



Ministerial Meeting of the Landlocked Developing Countries on the theme "Enhancing equitable, affordable and inclusive transport connectivity as a driver for sustainable and resilient economies"

14 - 15 December 2023 Yerevan, Armenia

SESSION 2:

Building Resilient Infrastructure Connectivity for Sustainable Development of LLDCs

16:15 - 17:30

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Issue Paper

Building resilient infrastructure is vitally important for sustainable development and is therefore reflected in the goals of the 2030 Agenda for Sustainable Development (Goal 9).

Infrastructure development leads to positive spillover effects that directly impact over 80 per cent of the Sustainable Development Goals targets (UNEP, 2019). Investment in building resilient infrastructure can set countries on a development trajectory characterized by quality essential services, reduced damage to infrastructure assets, lowered systemic risk and sustainable social and economic development.

Strengthening resilient infrastructure is a major challenge for LLDCs. These countries face a multi- dimensional challenge; a large infrastructure deficit; precarious and low-quality infrastructure; disaster-related asset losses, damage, and service disruption; and a stock of legacy infrastructure increasingly ill-suited to address the challenges posed by climate change and rapid technological change¹.

The lack of infrastructure inadvertently increases product costs by 30-60 percent as higher transport costs are incurred (UNCTAD, 2015). Furthermore, LLDCs face rising asset loss and service disruption due to disasters and climate risks. These factors erode a significant proportion of the new capital investment that countries need to address their infrastructure deficit.

LLDCs' trade and socio-economic development are particularly dependent on transport infrastructure. Therefore, these countries need to pay special attention to the development of climate resilient infrastructure as transport infrastructure is highly vulnerable to climate change.

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¹ Global Infrastructure Resilience- A Biennial Report from the Coalition for Disaster Resilient Infrastructure Coalition for Disaster Resilient Infrastructure

The importance of sustainable infrastructure in LLDCs is highlighted in the Vienna Programme of Action (VPoA) and in the political declaration of its High-level Midterm Review, adopted in December 2019, which called for the development of regionally integrated, sustainable, climate and disaster-resilient transport infrastructure.

Substantial investment is thus needed for infrastructure development in the transport, energy and ICT sectors. In a 2018 study, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States estimated that to reach the global average road and rail network densities, landlocked developing countries would need to construct almost 200,000 km of paved roads and another 46,000 km of railway at a cost of about \$0.51 trillion.

Investment in resilient infrastructure has the potential to generate long-term benefits to society in terms of inclusive economic growth and enhancing quality of life and wellbeing. Resilient infrastructure can also support the low-carbon transition, protect biodiversity, address disparities across regions and cities, and promote sustainable development.

While the potential benefits are clear, it is a huge challenge to mobilize the volume of finance required to build and strengthen resilient infrastructure in LLDCs. Given that only part of adaptation funding is allocated to infrastructure, climate finance alone is clearly insufficient to strengthen infrastructure resilience. Mobilizing capital would, therefore, require a new approach, combining domestic resources and international public and private resources to fund infrastructure projects.

LLDCs also need access to modern technologies, which allow for the reduction of maintenance costs, the improvement of operational efficiencies, and providing alternatives to traditional infrastructure design, construction, and maintenance. Science, technology and innovation played a critical role in responding to the COVID-19 pandemic to enable infrastructure to become more resilient and ensuring the continued

operations of critical networks such as utilities, transport, and telecommunications.

In view of the above, this session will address the following key questions:

- Which innovative and sustainable, low-emissions climate-resilient infrastructural initiatives that have been successfully implemented and are replicable in landlocked developing countries?
- What are the critical gaps in current practices that need to be addressed in the coming years in making infrastructure disaster resilient?
- What are the potential sources of finance for disaster resilient infrastructure including risk transfer mechanisms, and reconstruction and recovery of key infrastructure sectors after disasters?