

Subregional Cooperation to Support MDG Achievements

South and South-West Asia

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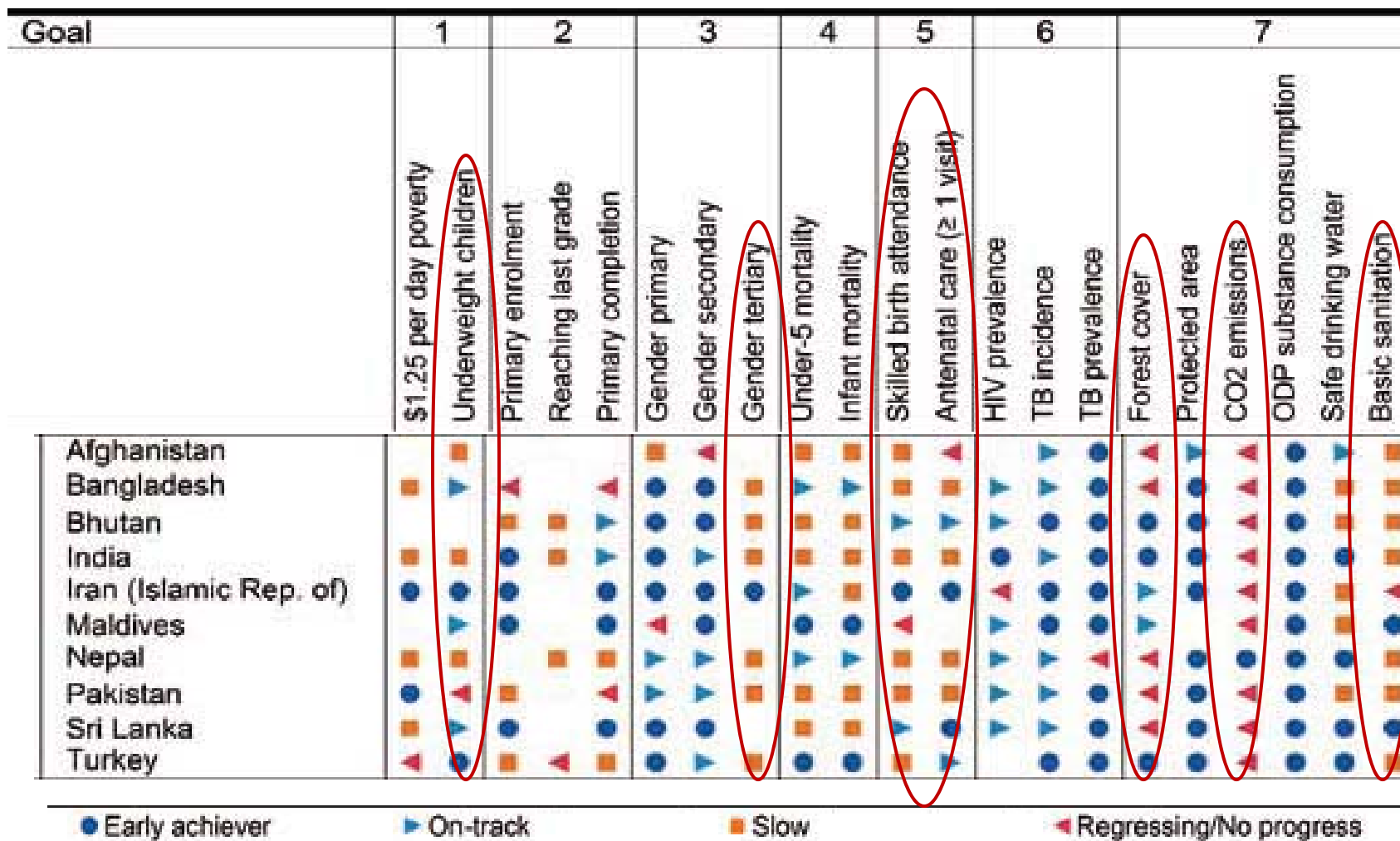
Outline

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MDG Achievements - where we stand

- More than a decade since the adoption of the Millennium Declaration, progress towards MDGs in SSWA has been mixed across countries
- High growth rates have contributed to a reduction in income poverty levels & improvements in literacy, health & access to basic amenities
- However, the subregion is still “off track” in 9 out of 21 MDG indicators measured, including underweight children, infant & maternal health, CO₂ emissions, forest cover & basic sanitation
- Rises in income inequalities & regional disparities during periods of rapid economic growth is a major concern
- The global economic & food-fuel crises have also placed substantial strain on the region’s progress towards MDGs
- Regional challenges present an opportunity to refocus policy attention in harnessing the full potential of subregional cooperation to achieve MDGs

MDG Progress in SSWA Countries



Source: ESCAP/ADB/UNDP, 2010/11, based on United Nations MDG Database

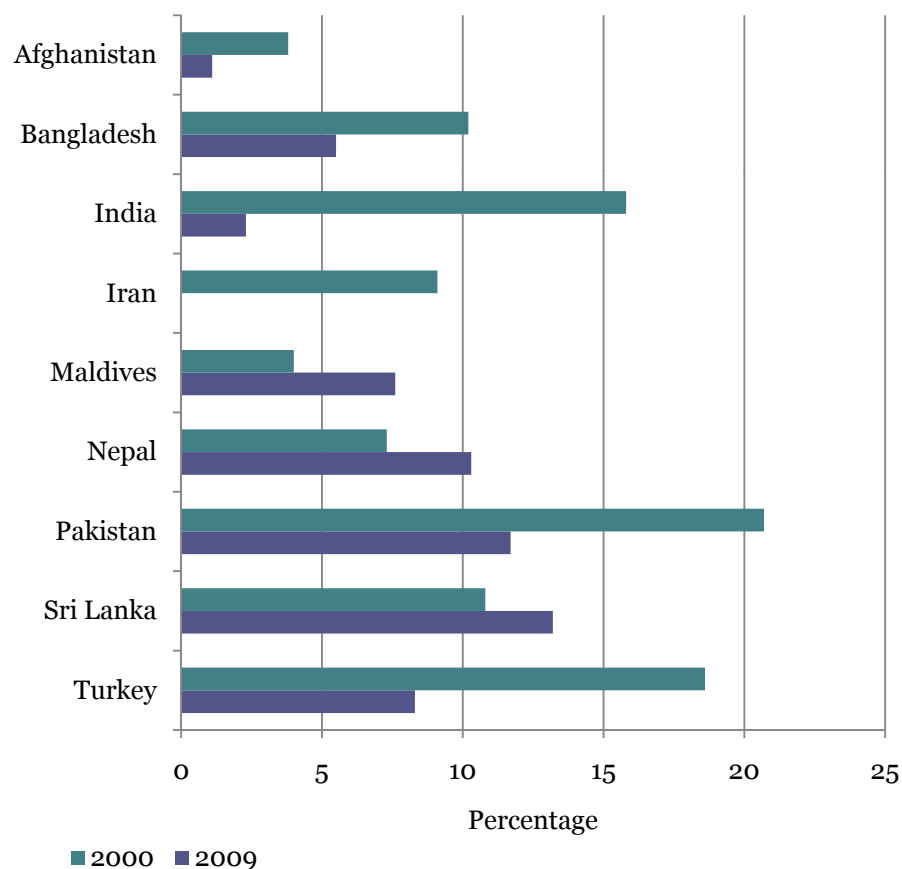
Goal-by-Goal Situation

- **MDG1:** Progress in reducing income poverty – pc income increases of around 6% - but hunger is a persistent issue – 1 in 6 malnourished & 1 in 3 children underweight
- **MDG2:** Primary net enrollment ratios rising on average, but still low in Pakistan (66%) & Nepal (74%)
- **MDG3:** High gender equality in primary school enrollment, but low for secondary & especially tertiary enrollment
- **MDGs4,5&6:** Health-related MDGs have improved but more needs to be done to reach 2015 targets:
 - Decline in infant & maternal mortality rates, but no. of births attended by skilled professionals still low – Bangladesh, India & Pakistan record lowest %s of births preceded by antenatal care in AP region
 - Good progress in reducing both death and incidence for TB
- **MDG7:** A source of concern:
 - PC emissions of CO₂ rising & all countries except Nepal showing no progress
 - Deforestation a major threat
 - Sanitation facilities poor in rural areas

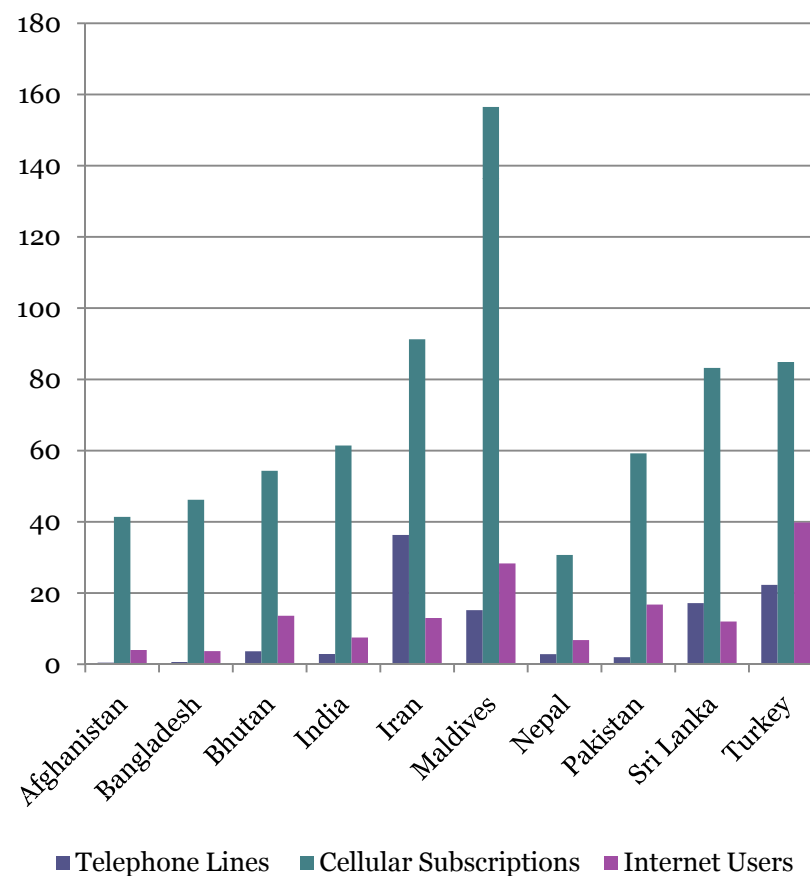
Goal-by-Goal Situation Cont.

MDG8

Debt Service as a % of Exports in SSWA:
2000 & 2009



ICT Indicators in SSWA: 2010
(per 100 population)



Source: UNSD, 2011, Millennium Indicators Database Online

Subregional Initiatives

MDG1: Eradicating Extreme Poverty & Hunger

- Poverty alleviation over-arching objective of SAARC – referred to in SAARC Charter (1985)
- Independent South Asian Commission for Poverty Alleviation (ISACPA1) (1992) – to study and recommend policies to address poverty in the region
- ISACPA2 (2002): “Our Future, Our Responsibility”
 - Halving poverty by 2010
 - Priority Actions + Road Ahead (2005 – 2010)
 - 22 SAARC Development Goals (SDGs) in line with MDGs: “Engagement with Hope” (2007-2012)
 - Benchmarks developed – for each SDG, for integration with national planning processes + national implementation monitoring of MDGs

Subregional Initiatives Cont.

MDG1: Eradicating Extreme Poverty & Hunger Cont.

- Extra-Ordinary Meeting of the SAARC Agriculture Ministers (Delhi, 2008)
- Technical Committee on Agriculture & Rural Development
- Core Group on Research – Extension – Farmer Linkages
- Establishment of SAARC Food Bank (2008) to act as a regional food security reserve for SAARC countries:
 - Operational modalities agreed
 - Capacity to be increased from 243,000 MT
- Regional Food Security Strategy (SAARC/FAO):
 - Adopted at 15th Summit (Colombo, 2008)
 - 7-10 Regional Projects identified & key interventions being developed by SAARC Agriculture Centre, with assistance from ADB
- ECO projects on agriculture

Subregional Initiatives Cont.

MDG2: Achieving Universal Primary Education

- SAARC Technical Committees on Education (1989) & Human Resources Development (1999)
- SAARC Chair, Fellowship & Scholarship Scheme
- MoU between SAARC and UNESCO (2008)

MDG3: Promoting Gender Equality & Empowering Women

- Technical Committee on Women, Youth & Children:
 - SAARC Gender Info-Base (2008): 3 focus areas (Violence Against Women, Feminization of Poverty, Women's Health focusing on HIV/AIDS), supported by UNIFEM
- 2 Regional Conventions: on Trafficking of Women & Children (2002); Promotion of Child Welfare (2002)
 - A Regional Task Force to assess implementation of both Conventions

Subregional Initiatives Cont.

MDGs 4 & 5: Reducing Child Mortality & Improving Maternal Health

- Provisioning Maternal & Child Health Care, including Immunization (at PHCs & District Hospitals):
 - US\$ 12.5 million – 24 months duration
 - Phase I : Bhutan, Nepal, Sri Lanka, Maldives
 - Phase II : Afghanistan, Pakistan
 - Identification of districts/sub-districts which feature at the bottom w.r.t. MDGs (Maternal and Infant Mortality, esp. Neonatal)
 - Upgradation /Construction of physical facilities, esp. New Born Corners
 - Provisioning of basic Kits
 - Training and provisioning of OBGYNs, Pediatricians, Paramedics, Nurses

Subregional Initiatives Cont.

MDG6: Combating HIV/AIDS, Malaria & Other Diseases

- Regional Centre on TB & HIV/AIDS (1992):
 - Focused on regional capacity building, research in TB & HIV/AIDS
 - Coordination of a research laboratory network across SA
 - Regional Strategy on TB & HIV co-infection on implementation
- Technical Committee on Health & Population (under SAARC Social Charter, 2004)
- Regional Strategy on HIV/AIDS (2006 - 2010):
 - SAARC Goodwill Ambassadors on HIV/AIDS engaged
 - Regional Strategic Framework on Treatment, Care & Support for Children Affected by HIV/AIDS
- Regional Strategy for Communicable Diseases
- Global Framework for Priority Trans-boundary Animal Diseases
- ECO Projects on drug control

Subregional Initiatives Cont.

MDG7: Ensuring Environmental Sustainability

- "SAARC Environment Action Plan" (1997):
 - SAARC Coastal Zone Management Center (2004) – cooperation in planning, management & sustainable development of coastal zones
 - SAARC Forestry Center (2007) – protection, conservation & prudent use of forest resources
 - SAARC Convention on Cooperation on Environment signed at 16th Summit in 2010 & will enter into force once ratified by all Members
- SAARC Action Plan on Climate Change (2009-2011) identifies 7 thematic areas of cooperation
- Regional cooperation in SWA is still low, but joint activities are slowly evolving under the Arab League:
 - Regional workshop on Disaster Risk Reduction & Climate Change in Nov. 2009
 - Adaptation to climate change dealt with by the Arab Water Council

Subregional Initiatives Cont.

MDG8: Developing a Global Partnership for Development

- Establishment of Trade Facilitation Centres (TFCs) for home-based workers under SAARC:
 - US\$ 13.5 million
 - Phase I: Bangladesh, Nepal, Sri Lanka, Pakistan, Phase II: Afghanistan Bhutan, Maldives
- SAFTA (2006) – aims at the formation of an FTA by 2016, with progressive reduction in customs duties on products from the region:
 - Under an early harvest program for LDCs, India, Pakistan & SL reduced customs duties on products from these states to 0–5% in 2009
- SAARC Agreement on Trade in Services (SATIS) (2010)
- ECO Trade Agreement (ECOTA) – aims to establish a single market for goods & services through agreements relating to tariffs, para-tariffs & NTBs
- IOR-ARC (1997) includes 4 key components on trade liberalization trade & investment facilitation, economic & technical co-operation & facilitating movement of people

Subregional Initiatives Cont.

MDG8: Developing a Global Partnership for Development

- SAARC Finance (1998):
 - A regional network of the SAARC Central Bank Governors & Finance Ministers/Secretaries to promote cooperation among its members
- SAARC Development Fund (2010):
 - Set up to finance various social, economic & infrastructure projects in the subregion
- Plan of Action on Telecommunications (2004):
 - Recommends reduction of telecom tariffs within the SAARC region & the use of direct links or of a hubbing/transit facility for intra-regional traffic
- SAARC Common Position on the Information Society (2005):
 - Harnessing ICT for social & economic development, preservation of linguistic & cultural diversity, increasing literacy rates, and access to information for all
- SASEC Information Highway Project (2001):
 - 3 components – establishment of the SASEC regional network, building the SASEC village network & establishing the SASEC regional research & training network

Subregional Limitations

- Over the last 2 decades, SA has seen a plethora of MDG-related declarations, high-powered Commissions, plans of actions & regional projects to achieve MDGs
- These efforts deserve praise, but little – in terms of implementation & monitoring – has been done in achieving intended targets
- Cooperation in SA is hindered by:
 - Regional politics
 - Ineffective institutional structures – a number of (overlapping) committees without proper coordination
 - Scarcity of financial/human resources & infrastructure
- A key problem has been the limitation of regional projects in achieving MDGs in individual member states – case of SAPAP projects under ISACPA1
- West Asia, discouraged by prolonged conflicts, has yet to develop a single subregional organization

Overcoming Limitations

- Strengthening existing mechanisms & deepening economic integration under existing frameworks could be far more effective than any new initiatives
- A positive development is the “greater focus on implementation” in SAARC’s 3rd Decade
- Under this focus 3 Windows identified: Social Economic, Infrastructure:
 - Amount: assessed US\$ 300 million
 - Permanent Secretariat: Thimphu (2010)
 - 2 Regional Projects (under Social Window) already launched
 - Indian voluntary contribution of US \$ 100 mn to ‘social window’ of the SDF – can provide a setting for other donors & well-wishers to contribute
- Also important to look at ways of incorporating Iran & Turkey into existing initiatives to broaden subregional integration:
 - Can start by enhancing effectiveness of ECO initiatives through strengthening institutions & infrastructure

Case for Subregional Cooperation

- While each country has its own specific challenges to address, across the subregion there are many common issues & priorities
- Regions are a logical and natural location for policy responses / government actions on issues that cannot be addressed easily by individual countries
- Also, Multilateral cooperation has not been successful:
 - **Stalling of the Doha Round**
 - **WTO operates on a consensus-basis which is in most cases unfeasible**
- Regional economic integration offers opportunities for strengthening the overall environment in which MDGs can be achieved
- Also enables smaller economies to extend their markets and reap efficiency gains from specialization and economies of scale & scope
- There is evidence to show that cooperation supports MDG achievements
 - large no. of poverty alleviation/health initiatives in SA has led to reductions in poverty levels/improvements in health across countries

Areas for Strengthening Cooperation

- Intra-regional trade:
 - Building up a more diversified pattern of trade & less export-dependence on Western markets
 - More inclusive patterns of regional trade that benefit LDCs
- Physical/ICT connectivity and better trade & investment facilitation:
 - Essential to complement integration efforts
 - Potential for cooperation in ICT connectivity –SWA is well above SA – SACs can develop ITC infrastructure by forming linkages with SWA
- Financial cooperation:
 - Developing a regional financial architecture to provide more efficient intermediation between the region's large savings & its unmet investment needs to achieve MDGs
 - Iran with poorly developed financial markets can gain from collaborating with other SSWA countries

Areas for Cooperation Cont.

- **Energy cooperation:**
 - Huge potential for mutually beneficial energy trade in the SSWA subregion
 - Iran is a net exporter, while other countries in SSWA are net importers of energy, most significantly India & Turkey
- **Environment cooperation:**
 - The SSWA subregion has pressing environmental concerns & is off-track in achieving environment-related MDGs
 - Cooperation in adopting environmentally sustainable technologies – trade in CSGTs: India & Turkey are among the top 10 exporters & importers of CSGTs globally
- **Migration policy:**
 - Currently large migration flows within the subregion
 - Could encourage people-to-people contacts & integration if source & destination countries could arrive at bilateral agreements

Areas for Cooperation Cont.

Emulating Best Practices

- Individual member states can look at best practices in the region:
 - Grameen Pay Phone Scheme in Bangladesh & Mechanization of Fishing Boats Project in Maldives
- Also important to learn lessons from other subregional groupings
- ASEAN is a good example – “ASEAN Roadmap for the Attainment of the MDGs” (2009-2015):
 - Focuses on 5 key factors: advocacy, knowledge, resources, expertise & regional cooperation & regional public goods
 - Separate ASEAN sectoral bodies identified to directly correspond to the 8 thematic areas of the MDGs
- Under the focus on regional cooperation:
 - Collaboration with Asia-Pacific regional & sub-regional initiatives
 - Lobbying for support from global initiatives on climate change & other public goods
 - Initiating programmes for a limited number of issues that cut across the MDGs & impact several ASEAN Member States

Conclusion & Way Forward

- SSWA has made significant progress on some MDGs, but still lags behind in several others
- The vast amount of resources/planning required for MDG achievements is beyond the capacity of individual economies – especially LDCs
- Subregional economic integration is thus the best way forward – is more viable as economies are on a level-playing field
- Enhancing regional cooperation is a multifaceted task that will require the implementation of bold policy initiatives at national & regional levels, and in many different areas
- However, connectivity & cooperation is vital in addressing key challenges in the subregion & in facilitating progress towards achieving all MDGs by 2015



Thank you