not an easy exercise and have serious implications, not only to countries but also to development partners. Let me illustrate with an example. Goal 6 requires ensuring availability and sustainable management of water and sanitation for all. The MDG for water and sanitation was simpler with two indicators for access to water and access to sanitation. We still have the remaining unfinished agendas of sanitation from the last MDGs - I would call MDGs a younger brother of SDGs though MDGs was born before SDGs! In other words, the Goal 6 is quite comprehensive. It includes among others, reuse, recycling, hazardous waste management. Personally, I like it because it is comprehensive and this is how it should be.

But when I wish to translate them into my national context, there are many implications such as needing a new water and sanitation policy, setting new targets, capacity and institution building, regulatory and legislative

requirements and financing. Frankly it appears to me that it will be the same or even more challenging for other development partners – both donor countries and international agencies like the one who today brought us together, asked to seat and listen and doors closed from inside and outside!

2. **Two**, SDGs and targets are required to be integrated and indivisible, and I agree. This brings another type of challenge at the national level. The line agencies at the local level are sectoral and think sectoral and the budgets is appropriated along sectoral targets. How to make Energy and Water or Irrigation Ministries to work together (such as in the case of a river basin) or water and agriculture, requires some transformational work in resources allocation as well as institutional arrangement - an issue that has remained for decades in the countries, and

3. **Three, Financing:** I have not yet seen new financing particularly the ODA for SDGs -Yes, I have heard and also seen the report making some assessments. We faced the financing issue during MDGs and now we will face even more and bigger financing gap for SDGs. I am less hopeful that more funds will be valuable to developing countries and developing countries' ability to do on their own with their domestic resources is limited. The only new money we have seen is the Green Climate Fund (GCF), although it is so small at the moment.

- **Third, Climate Change:** I think that The Paris (Climate) Agreement was a diplomatic success. First time all countries have agreed to be a part of the solution but the real challenge is

“implementation”. Hence, the challenges remain. Let me mention three of them;

1. **One**, translating into national level will require preparing plans for meeting Intended Nationally Determined Contribution (INDCs). Such plans are not ready in many countries. Many countries also lack knowledge and resources in preparing them,
2. **Two**, financial resources available are limited and process of receiving fund, for example like from GCF is complex, and
3. **Three**, lack of bankable projects, especially for adaptation projects, and the need for capacity and institutional building at the national level for preparation of climate projects.

- **Finally, the fourth challenge, Urbanization:** Let me again limit to three points;

1. **First**, it is estimated that about 65 percent of the Asian will live in cities by 2050 - currently 200 million urban poor with less than \$1.25 a day income also live in cities. Cities will provide 65 to 70 percent of the Gross Domestic Product (GDP). Asian cities will emit about 50 percent of the greenhouse gases. Hence, Asian cities will become the centre for economic growth, employment and the place to find solutions to environmental and climate challenge.
2. **Second**, Goal 11 about **Cities**. But cities require integration of several other goals, for example Goal 6 (water), Goal 7 (energy), Goal 9 (infrastructure), Goal 13 (climate change)

and other related goals. It will require a new urban strategy and new urban agenda and a new thinking, not only at the national level but also at international level and among the development partners, and

3. **Third**, we need to look at the need of the future cities, including ageing population, sustainable consumption pattern, transport of the future, urban farming, and compact energy and water efficient communities, addressing the urban poor, among others. We must have a strategy that will make our future cities inclusive, green, clean, smart and competitive. This is a huge challenge but we have no choice but to do it for the **People, for the Planet and for Prosperity** which is the first sentence of the preamble of the Resolution adopted by UN General Assembly on 25 September 2015.

9. Finally, I am happy that the Organizers of this seminar have included **“Setting the Stage”** as an agenda and I am delighted to have the opportunity to make short introductory remarks and share some of my views. I look forward to listening and learning from other colleagues.

10. It is time for me to stop. Thank you!

