

# Giving Voice, Promoting Inclusive Policy

### POLICY BRIEF

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### Highlights



South Asia plays a pivotal role in the success, or lack thereof, of the implementation of the SDGs globally.



South Asian countries have seven key policy priorities: employment generation, infrastructure development, ensuring universal access to education and health, providing universal social protection and financial inclusion, guaranteeing food security, establishing gender equality, and enhancing environmental sustainability.



The regional priorities for SDG implementation in South Asia can be addressed by making use of connectivities as regional instruments.



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## Regional Cooperation for SDG Implementation A Model for South Asia

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#### 1. Introduction

South Asian countries constitute 36 per cent of the world's poor (UNESCAP, 2018a). Hence the region plays a pivotal role in the success, or lack thereof, of the implementation of the Sustainable Development Goals (SDGs) globally. In this regard, for implementing the SDGs, South Asian countries have seven key policy priorities: employment generation, infrastructure development, ensuring universal access to education and health, providing universal social protection and financial inclusion, guaranteeing food security, establishing gender equality, and enhancing environmental sustainability (UNESCAP, 2018a). This study explores how regional cooperation may be conducive to addressing these priorities and achieving the SDGs in South Asia.

Many of the SDG targets are not only interconnected but also transnational (Zhou and Moinuddin, 2017). For example, goal and targets on climate change are not possible to be achieved without regional and global efforts. While SDG 13 is the specific goal on climate change, there are many targets and indicators in other goals which are connected to climate change including SDG 1: No Poverty, SDG 2: Zero Hunger, SDG 3: Good Health and Wellbeing, SDG 6: Clean Water and Sanitation, SDG 7: Affordable and clean energy, SDG 8: Decent work and Economic Growth, SDG 9: Industry, Innovation and Infrastructure, SDG 12: Responsible Consumption and Production, SDG 14: Life below Water, and SDG 15: Life on Land (Khatun, 2019). Climate change is the result of economic activities by countries that affect other countries. Greenhouse gases cross borders and cause global warming.

Therefore, two points are quite clear: (i) it is not possible to achieve some SDG targets without considering some other targets; and (ii) it is not possible for individual countries to achieve some SDG targets without cooperative and concerted efforts from other countries in the region and the world. Thus, the quest for achieving the SDGs must be a journey where countries proceed hand-in-hand to accomplish shared goals. Otherwise, the prospects of reaching the final destination of SDG accomplishment in 2030 are astronomically low. In the above context, this policy brief investigates the regional priorities, instruments, and institutions that hold the potential for implementing the SDGs in South Asia by 2030.

#### 2. Regional Priorities

As the global discourse on the 2030 Agenda for Sustainable Development continues, it is becoming evident that due to varying levels of past progress, different regions of the world are now facing diverse problems and have distinct priorities. For the countries of the South Asian region, seven key policy priorities have been identified (UNESCAP, 2018a). These are: (i) generating employment; (ii) developing infrastructure; (iii) ensuring universal access to education and health; (iv) providing universal social protection and financial inclusion; (v) guaranteeing food security; (vi) establishing gender equality; and (vii environmental sustainability (UNESCAP, 2018a).

#### **CPD POLICY BRIEF**

The countries of South Asia have large pools of young workers entering their labour markets each year (UNESCAP, 2018a). As a result of this youth bulge, these countries are well-poised to reap the dividends from a demographic dividend (Navaneetham and Dharmalingam, 2012). Conventional economic theory suggests that the transfer of surplus labour from the rural agriculture sector to the urban industry sector results in the structural change of an economy which may be conducive to economic development (Lewis, 1954). Unfortunately, the structural transformation of the South Asian economies has occurred in such a way that the share of employment in the services sector has increased at the cost of falling employment in the agriculture sector. However, in this process, the industry sector has been circumvented and its vast potential for generating employment has remained largely untapped (UNESCAP, 2018a). In South Asia, the share of youth Not in Education, Employment, or Training (NEET) was estimated to be 27.6 per cent overall in 2019, compared to 21.4 per cent globally (ILO, 2018). The situation was more alarming for females, as the share of female youth NEET was estimated to be 46.5 per cent for South Asia in 2019 whereas globally it was 30.5 per cent (ILO, 2018). Estimates suggest that industry-driven structural change in South Asia has the potential for generating 56 million additional jobs and lifting 71 million additional people out of poverty (UNESCAP, 2018a). Therefore, it is essential for the economies of South Asia to leverage the potential of the industry sector in order to benefit from a demographic dividend.

South Asian countries are lagging behind the developed world in terms of infrastructure. In 2015, only 45 per cent of the population had access to improved sanitation in South Asia, compared to 67 per cent globally (UNESCAP, 2018a). In 2014, there were only 17 internet users per 100 people in South Asia, compared to 40 globally (UNESCAP, 2018a). Infrastructure is the common denominator constraining industrial development in the South Asian countries. Hence, the countries of the region must acknowledge that infrastructural development is not a catalyst but rather a prerequisite for achieving the SDGs by 2030.

The countries of South Asia are also falling behind the developed world regarding universal access to education, health, food and social protection. In 2017, net secondary school enrolment in South Asia was 59.76 per cent which was 65.83 per cent globally (World Bank, 2019). Gross enrolment in tertiary educational institutions was 23.31 per cent in South Asia in 2017, compared to 37.88 per cent for the world. In 2011, there were 0.67 hospital beds per 1,000 people in South Asia and 2.70 in the world (World Bank, 2019). The prevalence of under-nourishment in South Asia was 14.8 per cent and 10.9 per cent globally in 2017 (FAO, 2018). Achieving the SDGs in South Asia will not be possible if its people remain illiterate, impoverished and insolvent. Thus, it is evident that the countries of South Asia must ensure that no one is left behind in terms of access to education. health, food and social protection so that the core idea of the SDGs is realised in 2030. In addition to provision of these basic services, South Asia also needs to break free from the shackles of outdated traditions and cultural practices that restrict the empowerment of

Although the South Asia has low per-capita emissions relative to the developed world, it is expected to be one of the regions worst affected by climate change (UNESCAP, 2018a). South Asia accounts for one-third of all deaths caused by natural disasters in the world (UNESCAP, 2018b). Research has shown that solid waste management is linked to 12 out of the 17 SDGs, and practising the philosophy of 'Reduce, Reuse & Recycle' (3R) may improve the health outcome and living conditions of approximately 3 billion

people worldwide, while also facilitating climate change mitigation (Rodic and Wilson, 2017). Sustainable production and consumption are hitherto almost alien concepts in South Asia (Khatun *et al.*, 2020). However, this state of affairs must change immediately if the countries of the region are determined to achieve the SDGs by 2030. In this regard, particular attention needs to be focused on renewable energy, as it holds the potential for being the key driver of sustainable practices in South Asia.

In addition to these shared regional priorities, several other emerging and longstanding regional issues are critically important for implementing the SDGs in South Asia, especially from the vantage point of Bangladesh. These include: (i) the influx of more than one million Rohingyas from Myanmar into Bangladesh (SDG 10.7); (ii) the cross-border drug trafficking from Myanmar into Bangladesh (SDG 3.5); (iii) the equitable sharing of rivers that flow from India into Bangladesh (SDG 6.6); (iv) the protection of endangered species of birds and animals in the Sundarbans to prevent their extinction (SDG 15.5); and (v) the evolving regional security risks and terrorism threats (SDG 16.a). Bangladesh needs to make full use of the momentum of the discourse on the 2030 Agenda and carry forward the discussions on these serious issues.

#### 3. Regional Instruments and Institutions

The regional priorities for SDG implementation in South Asia can be addressed by making use of connectivities as regional instruments (Rahman, 2018). In this context, five key connectivities need to be considered: (i) trade connectivity; (ii) investment connectivity; (iii) transport connectivity; (iv) institutional connectivity; and (v) knowledge connectivity (Rahman, 2018).

Trade connectivity refers to liberalisation of international trade in goods and services, coupled with promotion of trade facilitation and reduction of non-tariff barriers. The existing regional institutional mechanisms, such as South Asian Free Trade Area (SAFTA), South Asian Association for Regional Cooperation (SAARC) Agreement on Trade in Services (SATIS), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and Bangladesh-China-India-Myanmar Forum Cooperation (BCIM) are suitable for increasing trade connectivity in South Asia. Investment connectivity refers to the transnational alignment of business regulations, accompanied by increased adoption of agreements and policies that promote cross-border investment. Regional institutions that are well placed to promote investment connectivity in South Asia include Asian Clearing Union (ACU), South Asian Regional Standards Organisation (SARSO), South Asia Comprehensive Economic Partnership (SACEP), Asian Development Bank (ADB) and Asian Infrastructure Investment Bank (AIIB). Transport connectivity refers to the establishment of multi-modal, seamless, efficient, hassle-free and cost-effective transportation networks (Rahman, 2015). A number of regional institutional structures and agreements can facilitate transport connectivity in South Asia, such as Belt and Road Initiative (BRI), Bangladesh-Bhutan-India-Nepal Motor Vehicle (BBIN-MVA), Asian Highway (AH) and Trans-Asian Railway (TAR). Institutional connectivity refers to the harmonisation and coordination of institutions across countries. The SAARC Development Fund, SAARC Agriculture Centre, SAARC Food Bank and SAARC Forestry Centre hold the potential for improving institutional connectivity in South Asia. Knowledge connectivity refers to the transfer of technology and sharing of best practices. South Asian institutional arrangements such as Asia-Pacific Information Superhighway (AP-IS), Centre for Alleviation of Poverty through Sustainable Agriculture (CAPSA), Centre for Sustainable

#### **CPD POLICY BRIEF**

Agricultural Mechanisation (CASM), Regional Integrated Multi-hazard Early Warning System (RIMES) and Asian and Pacific Centre for the Development of Disaster Information Management (APDIM) can enhance knowledge connectivity within South Asia.

#### 4. Towards a Model of Regional Cooperation

To address the seven regional priorities and implement the SDGs in South Asia, a Five-connectivity Model of Regional Cooperation is proposed, based on the research carried out in a number of recent studies (Rahman, 2018; UNESCAP, 2018a; UNESCAP, 2018b). Figure 1 shows that the outermost pentagon on the model contains the seven regional priorities for South Asia. Following this, the next pentagon contains the regional institutions that need to be utilised for addressing the seven priorities. The next pentagon, which forms the heart of the model, shows the five connectivities that will act as regional instruments deployed by the corresponding regional instruments deployed by the corresponding regional instruments. The inner-most pentagon shows the relevant SDGs that can be achieved through the respective regional institutions and regional instruments. Finally, at the very centre of the model sits SDG country into an entrepot for the However, in order to realise s shows the way forward is requested to exclusive shows the way forward is requested.

Integrated 17 which will be the core SDG for such a regional framework. Using the Five-connectivity Model of Regional Cooperation, it is possible to address all the seven regional priorities facing South Asia, as well as th Asia. expedite the implementation of all 17 SDGs.

There is enormous opportunity for the industry and services sectors of Bangladesh to play an instrumental role in transforming the country into an entrepot for the South Asian region (Sobhan, 2000). However, in order to realise such ambitions, a clear roadmap that shows the way forward is required. Such a roadmap is provided by the Five-connectivity Model of Regional Cooperation.

Given the interconnected and indivisible nature of the SDGs, the Five-connectivity Model inherently has some spillovers between the SDGs, along with inter-linkages between the different kinds of connectivity. For instance, improving transport connectivity could lead to an improvement in trade connectivity. However, for simplicity of exposition, these intersections have been excluded. These issues are expected to act as an impetus for future research that carries out a deeper analysis on the topic.

Figure 1: Five-connectivity Model of Regional Cooperation for South Asia



Source: Authors' illustration based on Rahman (2018) and UNESCAP (2018a, 2018b).

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#### 5. Concluding Remarks

South Asia as a region is one of the farthest behind in the world in terms of sustainable development. The economies of this region have undergone structural transformation which was not sufficiently industry-oriented to generate adequate number of jobs for the vast young populations of these countries. Huge gaps in infrastructural facilities still hold back South Asia from achieving its full economic potential. At the same time, the human potential of the people of South Asia is restricted due to lack of access to quality education, healthcare and nutrition. A substantial portion of the worlds' poor live in South Asia and need social protection and financial services. The development of South Asia needs to be inclusive enough to benefit those who are left behind and sustainable enough to protect the environment. These are tall orders for any single South Asian country to address on its own. Therefore, there is a clear rationale for cooperation among the countries of this region.

Hence, it should be kept in mind that even though the SDGs are implemented nationally, complete accomplishment of these global goals and targets have to be attempted jointly and through collaboration. Unfortunately, some of the South Asian institutional mechanisms for cooperation could not be successful due to lack of political will. As a result, South Asian countries could not benefit from such alliances. However, for the 2030 Development Agenda to be successful, countries have to come together. Issues such as climate change and security have regional and global dimensions. Moreover, SDG 17 laid out the means of implementation which urges on partnership in several ways including finance, trade and technology. In this regard, this policy brief suggests that regional cooperation on the basis of the proposed Five-Connectivity Model can contribute towards SDG implementation in South Asia. Of course, the success of such initiatives will largely depend on the active participation of all countries in the region and their willingness to implement the SDGs successfully.

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