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OPINION IN LEAD

The SDGs – what are the "means of implementation"?

The Sustainable Development Goals (SDGs) are taking shape with the zero draft of proposed 17 Goals published in August 2014 and now being revised for the United Nations (UN) General Assembly this September. Following a protracted inter-governmental consultation through the Open Working Group (OWG), the zero draft has proposed a total of 17 SDGs, including proposed Goal 17, "Strengthen the means of implementation and revitalize the global partnership for sustainable development".

Goal 17 comprises of 19 targets to measure the means of implementation (MoI). The MoI may be presented as two broad sets of modalities and instruments. First, the MoI could be distinguished from the perspective of key instruments—financial and others. Second, they may be considered from the perspective of jurisdiction or level of operation—global and national policies and institutions, although some may be regional. At present, consensus has been reached on the three major areas circumscribing the scope of the financial MoI. First, official development assistance (ODA) and debt relief will continue to be important inputs for the delivery of the post-2015 international development agenda. Second, developing countries need to mobilize more resources through enhancing taxation, cutting subsidies and preventing illicit capital flows. Third, countries—individually or collectively—have to tap into the new and innovative sources of finance.

Until ODA is no longer required, every high-income country should contribute the agreed international target of 0.7 percent of its gross domestic product (GDP) as ODA, of which 0.15-0.20 percent should be allocated to the least developed countries (LDCs). Along with increased ODA, it is also essential to improve the distribution of aid across countries as the distribution is skewed towards wealthier developing countries. Similarly, aid should be distributed to sectors that create productive capacity. Meanwhile, public investment in infrastructure and urban development projects should be leveraged with private capital so as to accelerate SDG delivery. Additionally, wide-ranging and intensive discussions could identify possible new and innovative sources of finance. For example, resources could be raised from capital markets by floating various medium- and long-term instruments. Global solidarity levies—for example, a tobacco levy and a global carbon tax—should be considered. Furthermore, private philanthropic funds could emerge as a key source of development finance.

Experience has shown that the effectiveness of financial MoI is reduced significantly in the absence of complementary policy and institutional measures, particularly global ones. Trade in goods is an important development enabler, and how international trade can support the post-2015 framework is an essential question. Nonetheless, the promotion of an open and rule-based multilateral trading system, supported by the World Trade Organization (WTO), is essential. But with the Doha round of negotiations stalled, a number of other initiatives are gathering momentum (e.g., the Trans-Pacific Partnership) and may undercut the WTO process, and further marginalize low-income countries. Indeed, the LDCs have yet to receive full quota- and duty-free market access for their products in industrialized and middle income countries. Hence, improving the supply-side capacity of low-income economies is essential, and so the Aid for Trade (AfT) Initiative could play a decisive role. However, to convert trade opportunities to trade flows in the post-2015 period, both funding commitments and disbursements under the AfT Initiative should increase significantly while the Enhanced Integrated Framework (EIF) for LDCs also should be adequately resourced.

At the regional level, there can be several means of implementation of SDGs. Increased regional integration and efficient regional development banks could help absorb shocks and finance infrastructure development. Moreover, regional partnerships on knowledge, innovation, and capacity development could be viewed as major non-financial means of implementation.

Meanwhile, the role of South-South cooperation (SSC) is increasingly finding place as an MoI within discussions of a viable “global partnership” for the realization of the post-2015 agenda. The large Southern countries are gradually increasing their role as non-traditional donors and may increasingly define the global economic landscape and help ensure the delivery of the post-2015 agenda. SSC will thus be both about financial resources and other means of implementation. Given that many of southern countries enjoy economic surpluses and reservoirs of knowledge, expertise and technology, they are naturally positioned to become providers of resources to poorer developing countries.

Against this backdrop, the adequacy of the MoI for the post-2015 agenda can be best assessed once the agenda itself is adopted. It would be desirable to develop a matrix of tasks and responsibilities for each of the goals and targets (and perhaps the indicators too). Each target should be agreed along with a clear idea about delivery mechanisms. In this connection, accountability and monitoring should be an integral MoI. MDGs had no specific framework to mobilize additional resources—other than to reiterate the 0.7 percent ODA target—which was a major shortcoming in the exercise.

The ongoing disagreements about the content and packaging of the goals and targets reflects a continuing reluctance by countries with means—be they from the North or the wealthier parts of the South—to commit resources to the post-2015 development framework or to an accounting and monitoring mechanism with independence and teeth to keep commitments under review. Ultimately, the most important means of implementation will be the political will of global leaders, which hopefully will be reflected in the “Declaration” in the final document. The global public’s vigilance should seek to keep the feet of political leaders to the fire by constantly reminding them of their commitment to end global poverty and “leave no one behind”.

(Adapted from Debapriya Bhattacharya and Mohammad Afshar Ali’s Briefing paper published by the Future United Nations Development System, September 2014, http://futureun.org/media/archive1/briefings/FUNDS-Briefing21-SDGsMoI.pdf)

ANALYSIS

Climate change: a real threat to economic growth and food security

South Asia is one of the fastest growing regions in the world today with high potential for sustained growth. Economic growth since the early 1990s has contributed to significant reduction in poverty in the region. But despite the high rates of economic growth and the steady progress in poverty reduction, the region is still home to nearly half of the world’s poor. Regrettably, climate change impacts are emerging as significant risks to sustained growth and poverty reduction in South Asia. According to the Asian Development Bank (ADB) report “Assessing the Cost of Climate Change and Adaptation in South Asia”, in the absence of strong global actions to counter global warming, climate change could cut South Asia’s growth by almost 9 percent by the end of the century. Specifically, the Maldives and Nepal would be hit hardest, losing up to 12.6 percent and 9.9 percent of their GDP by 2100. Meanwhile, Bangladesh, India, Bhutan and Sri Lanka would lose 9.4 percent, 8.7 percent, 6.6 percent and 6.5 percent of their GDP respectively.

South Asia is particularly vulnerable to climate change due to high population density, poverty, and lack of resources for adaptation. Moreover, owing to the topography of the region, South Asia is already highly susceptible to climate change extremes such as seasonal floods, sea level rise, landslides, cyclones, droughts and increasing erratic rainfall patterns that ravage vast swathes of agricultural land, reduce water availability and displace hundreds of thousands of people every year. In fact, between 1990 and 2008, more than 750 million people in South Asia were affected by at least one natural disaster, resulting in almost 230,000 deaths. Unfortunately, climate change is predicted to make such extreme weather events more frequent and destructive, consequently damaging property, infrastructure, agriculture and human health. Coastal areas of Bangladesh, India, the Maldives and Sri Lanka will likely see serious damage to fisheries, coastal ecosystem and communities from more frequent storms and a potential rise in sea level. A sea level rise of one meter would affect 95 million people in South Asia, and inundate 66 percent of total land area in the Maldives.

In addition, the rainfall in summer/monsoon months is likely to increase with greater frequency of intense precipitation in parts of South Asia. Though the monsoon-dominated annual precipitation cycle is expected to remain unchanged, the seasonal pattern of rainfall could become more erratic over the years. Additionally, since much of the region's agriculture sector depends heavily on favourable monsoon conditions, the expected changes in precipitation pattern will have a significant impact on agricultural production, posing a serious threat to regional food security. In India, changes in rainfall patterns could benefit rice out in most northeastern states, but southern states could see annual yields decline by 17 percent by the 2080s. Importantly, the variations in the intensity and the distribution of rainfall will cause India's water shortfall forecast to hit 400 million m^3 by 2050. In Sri Lanka, drop in monthly rainfall of 100 millimetres will reduce the productivity of tea plants by as much as 30 to 80 kilograms of tea per hectare.

Meanwhile, the Himalayan region of the Indian subcontinent has become even more vulnerable to natural disasters, mainly glacial lake outburst floods spawned by melting glaciers due to rising temperatures. In Bhutan, at least 24 glacial lakes could also be at risk of catastrophic overflow as a result of ice melts, which could result in floods and landslides that could have significant impact on Bhutan's hydropower sector. Moreover, due to global warming, the Himalayan region has already begun experiencing shorter winters with less snowfall, causing the snowmelt to start early. These changes consequently have significant effects on river flows, water-related natural hazards, water availability, infrastructure (especially hydropower), agriculture and natural ecosystems. However, the overall rise in temperature may benefit farmers in some parts of the region, though the overall impact on agriculture will be negative. According to the Report, annual rice production in Nepal could increase by as much as 16 percent by 2080, but drop as much as 23 percent in Bangladesh, Bhutan, India and Sri Lanka.

Considering that agriculture provides employment and livelihood opportunities to most of South Asia's rural population, aforementioned changes in temperature, rainfall and the increase in climate change induced events such as floods, landslides and sea level rise, among others, will have a devastating impact on the food security, poverty reduction and sustainable economic growth of the region. If the world continues to sideline the issue of climate change and pursue unsustainable growth model, South Asia will need to spend at least US$73 billion by 2100 to adapt to climate change impacts.

Realizing the vulnerability of the region to climate change impacts and the associated high costs, many South Asian countries have already developed measures to deal with climate change. However, when faced with numerous climate change related hazards in recent years, measures undertaken thus far have failed to effectively address climate change impacts in the region. Moreover, much of the focus has been on climate change mitigation rather than adaptation. Thus, policy makers need to take early actions to adapt to climate change. Concomitantly, regional efforts should be aimed at spurring critical investment in both adaptation and mitigation measures, and developing mechanisms for technology and knowledge transfer among regional members. Importantly, South Asia also needs to introduce flood- and saline-resistant crop varieties, and improve water management and irrigation facilities to ensure better food security to the people.

NEWS

India in advanced talks for gas export to Pakistan

State-run gas utilities from India and Pakistan are in advanced talks for export of gas via a pipeline running from Jalandhar in India to the Attari border and to Lahore in Pakistan. According to an Indian Petroleum Ministry official, negotiations between the sides on commercial aspects of the gas export are at an advanced stage. While Pakistan has been asking India to re-consider the proposed gas price, India has sought sovereign payment guarantees before entering into any contract. Petroleum Minister Dharmendra Pradhan informed parliament earlier this month that negotiations are underway between GAIL India and the Inter State Gas Systems (ISGS) of Pakistan for supply of five million metric standard cubic metres a day (MMSCMD) of lean gas to Pakistan for a period of five years. Under this proposal, GAIL would lay 110 km pipeline from Jalandhar to the Amritsar-Attari border.

Liquefied natural gas (LNG) will be imported through terminals in Maharashtra or Gujarat and then moved through GAIL's existing pipeline network up to Jalandhar. LNG would be gasified by the Indian side as Pakistan does not have an LNG import facility. LNG imports into India are currently in the range of US$13-14 per million British thermal units (mbtu) and after including customs or import duty, pipeline transportation charges and local taxes, the delivered price will be close to US$21 per mbtu.

India's Finance Minister Arun Jaitley in his budget speech last month did not mention the bit on concession in gas exports to Pakistan, but included it in the relevant documents. Relevant section pertaining to the amendments in the Customs Act states "Exemption from basic customs duty is being granted on re-gasified LNG for supply to Pakistan". India, on its part, has sought sovereign payment guarantees from Pakistan, including sureties for three months' payment and advance termination commitments, the official said.

The pipeline project is also being seen as a feasibility study for the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline project through which both India and Pakistan propose to import LNG from the central Asian region.

Source: http://www.indiatvnews.com, 18.04.2014.

SAARC summit to focus on theme of connectivity

An advisory committee formed by the Government of Nepal to recommend the theme of the forthcoming 18th SAARC Summit to be held in Kathmandu in November has adopted and recommended “Connectivity for Shared Responsibility” as the central theme of the summit.

Previous SAARC summits have raised the issues of connectivity for economic prosperity in the region several times but since it has not been implemented we decided to push it again, said Bhekh Bahadur Thapa, who headed a meeting of the committee. The theme, after being approved by the Cabinet, will be circulated to member states for consent.

“Connectivity by road, rail, waterways and airways are key for regional integration and has been widely discussed in many platforms in the past. Easing the visa process among the member states is the key in this respect. Given the gravity of the issue, we have recommended the government to adopt connectivity as its central theme”, said Thapa. Several studies have revealed that the SAARC region is one of the least integrated regions in terms of connectivity, people to people contact and intra-regional trade prospects.

Since the early 1990s, however, several attempts have been initiated to boost South Asian economic integration through a number of trade pacts at the bilateral, sub-regional, and multilateral levels but have had below par results. The Thapa-led committee also recommended the government to push for effective implementation of past declarations.

Source: http://www.ekantipur.com, 15.08.2014.

Easy access for veggies sought in Indian market by Nepal

The Ministry of Agricultural Development (MoAD) has proposed to hold talks with India on providing easy access for Nepali vegetables, fruits and herbs to the southern market towards the end of August or in the first week of September.

A proposal, in this regard, has already been sent to India via the Ministry of Foreign Affairs. “However, we are yet to get a confirmation on the date of the meeting”, MoAD Senior Agricultural Economist Pradyumna Raj Pandey said.

The bilateral talks are being held as per agreement reached during Nepal-India commerce secretary meeting in December, when the Indian side had agreed to work together in removing hurdles facing exports of Nepali agricultural, livestock and herbal products to India.

During the forthcoming talks, Nepal will ask India to remove some medicinal herbs and vegetables, like cabbage, cauliflower, tomato, green peas and chayote, from its Plant Quarantine Order to ensure smooth supply of these products to India. At present, India’s Plant Quarantine Order 2003 restricts imports of various plants and plant products to ascertain imported agricultural goods are safe for consumption, and prevent spread of pests and diseases in crops.

While Nepali traders are facing hurdles in exporting various medicinal herbs and vegetables to India due to the Plant Quarantine Order, other non-tariff barriers, like non-recognition of quarantine certificates issued by government, are also hurting supply to India.

“We will also raise this issue during talks with Indian officials,” Pandey said. “In this regard, test standards between two countries need to be harmonised so that our quarantine certificates are recognised by Indian customs.” Nepal will also request India’s Directorate of

Plant Protection, Quarantine and Storage to recognise pest risk analysis conducted here to facilitate exports of vegetables, fruits and herbs. Pest risk analysis is conducted to obtain import permits—generally valid for six months—from the Indian government. If India recognises the analysis conducted in Nepal, Nepal may be able to export many herbs and agricultural commodities, mainly cabbage, cauliflower, tomato, green peas and chayote, grown in certain pockets without any hindrance.

Source: http://www.thehimalayantimes.com, 13.08.2014.

Afghan trade to rebound sharply once election deadlock over

Uncertainty over Afghanistan's bitterly contested presidential election has helped drive a 20 percent drop in exports this year but Afghan trade officials say they expect revenue to rebound once a deadlock between rivals is resolved.

"As soon as the final results of the elections are announced there will be a 30 to 40 percent increase in exports and imports and we are sure about that", the director of Afghanistan's Industry and Export Promotion Department, Mir Zaman Popal said. Import data was still being finalised, Popal continued, but his department expected a similar, 26 percent decline from almost US$3 billion in 2013.

Separate data from the Afghan Chamber of Commerce and Industries (ACCI) provided to Reuters showed a steep drop in grain exports, along with carpets and animal products, all contributed to a decline in exports in the April-June period.

The spread of extortion along Afghanistan's main highways had contributed to the general downturn in trade, but Popal hoped security would improve once a new government was in place. Management practices at the Ministry of Finance were also in need of long-promised reform to give trade a boost, he said.

"Our politicians' speeches are provocative and future of this country is uncertain. It is safer for businessmen to take their money out of the country instead of investing it in a risky situation," ACCI deputy chairman, Khan Jan Alokozai, told Reuters.

Exports fell to US$99.5 million in the first three months of the Afghan calendar year, which starts in April, from US$129 million in 2013, according to the ACCI data.

Source: http://in.reuters.com, 11.08.2014.

Pakistan may slash sensitive list for LDCs under SAFTA

Pakistan has offered to open up its border for trade with LDCs of South Asia, Khurram Dastgir, the commerce minister said. Pakistan has already reduced its sensitive list of 1,169 items to 936 for all SAARC countries. The items placed on the sensitive list with every country were not offered for reduction in customs duties.

A source in the ministry said the country may reduce its sensitive list for the LDCs—Bhutan, Maldives, Nepal and Afghanistan—to near zero items. However, some items would remain on the list to protect local industries.

India has also reduced the list for the LDCs to 25 items. Ahead of the Bhutan meeting, experts had also suggested the establishment of SAARC Development Bank, early finalisation of Draft SAARC Agreement on Promotion and Protection of Investments, Motor

Vehicles and Railways Agreements, and introduction of currency swap arrangements and trading in local currencies of the member states.

Mr. Dastgir said that member countries have agreed on establishing development bank and currency swapping. However, it was not clear whether the existing SAARC Development Fund would be transformed into the development bank. Under the currency swapping arrangement, any country can import goods and services in their currency, and an arrangement can be made under which the exporting country gets paid an equivalent amount in its currency, something Mr. Dastgir said would facilitate the regional trade.

The final decision about the establishment of the bank and others will be taken at South Asia level in the 18th SAARC Summit scheduled for November in Kathmandu.

Pakistan has also offered to trade in energy, given its wider market, the commerce minister said, adding that this would increase regional connectivity.

The SAFTA ministerial council meeting also discussed and recommended the establishment of integrated check posts in six land customs stations in the region. Pakistan is already working to establish check posts at the border points, especially at Wagha, Torkham and Chaman.

Source: http://www.southasianmedia.net, 04.08.2014.

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