



**SELECTED SUSTAINABLE  
DEVELOPMENT TRENDS IN  
THE LEAST DEVELOPED COUNTRIES 2018**



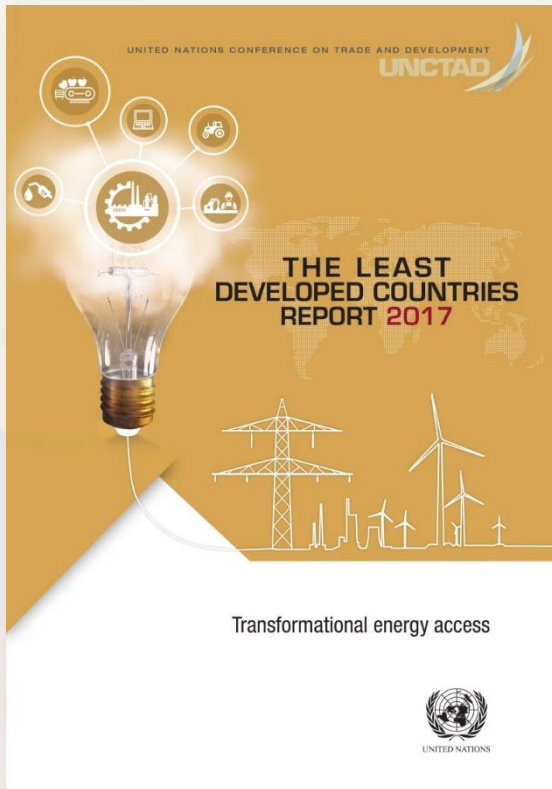
# **Selected Sustainable Development Trends in the LDCs 2018**

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Trade and Development Board, 66<sup>th</sup> Executive Session

Geneva, 5 February 2018



# KEY POLICY IMPLICATIONS



# Objectives

- ❑ Contribute to UN system-wide work on follow-up of implementation of 2030 Agenda for Sustainable Development...
- ❑ ...within areas of expertise and mandate of UNCTAD

**A HOLISTIC AND COORDINATED APPROACH**  
is essential to the delivery  
of transformational energy access



# Slowdown in growth took LDCs farther away from SDG targets

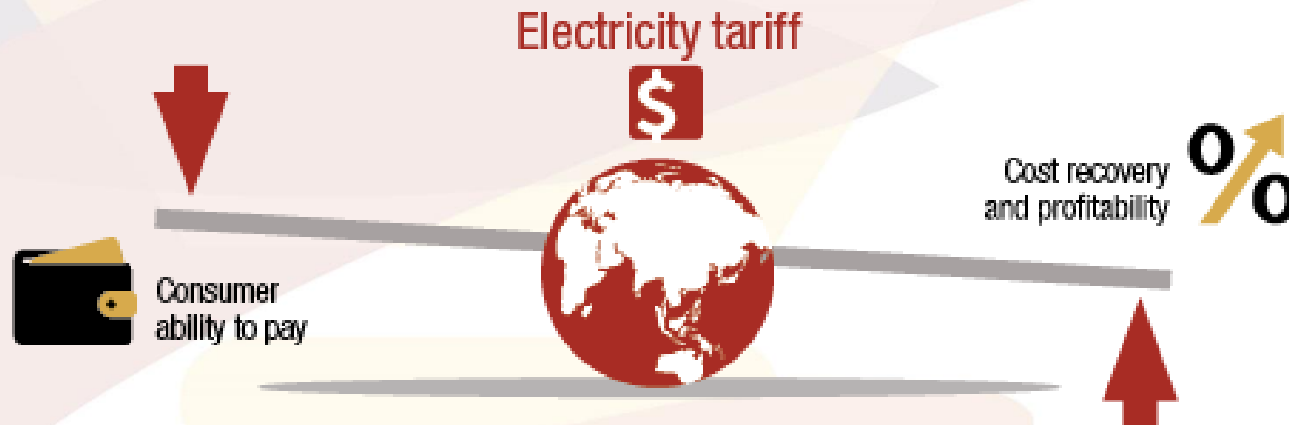


## B. Address electricity system governance and finance

### LDC governance frameworks for transformational energy access must ensure:

- ❑ Robust regulatory and governance systems
- ❑ Clear vision of the roles of the public and private sectors
- ❑ Reasonable *affordability* for users, matched by...
- ❑ ...*financial sustainability* of operators (e.g. through cost reflective tariffs)

**KEY CHALLENGE:**  
reconciling financial sustainability with affordability




- ❑ Integrate energy policies and structural transformation strategies
- ❑ Opportunities from scalable renewable-energy technologies and mini-grids can be exploited to foster rural structural transformation...
- ❑ ...matched by *complementary policies* (in agriculture, finance, training and human resource development)
- ❑ Attention to building a domestic modern energy supply chain that develops linkages with other sectors...
- ❑ ...and to *women empowerment policies* that allow women to contribute actively to structural transformation

## C. Integrate energy and development strategies



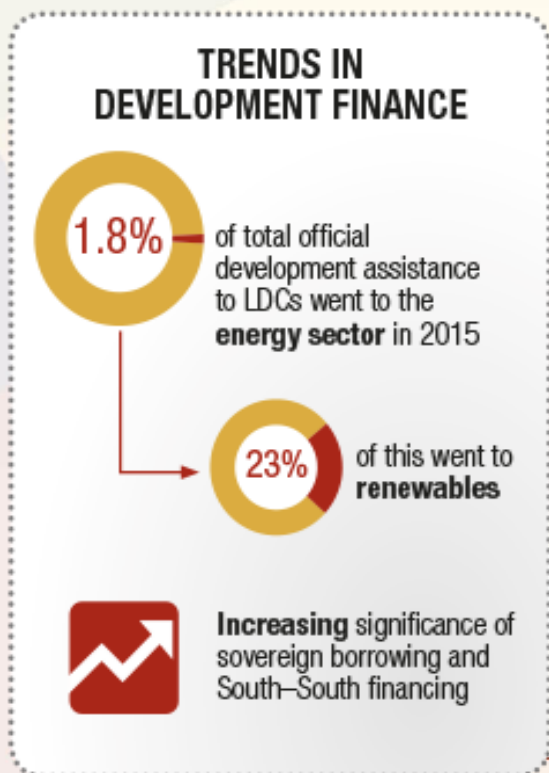
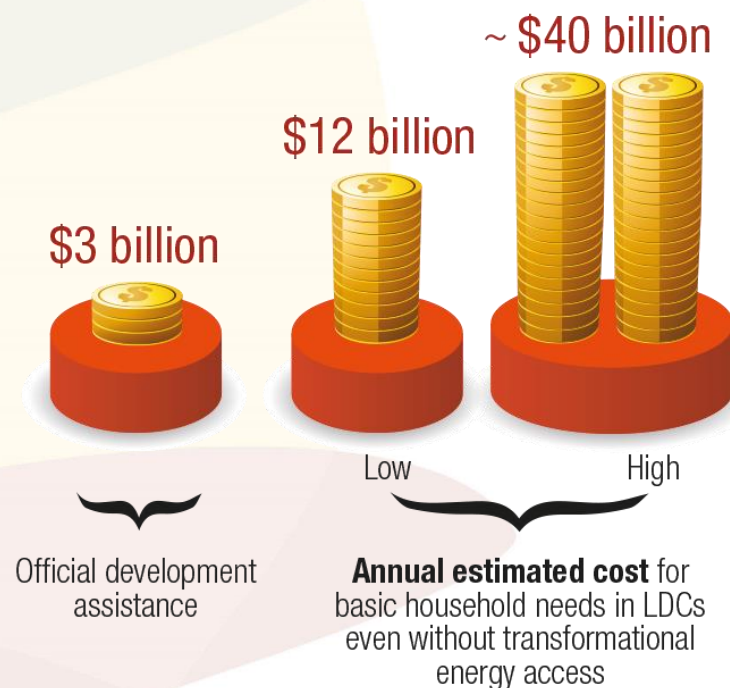
## D. Harness international cooperation:

- ❑ LDCs need to enhance the impact of foreign direct investment
  - Low-carbon FDI can be mobilized...
  - ... but foreign investors must not crowd out domestic actors in the energy sector 
  
- ❑ Sovereign borrowing can be leveraged to finance energy infrastructure projects...
  - ...but beware of risks of debt unsustainability especially when commodity prices are falling and international conditions are worsening 



## D. Harness international cooperation

- Investments required to achieve universal access to electricity in all LDCs by 2030 are of the order of *\$12 billion to \$40 billion a year...*
- ...but these are under-estimates as the figures do not include full costs for transformational energy access



- ODA needs to be scaled up, given LDCs limited domestic public finances and private sector reluctance to invest in energy sector in LDCs





## D. Harness international cooperation

- ❑ Closer integration of regional energy markets can help:
  - Cross-border trade in electricity can boost energy export revenues, lower energy import bills and offer a means of energy storage
  - Regional power pools can play a role
  
- ❑ International support measures to LDCs for *technology transfer and absorption* must be beefed up
  - International innovation network for LDCs
  - Global and regional research funds
  - South-South and triangular cooperation
  - **Technology Bank for LDCs**





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