

Global and regional efforts to support LLDCs and facilitate implementation of the VPoA:

The Experience of the Asian Development Bank

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Introduction

Thank you, Chair. My name is Ronald Antonio Butiong, Chief of Regional Cooperation and Integration Thematic Group of the Asian Development Bank. On behalf of ADB, I wish to thank the UN-OHRLLS for giving us the opportunity to share our experience at this important forum.

The COVID-19 pandemic and the Russian invasion of Ukraine underscore how LLDCs are heavily dependent on their neighbors for transit routes, trade, investment, good health, and geopolitical stability. Regional cooperation is essential to LLDCs. Regional and global cooperation efforts ensure that LLDCs stay connected to markets, especially during times of crisis.

ADB's Support for LLDCs through RCI

The Asian Development Bank has long recognized the importance of regional cooperation and integration or RCI to the development of LLDCs. RCI itself is a charter mandate of the ADB and has been central to our work since ADB's founding in 1966. ADB's Strategy 2030 adopted in July 2018 continues to highlight RCI as one of the seven operational priorities for ADB's operations. Connectivity accounts for the lion's share of our support to RCI. Connectivity will remain central to LLDC's development agenda. As

such, ADB's strength in this area will continue to serve our 12 developing member economies, which are classified as LLDCs.

At the same time, we are increasingly trying to make our RCI operations more responsive to emerging needs and developments. This was certainly the case in 2020 and 2021, when the COVID-19 pandemic resulted in a significant amount of our RCI support going to pandemic response. ADB invested in RCI projects to keep borders open, provide trade and supply chain finance, and protect vulnerable groups such as SMEs, border area residents, and migrants.

Between 2019-2021, ADB committed around \$27.7 billion in loans and grants to support RCI; 20% of this or roughly \$5.42 billion were allocated to LLDCs. For the years 2022–2024, approximately \$5.4 billion worth of RCI loans and grants are included in the indicative investment pipeline of LLDCs. The more traditional transport and energy sectors will receive the bulk of project financing during this period, accounting for 48% and 29%, respectively.

ADB serves as the secretariat and key financier for three subregional programs: the Central Asia Regional Economic Cooperation Program or CAREC; the Greater Mekong Subregion Economic Cooperation Program or GMS; and the South Asia Subregional Economic Cooperation Program or SASEC. These subregional programs, which involve LLDCs, have played an important role in pushing the envelope in RCI.

The decades-long practice and experience provided by our subregional programs enable our developing member countries to pool their collective actions spontaneously and swiftly. Existing institutional mechanisms and cooperation frameworks have helped expedite dialogue and decision-making and facilitate the design and implementation of innovative policies and initiatives.

But we also realize that we need to work with more partners to find common solutions to shared challenges. This is why mechanisms such as this newly established network of LLDCs' national focal points are so important. We need to look beyond existing partnerships and start enlarging the space for dialogue, knowledge sharing, and capacity development.

Conclusion

To the LLDC national focal points, we wish you all the best of luck, and we are happy to support your efforts. As LLDCs, you, more than anyone else, can appreciate that national-level actions can only take you so far. To go the distance, you will need to forge partnerships and fortify cooperation. We encourage you to fully maximize the network you have launched at this event, and use it to create pathways that will help us find our way back to global peace and prosperity.

Thank you.