



# Economic and Social Council

Distr.: General  
8 March 2012

Original: English

---

## Economic and Social Commission for Asia and the Pacific

### **Sixty-eighth session**

Bangkok, 17-23 May 2012

Item 3 of the provisional agenda

**Review of issues pertinent to the subsidiary structure of  
the Commission, including the work of the ESCAP  
regional institutions**

### **Subprogramme overview: Issues and challenges related to inclusive and sustainable economic and social development in Asia and the Pacific**

#### **Note by the secretariat**

##### *Summary*

Issues and challenges related to inclusive and sustainable economic and social development in Asia and the Pacific are addressed in the present document under the following eight headings: macroeconomic policy and inclusive development; trade and investment; transport; environment and development; information and communications technology and disaster risk reduction; social development; statistics; and subregional activities for development.

The present document highlights the steps and activities undertaken and planned by the secretariat to support member countries through policy analysis, dialogue and capacity-building so that they will be able to address the challenges they face in those eight areas.

## Contents

	<i>Page</i>
Introduction .....	4
Section I. Macroeconomic policy and inclusive development .....	4
I. Introduction .....	4
II. Key issues and challenges .....	5
A. Macroeconomic policy issues.....	5
B. Issues related to poverty and inclusive development policy .....	6
C. Policy issues related to countries with special needs .....	7
D. Poverty alleviation through sustainable agriculture .....	9
III. Issues for consideration by the Commission .....	10
Section II. Trade and investment .....	10
I. Introduction .....	10
II. Key issues and challenges .....	10
A. Trade and investment-led recovery from crisis .....	10
B. Boosting intraregional trade and investment and diversification of exports.....	11
C. Reducing border and behind-the-border barriers.....	13
D. Investment and technology transfer.....	14
E. The need for agricultural mechanization .....	15
F. Engaging business to achieve inclusive and sustainable development .....	16
III. Issues for consideration by the Commission .....	16
Section III. Transport .....	17
I. Introduction .....	17
II. Key issues and challenges .....	17
A. Developing regional transport networks .....	17
B. Facilitating international land transport and logistics.....	18
C. Enhancing the contribution of transport to economic and social development .....	19
III. Issues for consideration by the Commission .....	21
Section IV. Environment and development.....	21
I. Introduction .....	21
II. Key issues and challenges .....	21
A. Integrating environmental sustainability in socio-economic development .....	21
B. Inclusive and sustainable urban development .....	23
C. Promoting regional cooperation in energy security and water resource management .....	24
III. Issues for consideration by the Commission .....	25

Section V.	Information and communications technology and disaster risk reduction.....	26
I.	Introduction .....	26
II.	Key issues and challenges .....	26
A.	Reducing economic losses, protecting development gains and social vulnerability from disasters.....	26
B.	Information and communications technology: Accelerator of economic growth, regional integration and essential tools for disaster risk management .....	30
III.	Issues for consideration by the Commission .....	32
Section VI.	Social development .....	32
I.	Introduction .....	32
II.	Key issues and challenges .....	33
A.	Regional preparations for the special session of the General Assembly on the International Conference on Population and Development beyond 2014.....	33
B.	Regional preparations for the High-level Intergovernmental Meeting on the Final Review of the Implementation of the Asian and Pacific Decade of Disabled Persons, 2003-2012.....	34
III.	Issues for consideration by the Commission .....	36
Section VII.	Statistics .....	36
I.	Introduction .....	36
II.	Key issues and challenges .....	37
A.	Partners in action .....	37
B.	Regional initiatives.....	38
C.	Statistics to capture major development issues: New measurements needed.....	40
D.	Statistical products and services that matter.....	41
III.	Issues for consideration by the Commission .....	43
Section VIII.	Subregional activities for development.....	43
I.	Subregional Office for the Pacific.....	43
II.	Subregional Office for East and North-East Asia.....	45
III.	Subregional Office for North and Central Asia.....	47
IV.	Subregional Office for South and South-West Asia .....	49
V.	Issues for consideration by the Commission .....	51

## **Introduction**

1. Inclusive and sustainable development presents both the most daunting challenges and the most significant opportunities for the Asia-Pacific region. The present document outlines the key development issues in the pursuit of this agenda, and highlights the approach and achievements of the eight subprogrammes of the Economic and Social Commission for Asia and the Pacific (ESCAP). It summarizes the secretariat's assistance to member States in terms of strategic analysis, policy options and technical cooperation, and highlights key results and achievements.

2. The eight subprogrammes are as follows:

(a) Macroeconomic policy and inclusive development (including the Centre for the Alleviation of Poverty through Sustainable Agriculture (CAPSA));

(b) Trade and investment (including the United Nations Asian and Pacific Centre for Agricultural Engineering and Machinery (UNAPCAEM) and the Asian and Pacific Centre for Transfer of Technology (APCTT));

(c) Transport;

(d) Environment and development;

(e) Information and communications technology and disaster risk reduction (including the Asian and Pacific Training Centre for Information and Communication Technology for Development (APCICT));

(f) Social development;

(g) Statistics (including the Statistical Institute for Asia and the Pacific (SIAP));

(h) Subregional activities for development:

(i) Subregional Office for the Pacific;

(ii) Subregional Office for East and North-East Asia;

(iii) Subregional Office for North and Central Asia;

(iv) Subregional Office for South and South-West Asia.

3. The Commission may wish to provide guidance on the policy options identified and the initiatives being undertaken by the secretariat to support member countries.

## **Section I**

### **Macroeconomic policy and inclusive development**

#### **I. Introduction**

4. The Asia-Pacific region is facing the challenge of coping with a global economic slowdown. Economic growth in the region is also expected

to fall in 2012. This subprogramme will continue to explore policy options aimed at minimizing the adverse impact of deterioration in the global environment on countries of the region and maintain their growth momentum and macroeconomic stability. At the same time, the subprogramme will continue providing assistance on enhancing knowledge and strengthening the capacity of high-level policymakers on ways to build resilience against financial and economic shocks.

5. Another related challenge deals with commodity price volatility, which has raised concerns about inflation, hunger and poverty. In addition, the longer-term trend of rising commodity prices will have long lasting and even deeper consequences on developing countries in the region. How to address this challenge and turn it into an opportunity has been one of the main areas of work under this subprogramme. In this context, countries with special needs will remain priority of work under the subprogramme, especially helping these countries in achieving the Millennium Development Goals and implementing global and regional mandates.

6. The scope and outreach of CAPSA has significantly expanded since its renaming in 2012 to address the concerns of member countries on the role of sustainable agriculture in the fight against environmental degradation, food insecurity and poverty.

## **II. Key issues and challenges**

### **A. Macroeconomic policy issues**

7. The Asia-Pacific region is facing the challenge of coping with a sharp deterioration in the global environment. A substantial slowdown in growth in the region is expected in 2012, with the developed economies of the world remaining mired in the economic crisis which erupted in 2008. The impact on Asia-Pacific countries at this stage of the crisis has been on the financial markets through capital outflows due to risk aversion, and more fundamentally on growth due to shrinking demand for exports. The growth prospects in countries in the region diverge considerably depending on their reliance on the developed economies, with major exporting economies being the worst hit while domestic demand dependent economies remaining relatively robust. Although intraregional trade has been growing faster than the region's trade with the rest of the world, the extent of replacement of growth in intraregional trade and demand remains too low in the short term to sufficiently make up for the sluggish recovery in the markets of the developed economies.

8. Apart from the trade challenge of global slowdown, the region has to be prepared for a worst-case scenario of a financial crisis emanating from the euro zone. As highlighted in the *Economic and Social Survey of Asia and the Pacific*, impacts could include a global credit crunch and substantial outflow of capital, as was the case in 2008. Many economies in the region continue to grapple with the challenge of historically high and volatile prices, influenced in substantial part by global factors such as food and oil prices and foreign capital inflows buoyed by global liquidity. Many countries in the region are now confronted with the dilemma of maintaining price stability in the face of a deteriorating global economic environment.

9. A number of countries in the region have also been severely impacted by the effects of natural disasters, which have taken lives and

caused severe distress as well as negatively affected growth prospects and complicated economic management. In the latter half of 2011, severe floods beset Thailand, Viet Nam, Myanmar, the Lao People's Democratic Republic and Cambodia in South-East Asia and Pakistan in South Asia, while typhoons took their toll on the Philippines. Governments in the disaster-hit countries can take the opportunity to invest in social sectors as part of recovery and reconstruction efforts, undertake new and strategic investments in the agriculture sector, as well as make improvements in urban planning and land use to reduce disaster risks.

10. The region is well-placed to counteract the growth pressure in the short term from the deteriorating global environment by undertaking fiscal and monetary stimulus, due to good macroeconomic fundamentals. Most countries in the region retain substantial budgetary space to be able to increase government spending. Interest rates, which are currently at relatively high levels across the region, can also be kept on hold or even decreased if necessary, which would stimulate lending across the region. In terms of the risk of financial turbulence due to the unstable global environment, stronger capital controls may be considered by governments. The medium-term challenge for the region is to sustain its development by reducing its dependence on developed economies which will remain sluggish for an extended period, by continuing to rebalance growth through inclusive policies which boost domestic and regional demand.

## **B. Issues related to poverty and inclusive development policy**

11. Despite impressive economic growth in past decades, poverty continues to be a major challenge in Asia and the Pacific, particularly in the least developed countries. The global financial and economic crisis, coupled with higher food and commodity prices, aggravated the situation in many countries in the region. These recent developments were also a stark reminder that the problem of poverty cannot be tackled without closer attention to the broader macroeconomic environment, and that unless regional and international policy responses are in place, individual countries will remain as vulnerable to future crises as they were before.

12. In light of this, the secretariat has provided assistance on enhancing knowledge and strengthening the capacity of high-level policymakers on ways to build resilience against financial and economic shocks. A series of regional and subregional high-level dialogues stimulated policy debate on the most suitable economic policies for the ESCAP region and for countries at different stages of development. Issues discussed included the role of monetary policy amid supply shocks of higher food and commodity prices, the role of capital controls in response to large and volatile capital flows, and the role of fiscal, social and employment policies in supporting domestic growth amid global turbulence. In particular, the issue of financialization of commodity markets was highlighted and appropriate regulatory measures at the global level recommended.

13. As emphasized in the *Economic and Social Survey of Asia and the Pacific 2012* Commodity price volatility has raised widespread concerns about inflation, hunger and poverty. At the same time, the longer-term trend of rising commodity prices may have long lasting and even deeper consequences. Commodity markets have been experiencing a boom since 2000 driven mainly by the rise of Asian economies, whose accelerated manufacturing-led growth has increased the demand for all sorts of primary products. The boom has ended the secular decline in commodity terms of

trade, which has important implications for the growth trajectory of developing countries and poses severe risks of increasing global disparities. To mitigate these risks, it is necessary to put in place national actions and an enabling international environment that promote and accept diversity of development strategies; prevent countries to fall prey to the natural resources curse; assist countries in building up their productive capacities and engaging in balanced economic integration; and protect the vulnerable from increasing hunger and poverty caused by high commodity prices by strengthening social protection and boosting agricultural productivity.

14. In light of the global financial and economic crisis, the Commission at its sixty-seventh underlined the need to effectively integrate the region's priorities at the global level, and requested the secretariat to provide a platform for developing a strong and coordinated regional voice in international forums including the G20. The High-level Consultation the G20 Cannes Summit: Perspectives from Asia-Pacific, which was held in October 2011 was attended by 28 countries, including seven least developed countries from the region. In addressing issues of global reform from the region's perspective, the high-level consultation sought to ensure that the voices of developing countries, including the least developed countries, are heard in global policy discussions. The consultation also sought to ensure that inclusive and sustainable development priorities are not overlooked but rather closely integrated into global macroeconomic, financial and regulatory policy initiatives put forth by the G20. The outcome of the consultation was communicated to the Secretary-General and the Sherpas (senior representatives) of the eight countries from the region represented in the G20, as well as to the G20 chair.

### **C. Policy issues related to countries with special needs**

15. Despite the many gains made in the last 10 years, countries with special needs, including the least developed countries, landlocked developing countries and small island developing States remain relatively more vulnerable to economic shocks and other crises. They continue to face tremendous challenges in maintaining economic growth and implementing poverty reduction programmes. Multiple, interrelated global crises and challenges, such as increased food insecurity, volatile energy and commodity prices and global financial and economic crises partly reversed the development gains that these countries achieved over the years. These countries continue to have the lowest per capita incomes in the region, are off-track in the achievement of the Millennium Development Goals, and consistently find themselves at the lower-end of the Human Development Index rankings.

16. The United Nations attaches a high priority to countries with special needs through the implementation of global mandates, including the Istanbul Programme of Action<sup>1</sup> for least developed countries, the Almaty Programme of Action<sup>2</sup> for landlocked developing countries and the

---

<sup>1</sup> *Report of the Fourth United Nations Conference on the Least Developed Countries, Istanbul, Turkey, 9-13 May 2011* (United Nations publication, Sales No. 11.II.A.1), Chap. II.

<sup>2</sup> *Report of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, Almaty, Kazakhstan, 28 and 29 August 2003* (A/CONF.202/3), annex I.

Mauritius Strategy<sup>3</sup> for small island developing States. ESCAP, as the regional arm of the United Nations in the Asia-Pacific region, has been working closely with other United Nations agencies and development partners to assist these countries through the implementation of the global and regional mandates. ESCAP contributed to the regional implementation of the Millennium Development Goals and other internationally agreed development goals, in particular for countries with special needs of the region. The *Asia-Pacific MDG Report 2010/11*, jointly prepared with the Asian Development Bank (ADB) and the United Nations Development Programme (UNDP), highlighted the priorities for the Asia-Pacific region in the remaining years leading to 2015, including in the areas of hunger, health and basic infrastructure. Special attention was given to gender equality issues and to integrating the Millennium Development Goals into national development strategies, including through a partnership dialogue in Cambodia and advocacy training and subregional workshops aimed at accelerating progress in the least developed countries. ESCAP played a key role in the Fourth United Nations Conference on the Least Developed Countries, which was held in Istanbul, Turkey, in May 2011 and adopted the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (the Istanbul Programme of Action). As a follow-up, ESCAP is implementing many activities, among which was the holding of an Asia-Pacific regional meeting on the Istanbul Programme of Action in December 2011 which adopted a regional road map for implementing the Programme of Action at the regional level for the next decade. ESCAP is also undertaking several activities, especially in addressing key issues of connectivity and trade facilitation while implementing the Almaty Programme of Action. ESCAP and the Government of Mongolia organized a high-level meeting in April 2011, the outcome of which, the Ulaanbaatar Declaration,<sup>4</sup> which was submitted to the Commission at its sixty-seventh session.<sup>5</sup> ESCAP will work closely with relevant United Nations agencies in the final review of the Almaty Programme of Action which is scheduled for 2014. Under the special project on Myanmar, several development partnership seminars/forums have been organized. These seminars/forums seek close collaboration as well as operational synergies, with relevant national institutions and regional/international organizations to ensure that the specific areas for capacity development are aligned with priorities outlined in the United Nations Country Team's Strategic Framework for United Nations agencies in Myanmar. The third development partnership forum in Myanmar shed light on improving rice policies for food security.

17. While accelerating their efforts in addressing development challenges, the countries with special needs will continue to rely on assistance from their development partners including the United Nations agencies. They also need to increase their capacity significantly in order to benefit fully from the region's dynamism and learn from the experience of successful countries. Some least developed countries in the region also need increased assistance if they are to graduate from their current status. However, the external environment has been equally challenging. Many of the commitments made by the development partners in support of countries

<sup>3</sup> *Report of the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, Port Louis, Mauritius, 10-14 January 2005* (United Nations publication, Sales No. E.05.II.A.4 and corrigendum), chap. I, resolution 1, annex II.

<sup>4</sup> E/ESCAP/67/22, annex.

<sup>5</sup> See Commission resolution 67/1 of 25 May 2011.



with special needs have remained unfulfilled. Although there have been some encouraging signs in recent years with regard to official development assistance, the levels may not be sufficient to meet the needs of countries with special needs, as their traditional development partners face severe budgetary constraints due to the global economic slowdown. Therefore, opportunities offered by regional cooperation, South-South cooperation and triangular cooperation will have to be exploited by these countries to the fullest in order to close their development gaps. ESCAP will continue its efforts to strengthen the capacity of countries with special needs to engage more robustly in global and regional forums.

#### **D. Poverty alleviation through sustainable agriculture**

18. The region is home to 578 million undernourished people, many of them subsisting on agriculture. Poverty and food insecurity are intertwined with economic, political and social changes. As a result of recent food and financial crises, millions of people have moved in and out of poverty. The debt crisis in the Western countries will create further ripples, particularly in countries that depend on agricultural exports.

19. Much of the region's agriculture is characterized by input-intensive and unsustainable practices, contributing to environmental degradation. Investment into the agricultural sector is low. The current organization of knowledge, science, and technology cannot adequately deal with the challenges to sustainable food systems because critical information continues to be held in separate "knowledge silos", such as food, health, agriculture, environment, climate, and policy.

20. The region is heterogeneous in several dimensions: population, agro-climatic conditions, topography, levels of development and human capacity. Addressing the issue of food insecurity and poverty within this diversity offers both challenges and opportunities.

21. Developing appropriate responses to food insecurity, poverty and sustainable agriculture requires better information and deeper understanding of the nature of poverty and its dynamics. Greater efforts are required to build capacity to undertake policy research. The promotion of technology transfer through South-South dialogue, intraregional learning and knowledge sharing as well as effective networking can remedy stakeholders' access to knowledge. More investment into agriculture will be required to achieve sustainable agricultural productivity growth.

22. Resolution 65/4 on the strengthening of the Centre for Alleviation of Poverty through Secondary Crops Development in Asia and the Pacific has been implemented by focusing its activities on being a coordinating research institute and a regional member-driven centre of excellence, manifested through the development of its Strategic Plan 2011-2020. This recognized three interdependent areas of work: better understanding of the nature of poverty, transfer of technology, promotion of market access.

23. A technical cooperation project quantified the impact of climate change on staple crop production in Indonesia, Viet Nam and Malaysia. Findings were published through different outlets and resulted in a better understanding of policymakers in the region on the highly localized effects of climate change on agricultural production. Capacity-building activities in Sri Lanka and Indonesia addressed agricultural policy research and investment needs for sustainable agriculture and resulted in enhanced

understanding of researchers and policymakers in salient components of an agricultural investment strategy and appropriate research tools. Regional advisory services to Nepal, Sri Lanka and the secretariats of the Association of Southeast Asian Nations and the South Asian Association for Regional Cooperation addressed issues of policy formulation on food security.

24. A technical cooperation project was developed in collaboration with member states involving a consortium of over 30 research, policy and capacity-building entities across South Asia and South-East Asia and approved for funding. This project will facilitate the establishment of a regional network for transfer of knowledge across 10 countries in South Asia and South-East Asia beginning 2012.

25. Information and knowledge on sustainable agriculture for enhanced decision making of policymakers in the region was shared through various means, including active participation of staff in scientific conferences, development of new online and print products and reprofiling of the statistical database and in-house library.

### **III. Issues for consideration by the Commission**

26. Member countries may wish to share their experiences and views on the issues and challenges raised under this subprogramme. The guidance of the Commission is sought on how to further strengthen the analytical and technical assistance work being carried out under this subprogramme. The guidance of the Commission is also sought on expanding the networking arrangements further with member States to share knowledge, capacity-building efforts and policy advisory services in the area of poverty alleviation through sustainable agriculture.

## **Section II Trade and investment**

### **I. Introduction**

27. Trade and investment have been the traditional engines of growth in the Asia-Pacific region. They will remain important as businesses, including small and medium-sized enterprises (SMEs), are part of ever-expanding global and regional production networks and value chains. In an international environment characterized by financial, food and fuel crises, value chain disruptions as a result of various natural disasters and the related rising threat of climate change, the region faces both challenges and opportunities in the area of trade and investment. Furthermore, for many countries, it is also important to transform trade and investment gains into gains in poverty reduction and development. In this context, particular attention should be paid to trade and investment in the agricultural sector which has been marginalized in many countries.

### **II. Key issues and challenges**

#### **A. Trade and investment-led recovery from crisis**

28. Trade and, to some extent, investment have largely returned to pre-crisis levels and helped the region recover. However, ongoing debt and unemployment concerns in various European countries, Japan and the

United States of America will continue to affect trade and investment in the region. While the larger dynamic economies of the region can compensate the loss of exports by boosting domestic demand, many smaller economies will continue to rely on trade for growth. The ESCAP *Asia-Pacific Trade and Investment Report 2011*<sup>6</sup> argues that it is unlikely that the region can decouple itself completely from the rest of the world, because many of the economies of the region have been deeply integrated into global production chains. The Report also identifies three main areas of opportunities for expanding trade and investment in the region: (a) Aligning production structures to meet regional demand; (b) Developing competitiveness in trade and investment in climate-smart goods and technologies (CSGTs). The Report notes that countries of the region need to reduce both at- and behind-the-border obstacles, including “green” protectionist measures to tap an estimated export potential of CSGTs of about US\$ 30 billion; and (c) Boosting trade and investment in services through regulatory reform and liberalization.

29. These and other issues were discussed at length during the ESCAP multi-stakeholder Second Trade and Investment Week, 25-29 July 2011, the results of which were the following:

(a) Capacity-building: (i) Increased knowledge and awareness of issues, challenges, opportunities and policy options in the area of trade and investment in the Asia-Pacific region (as discussed in the *Asia-Pacific Trade and Investment Report 2011*); (ii) Increased knowledge of quantitative techniques for evidence-based trade policymaking;

(b) Regional cooperation: (i) support for a regional agreement on paperless trade and cross-border electronic exchange of trade data and documents and call for a resolution on that subject for consideration by the Commission at its next session (2012); (ii) support for the establishment of an Asia-Pacific network for the testing of agricultural machinery; (iii) a call for the promotion of integration of SMEs in regional value chains; (iv) the establishment of a business network under the Asia-Pacific Trade Agreement (APTA);

(c) Regional voice: (i) the need for increased regional aid-for-trade; (ii) the need for re-thinking of the role of industrial policy; (iii) the need to address trade facilitation as a crucial element of regional connectivity; (iv) the recognition that trade and investment play an important role in the mitigation of climate change; (v) The need for responsible and sustainable business; (vi) strong calls for a role for business in ending human trafficking; (vii) refraining from protectionism and emphasizing the primacy of the multilateral trading system; (viii) make regional trade agreements more effective.

## **B. Boosting intraregional trade and investment and diversification of exports**

30. As many developed countries continue to struggle with debt and unemployment, intraregional trade has assumed more importance. Currently, more than half of the region’s trade is intraregional. In terms of value, intraregional exports of Asia-Pacific are more than double the value of intraregional exports of North America, and seven times as large as total

<sup>6</sup> United Nations publication, Sales No. E.11.II.F.8.

African exports. However, the difference with intraregional exports of Europe is still sizeable at US\$ 1.5 trillion. Boosting intraregional trade and investment would also allow various least developed, landlocked developing and island developing countries to diversify both their export products and markets and develop supply-side capacities to engage in trade and investment, including effective access to technology. For that purpose, countries of the region need to realign their production structures to meet regional demand.

31. Intraregional trade is closely linked to the expanding regional value chains led by transnational corporations. Governments are following suit through concluding a steadily expanding number of regional trade agreements (RTAs). According to The ESCAP Asia-Pacific Trade and Investment Agreements Database (APTIAD), ESCAP regional members were party to close to 180 RTAs in force, signed or under negotiation in early 2012. The consolidation and strengthening of many of these RTAs remains an important consideration for policymakers to advance regional integration. In this regard, the Asia-Pacific Trade Agreement (APTA) is in the process of expanding its membership. Mongolia in particular has been in accession over the past year and is expected to join APTA as a new member by the fourth session of the APTA Ministerial Council expected in mid-2012 in Dhaka. To increase the visibility and awareness of the potential benefits of the Agreement, the secretariat is upgrading its APTA website.

32. ESCAP further supports regional integration through analysis and training in evidence-based policymaking and effective implementation. In addition, through the Asia-Pacific Research and Training Network on Trade (ARTNeT), capacity-building of trade policy researchers in the region has been enhanced. The list of all activities conducted and publications issued under ARTNeT for this period are available at [www.artnetontrade.org](http://www.artnetontrade.org).

33. Regional integration assumes increased importance given the continuing delays to an early conclusion of the Doha Round of multilateral trade negotiations. However, as the world economy is faced with tremendous challenges, an ambitious conclusion of the Doha Round constitutes the best option for both global and regional trade and development. During the eighth session of the WTO Ministerial Conference in December 2011, the accession packages of three countries (Montenegro, Russian Federation, and Samoa) were accepted by the WTO members. The accession package for Vanuatu was accepted in October 2011. The Conference also adopted a set of decisions for least developed countries to facilitate their WTO accession, extend their deadline for protection of intellectual property rights and expand preferential access for them in the area of trade in services.

34. ESCAP continues to assist its member countries, the least developed and land locked developing countries in particular, to participate effectively in the multilateral trading system with regard to providing policy advice on accession process, effective implementation of their WTO commitments, and effective participation in negotiations concerning the Doha Development Agenda, through the ESCAP-WTO Technical Assistance Programme and cooperation with UNCTAD. The EC-Nepal WTO assistance project was successfully concluded at the end of 2011 and helped increase the capacity of Nepal to implement its commitments as a WTO member in challenging times.

### C. Reducing border and behind-the-border barriers

35. In order to capture the opportunities in trade and investment described above and maintain trade competitiveness in an environment characterized by lower tariff barriers, developing countries are increasingly focusing on trade facilitation and the streamlining of trade procedures. Intraregional trade costs are of particular concern, as it is often cheaper for countries to trade with partners outside rather than inside the Asia and the Pacific region. For example, the non-tariff costs of trade between South-East Asia and South Asia are on average nearly double the costs of trade between South-East Asia and the United States. Similarly, the costs of trade between North and Central Asia on one hand and South Asia on the other are more than twice those between South Asia and the European Union.

36. The following six actions are recommended to address trade facilitation issues: (1) Establish and strengthen institutional mechanisms for identifying trade facilitation bottlenecks and developing solutions, (2) Initiate or accelerate plans to establish national electronic Single Windows, incorporating existing international standards to ensure cross-border interoperability at the technical level, (3) Develop a harmonized regional framework for electronic exchange of trade data and documents, (4) Facilitate transit as part of trade facilitation plans, (5) Create an Asia-wide coordination mechanism bringing together representatives of key regional organizations active in trade facilitation, and (6) Encourage trade infrastructure and logistics services development.

37. ESCAP has played an active role in building capacity for intraregional trade facilitation and to support the implementation of the above mentioned actions. The United Nations Network of Experts for Paperless Trade (UNNExT) has become the main modality through which ESCAP delivers its trade facilitation programme, including the organization of an annual Asia-Pacific Trade Facilitation Forum. About 500 officials and other stakeholders benefited from the various trade facilitation capacity-building activities organized in 2010 and 2011, including from 5 least developed countries and 7 landlocked developing countries. The *Business Process Analysis Guide to Simplify Trade Procedures*<sup>7</sup> was particularly well received and has already been used as the basis for trade facilitation capacity-building and single window development workshops, as well as for trade and transit process analysis, in 10 countries of the region. Other achievements of the Network and its secretariat included the development of the Mongolia Single Window Master Plan endorsed by the Government of Mongolia and approved by donors for funding during a development partner consultation meeting held in 2011.

38. There are several other noteworthy achievements in 2011. Following up on the recommendation of Trade and Investment Committee for ESCAP to coordinate subregional cooperation initiatives in trade and transit facilitation, and Commission resolution 66/13 on strengthening regional cooperation in North and Central Asia, ESCAP brought together high-level government officials responsible for trade and transit issues from China, Mongolia and the Russian Federation and other regional organizations. Together, they identified challenges and bottlenecks along the major trade and transit corridors of Mongolia, identified specific regional cooperation mechanisms that can be established, and developed a road map for the way

<sup>7</sup> United Nations publication, Sales No. E.09.II.F.21.

forward. Other outcomes included the development of a regional trade cost database providing countries with previously unavailable information of their trade costs with partners inside and outside the region, the launch of a Regional Cooperation Dialogue for Trade Facilitation mechanism on the occasion of the Asia-Pacific Trade Facilitation Forum in 2011, and the organization of pioneering expert group discussions on the legal recognition of trade-related information and documents across borders, as well as on agricultural trade facilitation.

#### **D. Investment and technology transfer**

39. The role of foreign direct investment (FDI) in development is well-recognized though in practice often the benefits of FDI have not been forthcoming. To a large extent this is the result of the inability of many countries, in particular least and landlocked developing countries to put in place effective policies and strategies for the promotion, attraction and facilitation of FDI within the context of expanding and strengthening regional production networks or value chains. To address this capacity constraint, the secretariat established a network of FDI policymakers and experts in 2010 to exchange information and good practices. The second Meeting of the network was held in December 2011 and resulted in greater understanding of participants of issues and good practices in investment promotion and facilitation. The Meeting agreed that national participants could act as a formal focal point on behalf of their respective countries to provide data and information on FDI inflows and outflows and policies to ESCAP. This would further enhance the mutual sharing of FDI-related information across Asia and the Pacific region and enable the secretariat to provide inputs to various reports including the UNCTAD World and Investment Report. The secretariat also provided advisory services to Mongolia and is finalizing an FDI promotion strategy for that country. The secretariat has incorporated an FDI component in its private sector development technical assistance strategy for least and landlocked developing countries with the intention of initiating the implementation of this strategy in the second half of 2012.

40. FDI is a primary, though not exclusive source of technology. Technology is particularly important for SMEs to increase their competitiveness and help them integrate into global and regional value chains. In this regard, APCTT, helped build the capacity of member States to improve skills in SMEs to plan and implement technology transfer projects; promote research and development collaboration in priority areas of technology – both emerging and traditional, promote the flow and utilization of critical technologies, including renewable energy technologies (RETs), biotechnologies and nanotechnologies; and structure national innovation systems (NIS) that can support all these interventions with special emphasis being place on promoting innovation at the firm level, strengthening intellectual property management capacity, and fostering cross-border collaboration.

41. In 2011, APCTT implemented a capacity-building programme for 37 senior government officials and managers of technology business incubators from Indonesia involved in the promotion of innovation; and developed a comprehensive training manual for training of trainers on “planning and implementing technology transfer projects” and the completion of a training programme for 43 technology transfer professionals from the Philippines. In order to promote regional

cooperation, APCTT established an institutional cooperation mechanism consisting of 15 member Countries to promote RET in the Asia-Pacific region and initiating a web-based Solution Centre to promote sharing of best practices; created a network among 11 member Countries to promote cooperation among research and development institutes in the field of renewable energy technology micro-systems for rural applications; and created a network among 8 member countries to promote cooperation among research and development institutes in the application of nanotechnology for creating value-added products to strengthen the competitiveness of SMEs.

## **E. The need for agricultural mechanization**

42. Erratic environmental events in 2011 challenged Asia-Pacific countries to feed their growing populations. Many Asia-Pacific countries' stagnating crop yields followed decades of unsustainable, input-intensive agricultural practices. Uneven adoption of agricultural mechanization in the region has contributed to unsustainable production practices. Sustainable intensification of agriculture, including adoption of sustainable agricultural mechanization strategies (SAMS) and promotion of safe, environmentally friendly agricultural machinery presents a window of opportunity for countries in the region to achieve sustainable development. To address this issue, UNAPCAEM, in collaboration with the Food and Agriculture Organization of the United Nations (FAO), launched the development of SAMS. SAMS will help create a policy, institutional and market environment where farmers and other end-users have the choice of farm power and equipment suited to their needs enabling them to produce food in a more resource-efficient manner.

43. Furthermore, UNAPCAEM formulated strategies to promote environmentally sustainable economic growth and reduce rural poverty through regional cooperation in agro-technology and agricultural enterprise development. The Centre repositioned itself as an enabler for member States to achieve the twin goals of agricultural production intensification and environmental sustainability. In addressing occupational safety and health as well as environmental sustainability of agricultural machinery, the Centre, at member States' request, spearheaded the development of an Asian and Pacific Network for Testing Agricultural Machinery (ANTAM). Thirteen member States currently participate as technical working group members facilitating the establishment of ANTAM within two years.

44. UNAPCAEM adopted a holistic approach addressing region-wide food insecurity by launching technical assistance projects assisting member countries to enhance research and development of high-yielding rice varieties while addressing post-harvest losses in rice production. With a focus on least developed countries, Pacific island countries and landlocked developing countries, tailored training programmes resulted in capacity-building and the adaptation of technologies to country-specific situations and needs. Over 400 professionals, policymakers, agricultural technicians and academicians were exposed to current agro-technology knowledge in the fields of hybrid rice technology, post-harvest loss reduction in rice and SAMS processes.

## **F. Engaging business to achieve inclusive and sustainable development**

45. Businesses, including SMEs, provide jobs and generate income, thereby reducing poverty. It is businesses which drive innovation and development of new technologies. The involvement of business in development is therefore essential. The secretariat has paid particular attention to the needs of SMEs to help them integrate effectively into regional value chains, in particular through a project funded by the Government of Japan for the Greater Mekong Subregion. The secretariat intends to expand this project to other subregions as well focusing on countries with special needs.

46. The adoption of responsible business practices, including the principles of the United Nations global compact, is also essential to ensure that business effectively contributes to inclusive and sustainable development, including the Millennium Development Goals, and also to ensure that businesses are more competitive and sustainable. In this regard, ESCAP has implemented the “investor for development” project. Activities under the project resulted in increased networking between Global Compact local networks of the region and higher capacity of participating organizations/businesses to implement or support the implementation of global compact and CSR principles. The regional Community of Practice for the Global Compact in Asia and the Pacific website and portal was upgraded to a new platform and expanded with many new functions in 2010, and online discussions were organized and facilitated on three topics as identified by the network focal points. The number of members of the Community of Practice expanded during 2010 from 45 in the beginning of 2010 to 159 members at the end of July 2011, from 21 different countries. A large number of the Global Compact focal points in the region continued to express strong satisfaction with the support provided by the project.

47. As part of the new private sector development strategy, the secretariat is currently developing phase II of the project which aims to more actively engage governments and civil society, in particular consumer groups, under a holistic approach to strengthen the adoption and implementation of CSR, including the Global Compact principles. It also seeks to promote social enterprises and entrepreneurship.

48. The secretariat continues to engage the business sector in its work through the annual Asia-Pacific Business Forum (APBF) and regular meetings of the Business Advisory Council (BAC). BAC is emerging as an important advisory mechanism for ESCAP to promote business-led inclusive and sustainable development and steering mechanism for APBF.

## **III. Issues for consideration by the Commission**

49. The Commission may wish to consider and comment on the following: (1) the results and outcomes of the Second Trade and Investment Week and the usefulness of such events; (2) the role of intraregional trade and investment in general and expansion of regional trade agreements and value chains in promoting regional integration; (3) guidance to the secretariat on further progress in trade facilitation, particularly in promoting intraregional trade; (4) modalities to strengthen and engage the private sector as the engine of growth and important contributor to achieve inclusive and sustainable development; (5) the need to upgrade technology



transfer capacity of SMEs, refine NIS, and promote the development of research and development institutes in the region, and the activities of APCTT in this regard; (6) the need to refocus on the importance of the agricultural sector in trade and investment and, in this regard, to change the name of UNAPCAEM to “Centre for Sustainable Agricultural Mechanization” to both provide a clearer picture of the Centre’s work and enhance its profile in the Asia-Pacific region; (7) the establishment and usefulness of ANTAM and development and funding modalities of SAMS; and (5) the activities and role of ESCAP in addressing these issues. For this purpose, the Commission may also wish to refer to the report of the Committee on Trade and Investment at its second session (E/ESCAP/68/6).

## **Section III**

### **Transport**

#### **I. Introduction**

50. With the slowdown in the global economy, there is a growing interest amongst countries in the region to strengthen intraregional economic and social ties, including through the development of transport links. While maritime and aviation transport in Asia and the Pacific continue to grow steadily, there is a need for greater investment in the region’s land transport infrastructure, as well as more concerted efforts to remove non-physical barriers to international transport across borders. Better transport connectivity is especially needed by the landlocked developing countries, least developed countries and island developing countries in order for them to overcome their unique physical and economic challenges, as well as to achieve the Millennium Development Goals.

#### **II. Key issues and challenges**

##### **A. Developing regional transport networks**

51. The vision of an international integrated intermodal transport and logistics system was articulated by ministers of transport in the Busan Declaration on Transport Development in Asia and the Pacific (E/ESCAP/63/13, chap. V)<sup>8</sup> and reiterated three years later in the Bangkok Declaration on Transport Development in Asia (E/ESCAP/66/11, chap. IV).<sup>9</sup> This vision was reaffirmed in the Ministerial Declaration on Transport Development in Asia and the Pacific adopted by the Ministerial Conference on Transport at its second session, held in Bangkok in March 2012 (see E/ESCAP/68/9).

52. In support of this vision, the secretariat continued to assist member states in upgrading and developing the Asian Highway and Trans-Asian Railway networks in their countries through the implementation of the respective intergovernmental agreements. In 2010, Indonesia, Turkey and

---

<sup>8</sup> Subsequently endorsed by the Commission in its resolution 63/9 of 23 May 2007 on the implementation of the Busan Declaration on Transport Development in Asia and the Pacific and the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011).

<sup>9</sup> Subsequently endorsed by the Commission in its resolution 66/4 of 19 May 2010 on the implementation of the Bangkok Declaration on Transport Development in Asia.

Nepal became the latest countries to ratify the Intergovernmental Agreement on the Asian Highway Network,<sup>10</sup> bringing the total number of parties to 28 parties with one signatory yet to become a party. The Working Group of the Asian Highway at its 4th meeting held in Bangkok in September 2011 adopted proposals of member States for new links in the network, bringing its total length to over 142,000 km. In the case of the Intergovernmental Agreement on the Trans-Asian Railway Network,<sup>11</sup> the Lao People's Democratic Republic became the latest member State to ratify the agreement in 2011, bringing the total number of parties to 16. Over the past year, several important missing links in the Trans-Asian Railway Network were also completed and have been reflected in the Agreement through amendments adopted at the 2nd meeting of the Working Group on the Trans-Asian Railway Network, held in Busan, Republic of Korea, in June 2011. Work is progressing to construct other missing links in the network, especially in Azerbaijan, Georgia, the Islamic Republic of Iran and Turkey.

53. There is still a tremendous potential to enhance the effectiveness of these networks through greater integration. Towards this end, the secretariat has promoted the development of dry ports in the region, which would allow goods to be stored and transferred efficiently between transport modes, ensuring optimal use of the networks as a whole. In its resolution 66/4 of 19 May 2010 on the implementation of the Bangkok Declaration on Transport Development in Asia, the Commission requested the Executive Secretary to bring about connectivity and the integration of the Asian Highway network, the Trans-Asian Railway network and other transport modes by working towards the development of an intergovernmental agreement on dry ports. A draft agreement was prepared by the secretariat and reviewed by member States through a series of subregional meetings held in 2011. A number of countries have informed the secretariat of potential dry ports in their countries to be included in an annex to the draft agreement. The revised draft agreement will be considered for adoption by an intergovernmental meeting scheduled to be held in June 2012. Once adopted, the agreement will be open for signature by member States during the sixty-ninth session of the Commission in 2013.

54. The secretariat has also been actively promoting greater investment in transport infrastructure, including through public-private partnerships. The secretariat will continue to facilitate the exchange of experiences in the area of public-private partnerships and support governments in building their capacities in innovative approaches to financing infrastructure.

## **B. Facilitating international land transport and logistics**

55. In order to support the expansion of international trade and global production networks in the region, governments have been implementing measures to reduce non-physical barriers in transport process. However, many facilitation programmes and projects have been taken in relative isolation and results have been fragmented. For example, based on the Asian Highway and Trans-Asian Railway networks, subregional and intergovernmental organizations in the region have formulated their own subregional transport networks and agreements to remove impediments to cross-border transport. As a result, some technical, regulatory and

---

<sup>10</sup> United Nations, *Treaty Series*, vol. 2323, No. 41607.

<sup>11</sup> United Nations, *Treaty Series*, vol. 2596, No. 46171.

operational differences have emerged between subregions, which create new impediments to inter-subregional transport. In collaboration with subregional organizations such as the Shanghai Cooperation organization, the secretariat provided technical support for the development of subregional transport facilitation agreements to maintain consistency with international conventions and regional harmonization. The secretariat will work in collaboration with its partner subregional organizations to review these issues and facilitate inter-subregional transport in order to enhance region-wide connectivity.

56. In order to help member countries address facilitation issues more effectively, the secretariat developed a regional strategic framework for the facilitation of international road transport,<sup>12</sup> which set out an integrated approach towards secure, smooth and efficient international road transport. The regional strategic framework contains key strategies, modalities and actions that will allow greater coordination in transport facilitation measures in line with the international conventions listed in Commission resolution 48/11 of 23 April 1992 on road and rail transport modes in relation to facilitation measures. Together with member states, the secretariat will develop an action plan for the implementation of the regional strategic framework. In addition, the secretariat is developing various facilitation tools or guidelines to assist member countries and their development partners in formulating transport facilitation policies, identifying particular bottlenecks, strengthening national coordination for facilitation and implementing facilitation measures.

57. With growing intraregional trade, member States and railway organizations are also stepping up efforts to look at how to facilitate international railway transport. International railway transport faces many challenges to those facing international road transport, such as harmonization and simplification of documents and procedures. However, international railway transport has a number of unique operational and interoperability requirements that need closer collaboration among countries. The secretariat has started to identify specific areas to increase cooperation for efficient and safe railway operations between countries of the region.

58. In most countries of the region, logistics service providers are still small in size, and the industry is fragmented. This contributes to relatively higher aggregate transport costs. In order to help countries develop and implement policies to establish an efficient logistics industry, the secretariat has been working with both government officials and industry representatives to develop guidelines on the establishment of minimum standards and codes of conduct for freight forwarding, multimodal transport and logistics service providers. The secretariat has also been implementing capacity-building training programmes to upgrade the skills in these industries.

### **C. Enhancing the contribution of transport to economic and social development**

59. In the Asia-Pacific region, road transport has historically been the dominant transport mode for land-based transport, accounting for roughly 80 per cent of petroleum products consumed in the transport sector

---

<sup>12</sup> E/ESCAP/MCT.2/4, annex.

compared to only 2 per cent for railways. As a result, the transport sector is one of the largest contributors to CO<sub>2</sub> and other greenhouse gas (GHG) emissions. Rising motorization and heavy reliance on road transport has also led to rising air pollution and congestion, which have detrimental effects on human health and economic productivity. In response to this challenge, the secretariat has been promoting policies which encourage modal shift from road to railway and inland water transport, particularly for freight transport which is responsible for roughly one third of greenhouse gas emissions in the region.

60. Rising motorization and the increasing density of urban areas are also contributing to the rise in road traffic accidents. Within the Asia-Pacific region, 700,000 lives, or approximately half of the global road fatalities, occur each year on the region's roads. Recognizing the social and economic costs of road traffic accidents, the General Assembly adopted resolution 64/255 of 2 March 2010 on improving global road safety, in which member States proclaimed the period 2011-2020 as the Decade of Action for Road Safety. In the Asia-Pacific region, with an ambitious objective of reducing fatalities and serious injuries on the region's roads by 50 per cent over the period 2011 to 2020, the secretariat has compiled a list of 25 targets and 36 indicators in eight areas for member states to consider when planning and implementing their national road safety strategies and in evaluating progress.<sup>13</sup> The secretariat has been assisting member States in developing their national strategies and establishing and/or refining national road safety goals and targets for the Decade of Action through the organization of national workshops and provision of advisory services.

61. While the access provided by transport is important to all countries, it is critical to the domestic commerce and international trade of archipelagic and island developing countries. Owing to their small size, low population levels, limited production base and vast inter-island distances, shipping services to and between these countries face unique challenges related to low and often irregular traffic volumes, long voyage distances and physical constraints in associated seaport infrastructure and equipment. Together with the Secretariat of the Pacific Community (SPC), the secretariat is planning a number of analytical studies to identify the demand and supply constraints impeding inter-island shipping and propose practical solutions.

62. Lastly, 2015 marks the deadline for the achievement of the Millennium Development Goals. While some targets in the Asia-Pacific region have been achieved, the region is still lagging behind in areas such as the percentage of underweight children, completion of primary education, child and maternal health, and basic sanitation. Transport infrastructure and

---

<sup>13</sup> The Ministerial Declaration on Improving Road Safety in Asia and the Pacific adopted by the Ministerial Conference on Transport in Busan, Republic of Korea, in 2006 invited members and associate members to address road safety in the following eight areas: (a) Making road safety a policy priority; (b) Making roads safer for vulnerable road users, including children, senior citizens, pedestrians, non-motorized vehicle users, motorcyclists, and persons with disabilities; (c) Making roads safer and reducing the severity of road crashes ("forgiving roads"); (d) Making vehicles safer and encouraging responsible vehicle advertising; (e) Improving national and regional road safety systems, management enforcement; (f) Improving cooperation and fostering partnerships; (g) Developing the Asian Highway as a model of road safety; and (h) Providing effective education on road safety awareness to the public, young people and drivers.

services can play a much greater role in addressing these Millennium Development Goals, as they provide physical access to domestic and international markets, jobs, and social services. The secretariat will step up its efforts in identifying best practices on the contribution of transport to achieving the Millennium Development Goals, with a focus on improving road maintenance, farm-to-rural logistics, and food security.

### **III. Issues for consideration by the Commission**

63. Member countries may wish to share their experiences and views on the above-mentioned issues and challenges, and provide the secretariat with guidance on approaches considered appropriate for the secretariat to follow in its future work, taking into account the outcome of the Ministerial Conference on Transport at its second session (see E/ESCAP/68/9).

## **Section IV Environment and development**

### **I. Introduction**

64. The region continued to be adversely affected by resource constraints and impacts of climate change. Economic uncertainty – partly caused by increased competition for resources and climate variability – has reduced growth prospects and increased social inequalities. Over 400 million people still lack access to improved water sources, and around 800 million people do not have access to electricity. Energy demand is estimated to continue growing at 2.4 per cent annually between 2005 and 2030 to sustain economic growth. The region's urban population – 30 to 35 per cent of which still live in slums – is set to double by the year 2030 and will produce an estimated 600 million tons of waste by that time.

65. An assessment of resource intensity shows that the region consumes three times the resources as the rest of the world to produce one unit of value added. The recent report of the High Level Panel on Global Sustainability of the United Nations underlines that by 2030, the world will need at least 50 per cent more food, 45 per cent more energy and 30 per cent more water. It concludes, unequivocally, that the current global development model is unsustainable – “businesses as usual” will no longer work.

66. A system change is required to meet these challenges. Such a system change would require countries of the region to address development gaps in governance and institutional structures, price structures, infrastructure design and to increase capacities to ensure that challenges such as rapid urbanization, increasing demand for energy and water, become opportunities for sustainable development.

### **II. Key issues and challenges**

#### **A. Integrating environmental sustainability in socio-economic development**

67. The subprogramme assisted member States of ESCAP in integrating environmental sustainability in economic and social development, including the application of the green growth approach and other effective policy

initiatives, and eco-efficient planning and management of natural resources development, including energy and water and sustainable urban development, by serving as a knowledge hub that continues to build capacities of all stakeholders at the regional, subregional and national levels. Further, it built strong linkages between its normative and operational work by focusing on developing innovative strategies and documenting, analysing and disseminating policy options and good practices. The subprogramme facilitated consensus-building among different stakeholders concerning strategies, approaches and cooperation at the regional level. Most of its activities were undertaken through partnerships and thus created synergies with United Nations agencies of the Asia-Pacific Regional Coordination Mechanism and with other partners outside the United Nations system.

68. As part of its mandate to lead the regional preparatory process ESCAP strengthened the regional voice of member countries in the preparatory process for the United Nations Conference on Sustainable Development by convening a regional preparatory meeting in Seoul in October 2011, which was attended by more than 300 delegates from 40 countries. It included representatives of civil society and international organizations. The meeting adopted the Seoul Outcome,<sup>14</sup> which covered the two themes of the United Nations Conference on Sustainable Development (Rio+20 Conference): (a) green economy in the context of sustainable development and poverty eradication; and (b) the institutional framework for sustainable development. The Seoul Outcome was submitted to the secretariat of the Rio+20 Conference as the regional input to the global negotiations.

69. An in-depth analysis on the region's specific challenges in achieving sustainable development was also supported by the joint ESCAP, United Nations Environment Programme and ADB publication *Green Growth, Resources and Resilience*.<sup>15</sup> The report provided an analytical basis for the challenges and concerns faced by member States, and emphasized that some member States were already taking steps to shift economic growth to be more resource-efficient and environmentally sustainable. Building on this analysis, the *Low Carbon Green Growth Road Map* was launched in April 2012. The *Road Map* provides policy suggestions for economic system change to support low carbon green growth. Using examples from both within and outside the region, the *Road Map* proposes a set of options for policymakers to implement as a way of initiating economic systems change to improve the quality of growth.

70. Linked to this *Road Map* is the issue of sustainable urban infrastructure, guidelines for which were launched and used in an international training course in November 2011. To widen the outreach of the Green Growth Capacity-building Programme, an online e-learning facility was established, offering six-weeks online courses on the fundamentals of green growth. Thus far more than 100 users have been enrolled. Additional training courses on livable cities, sustaining growth, investment in natural capital, pro-poor green business, green innovations and technology will be offered during 2012-2013. A platform for sharing good practices and knowledge is also under construction. Under the Green Growth capacity-building programme, the Seoul Initiative Network on

---

<sup>14</sup> See E/ESCAP/68/10, chap. I.

<sup>15</sup> ST/ESCAP/2600.

Green Growth has continued since its launch at the Ministerial Conference on Environment and Development in 2005,<sup>16</sup> and has included training programmes and pilot projects, and outcomes of these are shared across the region throughout the network and wider audience through an online platform. Work on investment in natural capital has resulted in legislation changes and enhanced capacity on payment for ecosystem services in South-East Asia.

## **B. Inclusive and sustainable urban development**

71. In addressing issues of sustainable urban development, ESCAP published the first-ever report on the state of Asian cities in collaboration with the United Nations Human Settlements Programme (UN-Habitat), the United Nations Environment Programme and United Cities and Local Governments Asia-Pacific in June 2011.<sup>17</sup> The report highlighted the impact and challenges of rapid urbanization in the region and brought issues of economic development, poverty, environment, climate change and governance in cities to the attention of policymakers. The report noted that one of the major constraints to sustainable urban development was the lack of capacities and knowledge at the local level, as well as access to reliable data and information.

72. ESCAP, jointly with over 30 partner organizations from within and outside the United Nations system, held the Fifth Asia-Pacific Urban Forum in June 2011 to discuss critical and emerging urban issues and to exchange good practices. Over 900 participants including ministers, mayors, senior national and local government officials, academics, civil society organizations, private sector representatives and journalists from 45 countries participated in Forum, which comprised plenary panel discussions, and more than 30 issue and subregion based break-out sessions and side events, including the Ministerial Dialogue on Cities Without Slums, which ESCAP co-organized with the Government of Thailand and the Asian Coalition for Housing Rights (ACHR). Outcomes of the Forum included a call for a more inclusive, sustainable and resilient urban development path to be shaped through increased cooperation between different government levels, departments and agencies and in partnership with other key urban stakeholders.<sup>18</sup> To assist in implementing this holistic approach, the Forum called on ESCAP, jointly with partners, to function as a regional knowledge platform to collect, analyse and disseminate relevant knowledge and good practices, to promote more research on urban issues, to convene multi-stakeholder and multisectoral urban forums linked to ministerial dialogues or conferences, to organize thematic policy dialogue on specific urban issues, such as urban governance, urban land management, urban finance, urban transport, slum upgrading, and social fabric, and to provide increased training and capacity development opportunities for national governments and other stakeholders.

---

<sup>16</sup> See Economic and Social Commission for Asia and the Pacific, *The Fifth Ministerial Conference on Environment and Development in Asia and the Pacific, 2005* (ST/ESCAP/2379) (United Nations publication, Sales No. E.05.II.F.31), Annex III.

<sup>17</sup> United Nations Human Settlements Programme and Economic and Social Commission for Asia and the Pacific, *The State of Asian Cities 2010/11* (Fukuoka: UN-Habitat, 2010).

<sup>18</sup> See E/ESCAP/CED(2)/2.

73. ESCAP continues to implement multi-year technical assistance projects that combine the three pillars of sustainable development and resilience in urban areas. The ESCAP project on solid waste management seeks to promote an attitudinal change that views wastes as resources and moves away from waste management towards resource recovery. The project is being implemented in Bangladesh, Cambodia, Pakistan, Sri Lanka and Viet Nam and has already trained over 100 policymakers and practitioners.

74. The ESCAP projects on eco-efficient water infrastructure and wastewater management in urban sector are being implemented in Bhutan, Indonesia, Mongolia, Nepal and the Philippines with the objectives to apply key components of green growth concepts. They included “Smart urban water design in Bhutan”, “Pilot application of sustainable design for green school development in the Philippines” and “Mobile safe water supply system to Gobi desert in Mongolia” to address issues of the scarcity of urban water and to enhance the efficiency of resources in the context of sustainable urban development. ESCAP also continues to work on making building codes more resilient and eco-efficient. Building codes of several developing and developed countries were compared and an analysis is being undertaken to determine which building codes need to be bench marked and learned from. ESCAP is also undertaking analytical and action research on pro-poor eco-settlements (PPES) that analyses ways to address different but interlinked development challenges at community level in a synergetic manner and identifies points of intersection for successful partnership between communities, local governments and other urban stakeholders.

75. The ESCAP project on improved management of municipal services in Central Asia focuses on developing policy guidelines on improving delivery of municipal services in Uzbekistan and other Central Asian Republics. ESCAP and UN-Habitat also initiated work on climate change adaptation in cities. The project is collecting best practices and developing a quick guide for policymakers on climate change adaptation in cities of the region.

### **C. Promoting regional cooperation in energy security and water resource management**

76. The work of ESCAP on energy security and water resource management focused on promoting regional cooperation for enhanced energy security and water resources management and the implementation of resolutions. The secretariat organized an expert group meeting in September 2011 in Bangkok to take stock of issues relevant to the organization of the Asian and Pacific Energy Forum (APEF) in 2013. The secretariat, through the Thematic Working Group on Environment and Disaster Risk Management of the Regional Coordination Mechanism, established a subcommittee called UN-Energy Asia-Pacific with a view to enhancing coordination among the United Nations agencies working on energy issues.

77. The work initiated by secretariat contributed to the International Year of Sustainable Energy for All,<sup>19</sup> in particular to meet the goal of universal access to basic energy services by 2030. The secretariat is implementing projects to enhance the Pro-Poor Public Private Partnership for improving energy access in selected least developed countries including

---

<sup>19</sup> See General Assembly resolution 65/151.



Bangladesh, the Lao People's Democratic Republic and Nepal, to further demonstrate innovative financing and appropriate renewable energy technologies for sustainable rural development. In the area of energy efficiency, ESCAP and the Economic Commission for Europe organized the second International Energy Efficiency Forum in Dushanbe, Tajikistan, in 2011 with participants from South-East, North-East, and Central Asia and from Europe. The Forum underlined the significant role of intraregional cooperation in realization of energy efficiency potential, which would help tackle the challenges related to energy security, economic development, environmental and social issues. The third Forum is expected to be held in Bishkek in 2012 with a broader focus on sustainable energy including renewable energy. Based on recommendations at an Expert Group meeting organized by the secretariat to identify scope for regional cooperation on energy efficiency in North-East Asia, the secretariat will continue to develop strategies to operationalize activities in North-East Asia.

78. Water resources management is a recurring challenge for Asia-Pacific countries. In response to floods and drought in this region, ESCAP continued its identification of capacity-building needs on various aspect of the water sectors including organizing training programs such as the overarching integrated water resources management, household water security, watershed management, river basin organization managements, flood management, conflict solutions, and integrated lake basin management. During the devastating floods in Thailand, ESCAP worked together with a World Bank-led team to assess the damages and losses to the Water Supply and Sanitation sector in the country. The Post Disaster Needs Assessment findings were presented to the Ministry of Finance of the Government of Thailand at the end of November 2011.

79. ESCAP has been scaling up its preparations for two strategic water meetings: the 2nd Asia-Pacific Water Summit, which will be held in May 2012 in Bangkok, and the 6th World Water Forum, to be held in March 2012 in Marseille, France. More than 50 case studies have been collected by ESCAP and its partners on the topics of "household water security" and "economic, food and water security" and will be discussed at these meetings. ESCAP is also supporting the preparations for the Rio+20 Conference, through, among other things, capacity-building needs assessments and consultancy studies on the status of water resources management since the United Nations Conference on Environment and Development. On monitoring of investment and results in the water sector, ESCAP held several expert group meetings, and the recommendations of experts were used to draft generic frameworks of strategies and action plans that member countries can use to monitor investments in the water sector, at various levels. Concurrently, as part of UN-Water, ESCAP continues to actively support and contribute on substantive issues both in the thematic areas as well as in the task forces of programs of UN-Water.

### **III. Issues for consideration by the Commission**

80. The Commission may wish to provide guidance on the policy options identified and the initiatives being undertaken by the secretariat to support member countries.

## **Section V**

### **Information and communications technology and disaster risk reduction**

#### **I. Introduction**

81. In 2011 as well, Asia and the Pacific continued to be the most affected region in the world with the top 3 major disasters causing highest economic losses: the Great Eastern Japan earthquake and tsunami at an estimated US\$ 210 billion, the historic floods in Thailand at US\$ 46 billion and the earthquake in New Zealand, US\$ 16 billion. Among the top 10 disasters by number of deaths, eight occurred in Asia, namely in Japan with over 19,800 deaths followed by the Philippines, Thailand, Turkey, Pakistan, Cambodia, China and India.<sup>20</sup> The region accumulated 89.81 per cent of people killed by disasters.

82. Space technology applications have played a very important role in monitoring, early warning and emergency communications in fighting disasters. The near real-time satellite imagery proved to be a vital tool in Thailand in tracking the severe floods unseen in the past 60 years. More and more member States, especially the Pacific island developing countries and the least developed countries have realized the importance of space applications and requested the ESCAP secretariat to assist them in capacity-building.

83. Meanwhile, in Asia and the Pacific, information and communications technology (ICT) has emerged as an accelerator of shifts in the regional development paradigm that is seeing economic growth increasingly sourced from within the region. However, a number of challenges remain in preparing societies for next generation technologies and in achieving region-wide connectivity for a more inclusive knowledge society. Deep digital divides between and within countries in the region continue to persist and a key contributing factor is the inequality between countries in their capacity to carry communications traffic internationally. For developing countries in the region to bridge this divide and create innovative solutions to development challenges, addressing these gaps through supportive ICT policies and human capacity-building hold the key in today's knowledge based society. The need to build ICT human capacities has been outlined by the World Summit on the Information Society.

#### **II. Key issues and challenges**

##### **A. Reducing economic losses, protecting development gains and social vulnerability from disasters**

84. As regards the cost of disasters, the year 2011 was the most expensive in history. The economic losses from disasters were estimated at US\$ 366 billion globally compared with US\$ 222 billion in 2010, with Asia and the Pacific topping the list, at over US\$ 270 billion alone for Japan, Thailand and New Zealand. Also during 2011, historic floods overwhelmed Cambodia, the Lao People's Democratic Republic, Myanmar and Viet Nam, while Typhoon Washi took a heavy toll on the Philippines, affecting over 13

---

<sup>20</sup> <http://cred.be/sites/default/files/PressConference2011.pdf>

million people across the five countries.<sup>21</sup> Pakistan was again hit by floods in 2011 affecting 8.9 million people.

85. Given the global nature of production and distribution of goods, a disaster in one country could affect regional and global supply chains. The Great Eastern Japan earthquake and tsunami had wide repercussions. ESCAP estimated that a one percentage point slowdown of economic growth in Japan would result in a 0.1 percentage point slowdown in growth for Asia-Pacific developing economies mainly through export linkage, with some countries may be more adversely affected than others.<sup>22</sup> Similarly, the 2011 South-East Asian floods caused massive economic damage and also created negative supply shocks around the region and globally due to major disruptions in industrial production of electronic and automotive parts. Thailand has been the most severely affected country, with the most damage and losses in the manufacturing sector. The floods are also expected to create negative supply shocks in the agricultural productive sector in the region and globally due to the loss of substantive rice production in leading rice countries.<sup>23</sup>

86. Increasing population leading to rapid development and urbanization, with more people living on low lying flood-prone areas, improper land use, blocking of natural waterways and other environmental issues played an important part in increasing disaster risk in many parts of Asia and the Pacific. There is a significant time lag between rapid development and investment on disaster reduction in Asia. For sustainable and inclusive development, it is inevitable to reduce disaster risks.

87. Regional cooperation in the collection and sharing of disaster data and information is a vital step in contributing to disaster risk reduction especially when it comes to transboundary events. Following the Great Eastern Japan earthquake and tsunami, ESCAP co-organized with the Government of Japan and regional/international organizations the sharing experiences and lessons gained from large-scale disasters among policymakers and experts from the region working for recovery and reconstruction. Similarly, in response to the extensive 2011 South-East Asian floods, ESCAP organized a regional forum to share information and lessons learned among Governments, and support capacity-building in flood risk management. The secretariat will continue these efforts to strengthen and facilitate information and knowledge sharing mechanisms.

88. Responding to the strong need from the Government of Thailand to obtain satellite imagery of the floods in October 2011, ESCAP worked with national, regional and global partners to provide near real-time satellite data to improve the quality of flood monitoring in Thailand. ESCAP will work towards networking and partnership building and institutionalizing the process for regular access to satellite data and critical information during major disasters in support of ESCAP member States.

---

<sup>21</sup> Prof. Debarati Guha-Sapir, Centre for Research on the Epidemiology of Disasters (CRED), "Disasters in numbers 2011", CRED-UNISDR Press Conference, Geneva, 18 January 2012 (see <http://cred.be/sites/default/files/PressConference2011.pdf>).

<sup>22</sup> *Economic and Social Survey of Asia and the Pacific 2011* (United Nations publication, Sales No. E.11.II.F.2).

<sup>23</sup> For more information, see *Economic and Social Survey of Asia and the Pacific 2011: Year-end Update* (ST/ESCAP/2612).

89. For this purpose, ESCAP has already worked out plans with Sentinel Asia and the International Charter Space and Major Disasters<sup>24</sup> through ESCAP-Japanese Aerospace Exploration Agency (JAXA) cooperation for post-disaster satellite information especially for the under-served developing countries of the region. Further, the secretariat will work with United Nations Institute for Training and Research (UNITAR) and private sectors for the larger access to near real time satellite data towards enhancing the disaster monitoring capacity of the ESCAP member countries in the future. ESCAP secretariat is also working with the Russian Federation on its International Global Monitoring Aerospace System (IGMASS) to use space-based resources for disaster risk management.

90. ESCAP will continue providing technical assistance to member States in need. In this regard, ESCAP Regional Advisory services have been extended to Afghanistan, Armenia, Bhutan, Cambodia, Maldives, Mongolia, Nepal, Thailand and Timor-Leste. The secretariat encourages regional advisory services for ESCAP member countries with special needs. Following a request of the Government of Thailand to undertake a rapid Post Disaster Needs Assessment of the 2011 floods, ESCAP joined the United Nations country team and the World Bank to carry out a multisectoral damage, loss and needs assessment for recovery and reconstruction.

91. With a view to providing member States with region-focused analysis and policy options to better address disaster risk reduction and development, ESCAP will continue to bring out the *Asia-Pacific Disaster Report*, jointly with the Inter-Agency Secretariat of the International Strategy for Disaster Reduction, as an analytical study through an economic and social lens. The *Asia-Pacific Disaster Report 2012* will provide a regional assessment for the ESCAP region that will contribute to the *Global Assessment Report on Disaster Risk Reduction 2013*. The Asia-Pacific Gateway for Disaster Risk Reduction and Development will continue serving as a regional platform and repository for mainstreaming disaster risk into development.

92. With the support from Russian Federation, the secretariat has been promoting cooperation at subregional level and set up the Central Asia Disaster Risk Reduction Knowledge Network for Flood Risk Reduction towards sharing the information and knowledge to improve disaster risk reduction and management. The secretariat intends to continue this effort with multi-hazard focus and through active engagement of ESCAP Subregional Office for North and Central Asia.

93. The ESCAP Multi-Donor Trust Fund for Tsunami, Disaster and Climate Preparedness in Indian Ocean and Southeast Asian Countries received two new contributions in 2011, from Sweden and the Philippines. An evaluative review in 2011 confirmed a significant contribution of the Fund to early warning capacities in the Indian Ocean and South East Asia. The Indian Ocean Tsunami Warning and Mitigation System went “live” on 12 October 2011. Australia, India and Indonesia are now the Regional Tsunami Service Providers, tasked with issuing tsunami warnings in the Indian Ocean. The Fund has been one of the contributors to developing joint standards and national capacities for this system. The Regional Integrated Multi-hazard Early Warning System (RIMES), established with

---

<sup>24</sup> <http://www.disasterscharter.org/>

support from the Fund, is also an integral component of supporting this important Asia-Pacific resource. The establishment of the tsunami warning system for the Indian Ocean represents a major leap forward. A study commissioned by ESCAP estimated that nearly 160,000 lives could have been saved had this warning system been in place on 26 December 2004. As for preventing future losses, a conservative estimate is that this system will contribute to saving of about 1,000 lives every year for the next 100 years. The Fund will continue supporting resilience-building efforts in the region.

94. Under the framework of Regional Space Applications Programme for Sustainable Development in Asia and the Pacific (RESAP), ESCAP launched the Regional Cooperative Mechanism for Disaster Monitoring and Early Warning, Particularly Drought, and the secretariat will enhance the efforts to operationalize it. The secretariat will also continue its ongoing efforts on capacity-building and training using RESAP networks established in China, India and Indonesia. The ongoing efforts of organizing group training for the Pacific island countries for capacity development and their integration with RESAP education and training networks in Asia will continue with more focus on context specific and specialized activities and partnership building initiatives. These efforts will be tailored to address the capacity gaps in the Pacific. The secretariat will also work in partnership with the Beijing Office of the United Nations Platform for Space-based Information for Disaster Management and Emergency Response (UN-SPIDER) to promote jointly capacity development efforts in the region.

95. The secretariat will use the ongoing project, funded by the United Nations Development Account, to strengthen government capacity in the region towards the implementation of the Hyogo Framework for Action<sup>25</sup> through the use of standardized statistical and geographical information tools. A regional-level network linking the communities of practice for Geographic Information Systems (GIS), statistics and Information, Communications and Space Technology (ICST) applications will also be established. The secretariat has put in place a set of wide ranging activities including expert group meetings, needs and gaps assessment survey for geo-referenced disaster data, establishment of an online network; and the development of standardized information system containing socio-economic statistics and geo-referenced information. The project targets the least developed countries, and landlocked developing countries and small island developing countries of the region.

96. The secretariat will continue its efforts on putting in place regional cooperative mechanism for enhancing disaster communication capacities for the timely dissemination of early warning alerts, accurate reporting of disaster occurrences and effectively organizing response actions. The secretariat will enhance the ongoing efforts on realizing the Asia-Pacific Platform for Disaster Communication Capacities, with its core component on emergency communication in collaboration with members of the Regional Inter-agency Working Group on Information and Communications Technologies, in particular the International Telecommunication Union (ITU) and the Asia-Pacific Telecommunity (APT).

97. The capacity development efforts under the subprogramme also included supporting the process of implementing resolution 67/4 on the

<sup>25</sup> A/CONF.206/6 and Corr.1, chap. I, resolution 2.

establishment of the Asian and Pacific Centre for the development of disaster information management.

## **B. Information and communications technology: Accelerator of economic growth, regional integration and essential tools for disaster risk management**

98. ICT has enabled fostering intraregional growth in trade. Over the period 2002-2009, intraregional trade in ICT goods increased at an annual average of 20.8 per cent as compared to 15.7 per cent and 8.39 per cent for the region's ICT goods destined for the European Union and United States markets, respectively.<sup>26</sup> It has also induced substantive shifts in employment patterns as well and created large scope for employment in this sector. For example, in China's telecommunication sector, employment grew annually at an average of 3.7 per cent from 2002 to 2008 while total employment growth on average has consistently stayed below 1.2 per cent annually since the mid-1990s.<sup>27</sup> Within the same context, in 2011, China became the largest market of smartphones, surpassing the United States.<sup>28</sup>

99. ICT in the region has emerged as a source of dynamism and innovation that has enabled virtually every other sector to increase productivity, changing the way businesses integrate production processes across borders. The fact that mobile telephones are rapidly moving towards ubiquity in the region — from 6 to 61 mobile telephone subscriptions per 100 inhabitants on average, in less than a decade — is radically improving the connectivity of economies and empowering hitherto marginalized people.<sup>29</sup>

100. The role of ICT in disaster risk management, especially with regard to early warning systems, “last mile” connectivity, impact mapping, is becoming indispensable. The Great Eastern Japan earthquake and tsunami 2011, Thailand floods 2011 etc, witnessed extensive use of ICT tools including satellite imagery for the efficient response.

101. The real bottleneck to harness the transformational potential of ICTs either as accelerator of economic development and regional integration or as essential tools for disaster risk management is the existing deep digital divides between and within countries in the region. Serious challenges remain to be addressed before a truly borderless connectivity is achieved region-wide. The key enabling policy environment with a region-wide ICT infrastructure expansion through intergovernmental cooperation is one of

<sup>26</sup> ESCAP. Based on United Nations Commodity Trade Statistics Database data on reported imports by Asia-Pacific economies of ICT goods originating from Asia-Pacific economies. ICT goods are defined in the *OECD Guide to Measuring the Information Society*, annex 1A (OECD, 2009).

<sup>27</sup> ESCAP. Full-time telecommunication employees in China obtained from the ITU World Telecommunications/ICT Indicators database 2011. Employment percentage change per annum in China obtained from the *Statistical Yearbook for Asia and the Pacific, 2011* (United Nations publication, Sales No. E.11.II.F.1), p. 220.

<sup>28</sup> Reuters. “China overtakes U.S. in smartphone sales-analyst”, accessed on 25 November 2011 website: <http://www.reuters.com/article/2011/11/23/china-usa-smartphones-idUSN1E7AL1KX20111123>

<sup>29</sup> International Telecommunication Union, *World Telecommunication/ICT Indicators Database 2011*, 15<sup>th</sup> Edition (Geneva, ITU, 2011).

the fundamental needs for the region to harness the benefit of today's knowledge-based society.

102. Another critical need for bridging the digital divide in the Asia-Pacific region is building the human and institutional capacities, especially within government, for use of ICTs for achieving national development goals. Government leaders and policymakers play key roles in ensuring that different sectors and stakeholders work towards a common ICT for development (ICTD) vision. The World Summit on the Information Society particularly highlighted that formulation of national e-strategies needs to be an integral part of national development plans and aim to contribute to achieving internationally agreed development goals.<sup>30</sup> Efforts to promote ICTD capacity-building must hence accord high priority to policymakers across all sectors. Furthermore, in accordance with the objectives of the United Nations Decade of Education for Sustainable Development,<sup>31</sup> these efforts must also address the needs of students and youth who comprise the next generation leadership and will go on to assume the roles of decision makers in tomorrow's society.

103. In order promote ICTs as accelerator of economic growth and regional integration the secretariat will implement a range of activities. This will include policy studies and regional policy dialogues on addressing ICT gaps to accelerate ICT connectivity for inclusive and sustainable economic growth. This work will be undertaken in follow-up to the findings and recommendations that emerged over the past year, among which is the Asia-Pacific Ministerial Conference on Sustainable and Inclusive Infrastructure Development, organized by the Government of Indonesia and scheduled to be held from 2 to 4 May 2012. Activities will be centred around analytical policy studies and regional policy dialogues on addressing regional ICT infrastructure and access gaps. Further work will also be carried out, in close cooperation with member States and with the United Nations "Partnership on Measuring ICT for Development", on issues related to the measurement of the information society and tracking by 2015 implementation of the targets established by the Geneva Plan of Action of the World Summit on the Information Society.<sup>32</sup> These are some of the key issues that will be reviewed at a regional policy dialogue to be hosted by the Government of Sri Lanka, and subsequently at the third session of the ESCAP Committee on Information and Communications Technology, which is scheduled to be held from 20 to 22 November 2012.

104. In order to build the human, institutional and policy capacities of ESCAP member States to use ICT for socio-economic development, APCICT has rolled out its flagship programme entitled the "Academy of ICT Essentials for Government Leaders"<sup>33</sup> in 22 countries of the region. The programme comprises of a high-quality training curriculum, and has been developed and implemented through an inclusive and participatory approach involving strategic partnerships with over 60 government agencies and regional/international organizations. It focuses on localization of the training content, strengthening the pool of local resource persons, and promoting national ownership in order to achieve sustainability and impact.

<sup>30</sup> See the Tunis Agenda for the Information Society (A/60/687, Chapter I, Part B), para. 100(a).

<sup>31</sup> See General Assembly resolution 57/254 of 20 December 2002.

<sup>32</sup> A/C.2/59/3, annex.

<sup>33</sup> [www.unapcict.org/academy](http://www.unapcict.org/academy).

In response to strong demand, the Academy programme curriculum has been translated into 8 languages by national partners for enhanced reach and has been institutionalized into long-term national capacity-building frameworks through a series of effective Training of Trainers. The programme training is also offered online through the APCICT Virtual Academy,<sup>34</sup> a distance-learning resource with enrolments from 116 countries. To expand the programme in response to increasing demand and to ensure it continues to address ICTD capacity-building needs in the region, APCICT plans to introduce it in more countries, and further promote exchange of best practices and case studies amongst the partners.

105. APCICT has also launched the “Primer Series on Information and Communication Technology for Development for Youth” to build awareness on ICTD amongst university students, and active consultations have been held with partners in 16 countries for its utilization. Building upon these consultations, partner-driven national workshops were recently conducted for building relevant capacities of educational institutions in Azerbaijan, Indonesia, the Pacific subregion, Maldives and Sri Lanka. To expand this initiative, in the coming period, more workshops would be organized and additional issues of the Primer Series developed for the benefit of member States.

106. In its role as a regional hub of ICTD capacity-building and knowledge sharing, APCICT has enabled effective policy dialogue amongst senior decision makers from 38 countries and 8 regional/ international organizations through its quinquennial Asia-Pacific Regional Forum on ICTD Human Capacity Development. In addition, with support from the Republic of Korea, APCICT is developing the ICTD Knowledge Sharing Series which would address the requirement of policymakers to have practical, step-by-step guidelines on roll out of ICTD policies and programmes taking into account best practices from across the region.

### **III. Issues for consideration by the Commission**

107. The members of the Commission may wish to share their experiences and views on the above-mentioned issues and challenges. The Commission may wish to identify priorities and provide the secretariat with guidance on approaches considered appropriate for the secretariat to follow in its future work under this subprogramme, taking into account the recommendations of the Committee on Disaster Risk Reduction at its second session.

## **Section VI**

### **Social development**

#### **I. Introduction**

108. The Commission may wish to review and consider actions in two key areas of work under the subprogramme on social development that will feed into important global processes, namely regional preparations for the special session of the General Assembly on the International Conference on Population and Development beyond 2014 and regional preparations for the High-level Intergovernmental Meeting on the Final Review of the

---

<sup>34</sup> <http://e-learning.unapcict.org>



Implementation of the Asian and Pacific Decade of Disabled Persons, 2033-2012. The High-level Intergovernmental Meeting, which will be hosted by the Government of the Republic of Korea in Incheon from 29 October to 2 November 2012, is expected to serve as a regional input to the High-level Meeting of the General Assembly on the Realization of the Millennium Development Goals and Other Internationally Agreed Development Goals for Persons with Disabilities, which is to be convened in September 2013.<sup>35</sup>

## **II. Key issues and challenges**

### **A. Regional preparations for the special session of the General Assembly on the International Conference on Population and Development beyond 2014**

109. Asia and the Pacific has made significant progress in addressing population and development issues in the 18 years since the Programme of Action of the International Conference on Population and Development came into effect. The region has increased access to sexual and reproductive health services and reduced gender gaps in education. This has led to improved living standards, increased opportunities and choices for both women and men, improved health and well-being for millions of people, and positively impacted on poverty reduction and economic development.

110. A number of countries in the region face new and emerging issues in population, including below replacement level fertility, accelerated population ageing, international migration, rapid urbanization through large-scale rural to urban migration, and the impacts of environmental change on population.

111. In its resolution 65/234 on the follow-up to the International Conference on Population and Development beyond 2014, the General Assembly decided to convene a special session during its sixty-ninth session “to assess the status of implementation of the Programme of Action and to renew political support for actions required for the full achievements of its goals and objectives.” It encouraged Governments to “undertake reviews of the progress achieved and the constraints faced in the implementation of the Programme of Action at all levels”, and called upon the United Nations system in consultation with Member States to undertake an operational review of the implementation of the Programme of Action.

112. Pursuant to the above-mentioned General Assembly resolution and in close cooperation with the United Nations Population Fund and other relevant United Nations entities, ESCAP will be supporting member States in their preparations for the fourth review of the implementation of the Programme of Action of the International Conference on Population and Development.

113. The modalities for the review are as follows:

(a) As with other regions in the world, a regional survey will be carried out in all countries and territories in the ESCAP region to provide information on key elements of the Programme of Action of the International Conference on Population and Development as an input to a global survey, focusing on progress and facilitating factors as well as gaps

---

<sup>35</sup> See General Assembly resolution 66/124.

and constraints, and on priorities for the future and emerging issues. This assessment process will be based on a common global survey instrument;

(b) An expert group meeting to review the results of the Asia-Pacific optional module will be held in December 2012;

(c) The analysis of country data and the completion of the Asia-Pacific regional report will be conducted in the first quarter of 2013;

(d) Bearing in mind the significant linkage between the International Conference on Population and Development and the Asian and Pacific Population Conference, it is proposed that the Sixth Asian and Pacific Population Conference be held in 2013, instead of 2012, to achieve synergies and to enable Sixth Asian and Pacific Population Conference to serve as a regional intergovernmental forum to ensure ownership by member States of the regional preparatory process for the review of the Programme of Action of the International Conference on Population and Development in 2014. The Sixth Asian and Pacific Population Conference has been recognized as a forum vital to the forging and strengthening of partnerships across the region in the field of population and development. The Fifth Conference, which was held in 2002, had considered means of contributing in a concrete and action-oriented manner to the larger goals of the International Conference on Population and Development;

(e) The Sixth Asian and Pacific Population Conference will consist of a senior officials meeting, a ministerial segment, a parliamentarians forum, an NGO Forum and side events. ESCAP will be convening the Conference in close cooperation with the United Nations Population Fund (UNFPA);

(f) An advocacy and communications strategy will be implemented to promote regional awareness of the Sixth Asian and Pacific Population Conference.

114. The sixty-eighth session of the Commission provides a timely opportunity for ESCAP member States to review the proposed regional preparatory activities to support the national and regional reviews of progress in implementing the Programme of Action of the International Conference on Population and Development in preparation for the General Assembly's comprehensive review.

## **B. Regional preparations for the High-level Intergovernmental Meeting on the Final Review of the Implementation of the Asian and Pacific Decade of Disabled Persons, 2003-2012**

115. Asia-Pacific is the region with the largest number of persons with disabilities: 650 million. Disability is associated with factors such as population ageing, disasters, road crashes, unsafe working conditions, and other hazardous situations and practices.

116. Noteworthy progress has been made in the lives of many persons with disabilities in Asia and the Pacific over the course of the first and second Asian and Pacific Decades of Disabled Persons (1993-2002; 2003-2012).

117. The Convention on the Rights of Persons with Disabilities<sup>36</sup> entered into force in May 2008. It is a comprehensive, internationally agreed instrument for implementing a rights-based approach to disability and mainstreaming disability perspectives in the development agenda. The Convention gives further impetus to the promotion and protection of the rights of persons with disabilities in Asia and the Pacific.

118. Despite this progress, persons with disabilities in Asia and the Pacific continue to face poverty and exclusion resulting from inequitable access to education, healthcare, employment, social protection and legal services, as well as decision-making processes. Those programmes and services are located within inaccessible physical environments, as well as information and communications systems.

119. The serious lack of reliable and comparable disability statistics is a critical impediment to evidenced-based policymaking and the promotion of multisectoral collaboration for disability-inclusive development.

120. In pursuance of Commission resolution 66/11 of 19 May 2010 on regional preparations for the High-level Intergovernmental Meeting on the Final Review of the Implementation of the Asian and Pacific Decade of Disabled Persons, 2003-2012, the secretariat has commenced preparations towards the convening of the Meeting from 29 October to 2 November 2012. The Meeting will be hosted by the Government of the Republic of Korea in Incheon.

121. The second session of the Committee on Social Development, held from 19 to 21 October 2010, focused on mainstreaming disability in development and served as a preparatory body for the above-mentioned High-level Intergovernmental Meeting.

122. The Committee recommended to the Commission, at its sixth-eighth session, that a new decade to promote the rights of persons with disabilities, 2013-2022, be proclaimed.<sup>37</sup> The Committee also recommended that ESCAP promote regional cooperation in protecting the rights of persons with disabilities, among others.<sup>38</sup> The Committee emphasized that the outcome document of the High-level Intergovernmental Meeting should be strategic, focus on action at all levels and contain clear and tangible goals and targets.<sup>39</sup> Finally, the Committee endorsed a road map for the regional preparatory process leading up to the High-level Intergovernmental Meeting.<sup>40</sup>

123. In consonance with Commission resolution 66/11, the secretariat engaged members and associate members in the preparatory process by inviting their responses to an end-of-second Decade questionnaire survey.

124. Concerning the preparation of the draft outcome document of the High-level Intergovernmental Meeting, the draft Incheon strategy to make the right real for persons with disabilities in Asia and the Pacific, the secretariat convened three regional meetings to engage key stakeholders

---

<sup>36</sup> General Assembly resolution 61/106, annex I.

<sup>37</sup> See E/ESCAP/67/11, para. 1.

<sup>38</sup> *Ibid.*, para. 6.

<sup>39</sup> *Ibid.*, para. 57.

<sup>40</sup> *Ibid.*, para. 61.

(June 2010, December 2011 and March 2012). They contributed useful perspectives concerning current progress to be built on, as well as new and persistent issues that persons with disabilities faced in Asia and the Pacific for strengthening the draft outcome document. Regarding consultations with ESCAP member States, the preparatory process was initiated at the second session of the Committee on Social Development, in October 2010.<sup>41</sup> The first reading by ESCAP member States of the draft outcome document of the High-level Intergovernmental Meeting took place at the Regional Preparatory Meeting, which was held in Bangkok from 14 to 16 March 2012.

125. The substantive foundation for the finalization of the draft outcome document shall also be drawn from analysis of the end-of-second Decade questionnaire survey<sup>42</sup> outcomes, as well as a first-ever regional research study on poverty, disability and livelihoods.

### **III. Issues for consideration by the Commission**

126. The Commission may wish to take action on the following:

(a) The Commission's guidance is sought on the preparations for the Asia-Pacific regional review of the implementation of the Programme of Action of the International Conference on Population and Development within the framework of General Assembly resolution 65/234. The Commission may wish to review and endorse the proposed regional preparatory activities for the special session of the General Assembly on the International Conference on Population and Development beyond 2014, including the postponement of the Sixth Asian and Pacific Population Conference to 2013, to achieve synergies and enable Sixth Asian and Pacific Population Conference to serve as a regional intergovernmental forum for the review of the Programme of Action of the International Conference on Population and Development in 2014.

(b) On the basis of the recommendation of the Committee on Social Development at its second session (see para. 121 above), the Commission may wish to consider, through the adoption of a resolution, the proclamation of an Asian and Pacific Decade to promote the rights of persons with disabilities, 2013-2022.

## **Section VII Statistics**

### **I. Introduction**

127. The secretariat works closely with member States and development partners in advancing the strategic goals of the ESCAP Committee on Statistics for statistics development in Asia and the Pacific: (a) ensuring that all countries in the region by 2020 have the capability to provide an agreed basic range of population, economic, social and environment statistics, and

---

<sup>41</sup> Ibid., paras. 51-61 and para. 68.

<sup>42</sup> As of 9 February 2012, 41 governments had responded to the questionnaire survey, along with 81 civil society organizations.

(b) creating a more adaptive and cost-effective information management environment for national statistical offices through stronger collaboration.<sup>43</sup>

128. The Commission at its sixty-seventh session endorsed these two goals through resolutions 67/10, 67/11 and 67/12 in recognition of the need for high-level and broad-based support to allow national statistical systems and the secretariat to engage multiple stakeholders and other resources for their achievement.

## **II. Key issues and challenges**

### **A. Partners in action**

#### **1. Collective action in pursuit of goals**

129. Recognizing the importance of collective action by national, regional and global stakeholders, the Committee established a range of steering, advisory and working groups for effective and coordinated implementation of the established goals. These groups are comprised of national and international experts, chaired or co-chaired by national experts, serviced by the secretariat, and governed by terms of references approved by the Bureau of the Committee (the ESCAP website contains full details on the membership of these groups).

130. The Working Group on the Regional Coordination of Statistical Training was tasked with developing a strategy for improving the coordination and impact of statistical training in the region, including coordinating the work of national and regional institutions and international agencies.

131. The Technical Advisory Group on Social Statistics was established to advise the Committee on strategies for improving social statistics in the region.<sup>44</sup> The Advisory Group aims to develop a core set of statistics to guide capacity development of national statistical systems in producing and disseminating social statistics.

132. The Steering Group on Economic Statistics was tasked to develop and monitor an implementation plan for the regional programme on economic statistics, which was endorsed by the Committee at its second session.<sup>45</sup>

133. The Steering Group for Agricultural Statistics, with ESCAP/FAO as joint secretariat, is developing a regional implementation plan for the Global Strategy to Improve Agricultural and Rural Statistics, which was endorsed by the United Nations Statistical Commission at its forty-first session.<sup>46</sup>

---

<sup>43</sup> See E/ESCAP/67/12, recommendation 2/1.

<sup>44</sup> Ibid., decision 2/2.

<sup>45</sup> Ibid., decision 2/6.

<sup>46</sup> See *Official Records of the Economic and Social Council, 2010, Supplement No. 4* (E/2010/24-E/CN.3/2010/34), Chap I., Sect. B, decision 41/102.

## **2. International partners in coordinated support**

134. In December 2010, over 20 international, regional and bilateral partners met in Bangkok and established the Partnership for Statistics Development in Asia-Pacific “to improve the combined impact of capacity-building activities through enhanced coordination, synergy and complementarity among partners”. The Partnership is currently co-chaired by ADB and UNFPA and serviced by the secretariat. This move towards improved regional coordination among development partners has been strongly supported by both the Committee and the United Nations Statistical Commission.

135. In support of the Committee’s goals, the Partnership established the following strategic objectives: (a) advocating for the need to invest in statistics development; (b) strengthening the role of national statistics offices as the leaders of national statistical systems; (c) modernizing countries’ statistical information systems; (d) coordination in the development of core sets of development indicators; (e) promoting the improvement and use of administrative data records for statistical purposes; and (f) coordination of statistical training in the region. At their second meeting, Partners agreed to give priority in 2012 to support the work of the Working Group on the Coordination of Statistical Training; support statistical advocacy including through a high-level regional meeting on civil registration and vital statistics; support the regional programmes to improve economic, agricultural and rural statistics; and engage with ESCAP in the development of a core set of social statistics.

136. As a result of the Partnership, PARIS 21 has started producing an annual special Partner Report on Support to Statistics (PRESS) in Asia and the Pacific, which provides a solid base for information sharing among the partners on planned and ongoing initiatives in the region.

## **B. Regional initiatives**

137. To achieve the strategic goals set by the Committee, there must be significant improvements in the capacity of many national statistical systems in the region and a transformation of national statistical systems from “data producers” to “information service providers” to address the fact that the information age of the twenty-first century has generated new information needs for decision makers and the general public.

### **1. Statistical information systems for the future**

138. In June 2011, an expert group meeting on enhancing regional collaboration on statistical information management concluded that modernization is vital for the future of national statistical offices (NSOs). The Tenth Management Seminar for the Heads of National Statistical Offices in Asia and the Pacific, held in Chiba, Japan, in December 2011, brought the discussion to a higher strategic level by selecting “modernization of statistical information systems” as its topic. At the Seminar, heads of NSOs agreed to establish formal representation and engagement from the Asia-Pacific region in the ongoing global initiatives to develop concepts, standards and tools for modernizing statistical information systems; in addition, they committed to fostering regional cooperation to address specific regional conditions and bringing these issues to global discussions.

## 2. Getting the basics right: Civil registration and vital statistics

139. At the first session of the Committee on Statistics, in February 2009, the need to improve civil registration and vital statistics systems in the region was discussed extensively.<sup>47</sup> At its second session, in December 2010, the Committee expressed support for the development of a regional programme for improving vital statistics and recommended that the secretariat continue to develop the programme fully in close collaboration with development partners.<sup>48</sup> Subsequently, in its resolution 67/12 on improvement of civil registration and vital statistics in Asia and the Pacific, the Commission requested the Executive Secretary, among other things, to mainstream attention to civil registration into the subprogrammes on social development and subregional activities for development of the ESCAP programme of work and to convene a high-level regional meeting on the topic. The secretariat, ADB, the World Health Organization, the University of Queensland, Plan International, SPC, UNDP, the United Nations Children's Fund and UNFPA have begun preparation for the high-level event in December 2012. To raise awareness and commitment, the event will bring together decision makers from national statistical organizations, civil registration offices, ministries of health, and national and international non-governmental actors.

140. To raise awareness and advocate for consultation and action at the national level, the secretariat, together with the University of Queensland and the World Health Organization, have assisted 30 countries in conducting rapid self-assessments of civil registration systems. Additionally, three countries – Maldives, the Philippines and Sri Lanka – have conducted comprehensive assessments and are developing improvement plans. These assessments also provide insight for the development of regional vital statistics initiatives.

## 3. Using an agreed core set to guide the improvement of economic statistics

141. The Committee at its second session endorsed the Regional Programme for the Improvement of Economic Statistics in Asia and the Pacific,<sup>49</sup> which is guided by the core set of economic statistics adopted by the Commission in its resolution 67/10 as a regional framework for focusing efforts, coordinating training and mobilizing donor support for economic statistic capacity-building.

142. In October 2011, the Steering Group for the Regional Programme on Economic Statistics met for the first time and agreed on the structure of the implementation plan, emphasizing that national action is vital for the success of the programme. The Steering Group decided to initiate the implementation of the Regional Programme during 2012 with a focus on activities aimed at advocacy and securing political support. The implementation plan will be submitted for consideration of the Committee in December 2012.

<sup>47</sup> See E/ESCAP/65/13, paras. 56-61.

<sup>48</sup> See E/ESCAP/67/12, decision 2/4.

<sup>49</sup> Ibid., decision 2/6.

#### **4. Improving agricultural and rural statistics under a global strategy**

143. The Committee on Statistics at its second session responded to a global call for action to improve agricultural and rural statistics by supporting the development a regional implementation plan for the Global Strategy to Improve Agricultural and Rural Statistics.<sup>50</sup> The Global Strategy aims at developing country capacity to provide a minimum set of core indicators on agriculture, mainstreaming agricultural statistics into national statistical systems, and ensuring the sustainability of agricultural statistics through governance and statistical capacity-building.

144. Recognizing the urgent need for improvement agricultural statistics in the context of the global food crisis, national, regional and global partners have come together to act collaboratively. Experts from national statistical offices and ministries of agriculture in the region form the backbone of the Steering Group for Agricultural Statistics, with ADB, ESCAP and FAO acting in partnership as the key implementing organizations. The Steering Group met for the first time in November 2011 and agreed on an outline of the regional implementation plan, emphasizing the need for country ownership. The Group will present the regional implementation plan for consideration at both the forthcoming session of the Asia and Pacific Commission on Agricultural Statistics and the third session of the Committee on Statistics. The process of developing the regional implementation plan has resulted in stronger interaction and cooperation between national statisticians and agricultural statisticians.

### **C. Statistics to capture major development issues: New measurements needed**

#### **1. Gender statistics**

145. Timely and relevant gender statistics are necessary for achieving gender equality and empowering women and girls. In line with global initiatives and the strategic goals of the Committee, the secretariat, in cooperation with the Economic Commission for Europe, the Economic and Social Commission for Western Asia and other development partners, is developing a regional programme to strengthen national capacity to produce gender statistics on a sustainable basis. The establishment of a minimum set of gender indicators is being developed by the global Inter-Agency and Expert Group on Gender Statistics, of which ESCAP is an active member. These indicators address key issues common across countries and regions and are intended as a global minimum set, acknowledging that specific regional or national indicators may also be needed.

146. To identify regional needs and country priorities for improving gender statistics, the secretariat has conducted a series of regional consultations and surveys, involving national the secretariat has conducted a series of regional consultations and surveys, involving national statistical systems, national mechanisms for gender equality and women's empowerment and non-governmental organizations. In 2011, in-depth assessments were conducted in Bhutan and Indonesia to provide a systematic review of the status of gender statistics in these countries.

---

<sup>50</sup> Ibid., decision 2/7.



147. The secretariat is collaborating with the United Nations Statistics Division to implement a global review of gender statistics as part of the follow-up actions to decisions made by the United Nations Statistical Commission at its forty-second session on further strengthening work in the area of gender statistics.<sup>51</sup> Both the regional and global review will inform the development of the regional programme on gender statistics.

## **2. Disability statistics**

148. The secretariat continues to promote the improvement of disability statistics in support of the Biwako Millennium Framework. Following recent work led by the secretariat to develop and test of a set of survey-based questions on disability data collection, an expert group meeting was held in February 2011 to share tools and knowledge among national statisticians for undertaking thorough analyses of cognitive interviews, and to finalize specific survey questions on selected disability domains.

149. To capitalize on the investment in the development of methodology and the capacity of national statistical systems to collect internationally comparable disability data, the secretariat is developing a new programme to promote the collection and use of disability statistics in Asia and the Pacific in support of the achievement of the goals and targets of the proposed third Asian and Pacific Decade of Persons with Disabilities, which is expected to be adopted at the forthcoming High-level Intergovernmental Meeting on the Final Review of the Implementation on the Asian and Pacific Decade of Disabled Persons, 2003-2012 (see paras. 114-125).

## **D. Statistical products and services that matter**

### **1. Regional analysis**

150. The secretariat provides statistical information and analyses that enable national decision makers, development partners and the general public to assess progress in the subregional, regional and global context. The *Statistical Yearbook for Asia and the Pacific 2011*,<sup>52</sup> comprising a print publication and an online database, provides such a statistical reference. The *Yearbook* is a product of close collaboration among the subprogrammes of the secretariat and with a large number of individuals and international organizations. Launched in October 2011 with improved contents and layout, the *Yearbook* was well received by member States and had frequently been quoted in national media.

151. The *Asia-Pacific Regional MDG Report 2011/12*, entitled *Accelerating Equitable Achievement of the MDGs: Closing Gaps in Health and Nutrition Outcomes*, produced under the ADB/ESCAP/UNDP partnership and launched in February 2012, offers assessments of regional progress towards achieving the Millennium Development Goals and an in-depth analysis of within-country disparities in health-related outcomes as well as the drivers of such disparities. It thus provides important empirical evidence for engaging policy debate on how to accelerate progress and promote inclusive development in the region.

<sup>51</sup> See *Official Records of the Economic and Social Council, 2011, Supplement No. 4* (E/2011/24-E/CN.3/2011/37).

<sup>52</sup> United Nations publication, Sales No. E.11.II.F.1.

## **2. Supporting the effective use of statistics**

152. The secretariat gives priority to support countries in improving the use of statistics for policy analyses and advocacy. Collaborating closely with national experts and other partner agencies, the secretariat has organized a number of consultations, including a workshop in November 2011, to bring together data producers and users to understand country needs and develop an approach for identifying and sharing good practices. This has led to a reference collection of good practices, prepared under the guidance of an advisory group chaired by national statisticians, to be issued in 2012.

153. The secretariat has also initiated work to help strengthen the capacity of national statistical systems to produce and disseminate disaggregated statistics, which forms the basis for targeting development programmes at subnational levels and disadvantaged populations. The focus is on the application of small area estimation techniques and the design of a master sample for household surveys. Armenia, Bangladesh, Bhutan, the Lao People's Democratic Republic, Mongolia, Nepal, Thailand and Timor-Leste have participated in subregional trainings and are provided with tools that enable the use of data from population and housing census and household surveys for analysing disparities.

## **3. Advisory services responding to country needs**

154. Through statistical advisory services, the secretariat provides targeted technical assistance to national statistical systems, both in response to specific requests by member States, particularly countries with special needs, and as an integrated component of the various regional programmes pursued under the Committee. Between mid-2010 and early 2012, nearly 30 advisory missions took place, covering a wide range of technical issues in over 15 countries, from Timor-Leste and Maldives to Myanmar and the Democratic People's Republic of Korea.

155. Overtime, the statistical advisory service of the secretariat has become one of the pillars of its statistics development programme and proven to be instrumental in forming regional networks of national experts and facilitating South-South cooperation among countries.

## **4. Qualified statisticians for today and the future**

156. Training of official statisticians is an integral part of capacity-building of the national statistical systems. SIAP strives to improve its training programme by utilizing different modalities, such as distance and e-learning, long and short courses, and outreach programmes, aiming to develop junior and mid-level statisticians into the statistical leaders of tomorrow and to enhance the leadership skills of today's senior statisticians. In 2011, a total of 403 statisticians from 45 countries improved their knowledge and skills through participation in SIAP training courses.

157. The programme of SIAP is increasingly guided by the Committee's goals and priorities, in particular towards delivering the training components of various regional programmes. Guided by its Governing Council, the Institute is mapping training needs and resources of the region to ensure relevance of its training in the evolving regional context. SIAP provides secretariat support to the Working Group on the Coordination of Statistical Training, which has completed a review of the training needs and

availability in the region, and developed a draft strategy for overcoming gaps.

### **III. Issues for consideration by the Commission**

158. The Commission may wish to provide guidance on the focus and approaches taken by the secretariat in the implementation of the statistics subprogramme.

159. Members of the Commission may wish to express support for the high-level regional meeting on civil registration and vital statistics (see para. 139).

## **Section VIII**

### **Subregional activities for development**

#### **I. Subregional Office for the Pacific**

160. With regard to the Pacific subregion, the subprogramme addresses challenges faced by small island developing States of the Pacific, of which 12 are members and 7 associate members of the Commission. Among them are five countries considered least developed: Kiribati; Samoa; Solomon Islands; Tuvalu; and Vanuatu.

161. Pacific island countries face formidable challenges in the pursuit of sustainable development: adequate human capacity for governance and development; developing and maintaining cost-effective infrastructure; establishing a viable economic development base; promoting foreign investment; energy security; protecting biodiversity and shared resources; addressing social problems related to gender, youth and health effectively; population and urbanization growth; and reducing the risks associated with disasters and impacts of global crises. The most pressing and mounting challenge, however, is an effective response to climate change, which threatens to further increase the vulnerability of Pacific small island developing States, erode their development progress and ultimately the territorial sovereignty of the low-lying atoll countries. While it is true that all nations can argue vulnerability to climate change, most other countries are more resilient than Pacific small island developing States, especially as regards the human capacity to respond effectively.

162. The Pacific Ocean sustains Pacific small island developing States while providing critical ecological services and valuable resources for all of humanity, but it also endangers communities through cyclones, storm surges and tsunamis. It presents structural challenges to trade (such as isolation from markets, high cost of imports and exports, cost of internal transport) and opportunities for developing key economic sectors (such as tourism, fisheries and seabed minerals). There is increasing global interest in exploiting the Pacific Ocean and its resources. With already stretched capacity and resources, Pacific island countries face a significant challenge in managing this global common in a sustainable manner and equitably benefiting from its sustainable development.

163. The overall conclusion of the recent five-year review of the Mauritius Strategy is that the vulnerability of Pacific small island developing States has increased while the capacity to cope has not. The review found, perhaps not surprisingly given the many challenges faced,

that none of the Pacific small island developing States would achieve all of the Millennium Development Goals by 2015 while there is no single Millennium Development Goal that will be achieved by all.<sup>53</sup>

164. In the light of these challenges and findings, the secretariat, through the ESCAP Pacific Office, is committed to developing the capacity of Pacific island member States to pursue sustainable development, including through the adoption of the green economy approach and the effective integration of social, environmental and economic outcomes, and to building their resilience. Since its adoption as a theme of the Rio+20 Conference, there has been a growing consensus that the green economy offers the best opportunity for realizing sustainable development. The Rio+20 Conference has therefore become a key focus of the work of the ESCAP Pacific Office.

165. The ESCAP Pacific Office has also continued to support regional cooperation and coordination to enhance the Pacific's influence on and benefits from regional and global processes and resources. Collaboration with others and within the United Nations in the context of United Nations reform ("Delivering as one") has also become a vital strategy not only for fostering sustainable and inclusive development, but also for implementing global mandates and commitments (such as the Mauritius Strategy, the Istanbul Programme of Action, and the outcome of the Rio+20 Conference) in the most effective and efficient manner.

166. In preparation for the Rio+20 Conference, ESCAP organized a Pacific preparatory meeting which was hosted by the Government of Samoa in Apia in July 2011 and brought together ministers of finance and environment, who agreed that the green economy approach should be adopted as part of national macroeconomic, structural and legal reform policies. There was agreement that the "special case" of Pacific small island developing States within the context of their oceanic environment should be highlighted at the Rio+20 Conference.<sup>54</sup> The outcome of the Pacific meeting was submitted to the Asia-Pacific regional preparatory meeting and was fed into the global processes involving small island developing States and are now reflected in the Rio+20 zero draft outcome document. These outcomes were also brought together during the Secretary-General's visit to the Pacific in 2011 to agree with the Pacific Islands Forum Leaders on a strong United Nations Pacific Agenda for inclusive and sustainable development and for supporting the resilience of Pacific island countries to external shocks.<sup>55</sup>

167. In order to implement the outcomes of the Rio+20 Conference, the ESCAP Pacific Office, with government and regional organization partners, analysed the opportunities presented by the "green economy" approach in

---

<sup>53</sup> See General Assembly resolution 65/2 of 25 September 2010 on the outcome document of the High-level Review Meeting on the Implementation of the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States.

<sup>54</sup> For more detailed information, see E/ESCAP/68/1.

<sup>55</sup> The joint statement of the Pacific Islands Forum Leaders and the Secretary-General, which was acknowledged by the General Assembly in its resolution 65/316, is available online at [www.forumsec.org/pages.cfm/newsroom/press-statements/2011/joint-statement-of-pacific-islands-forum-leaders-un-secretary-general.html](http://www.forumsec.org/pages.cfm/newsroom/press-statements/2011/joint-statement-of-pacific-islands-forum-leaders-un-secretary-general.html).

Pacific islands at the national and subregional levels. The analysis identified key sectors of a green economy in Pacific island countries, which included agriculture, fisheries, tourism, infrastructure, transport and energy. The analysis also identified the key features of a national enabling environment as well as the constraints and challenges that countries may face in integrating the green economy into national planning and budgetary processes.

168. The ESCAP Pacific Office also contributed through its partnerships the following:

(a) With UN-Habitat and the Commonwealth Local Government Forum, it convened the Pacific Urban Forum in 2011, resulting in revitalized interest and commitment to one of the key emerging issues in the Pacific;

(b) With the Pacific Islands Forum Secretariat and others, it contributed to the *2011 Pacific Regional MDGs Tracking Report*<sup>56</sup> and implementation and reporting regarding the Pacific Plan<sup>57</sup> and the Cairns Compact on Strengthening Development Coordination in the Pacific;<sup>58</sup>

(c) With ADB and SPC, it developed the skills of national statistical offices to communicate statistics (particularly gender statistics) for effective data use by government officials;

(d) With other United Nations agencies, it assisted the Government of Vanuatu in reviewing and updating its NSDS, and carried out a pro-poor policy analysis for Samoa;

(e) With the Inter-Agency Secretariat of the International Strategy for Disaster Reduction (UNISDR) and SPC, it raised awareness of the importance of incorporating the economic costs of natural disasters into national planning;

(f) With — and as a member of — the Sustainable Development Working Group of the Council of Regional Organizations in the Pacific (CROP) to strengthen regional partnerships for sustainable development.

## II. Subregional Office for East and North-East Asia

169. The East and North-East Asian subregion is the economic powerhouse in the Asian and Pacific region. Major policy interventions and technological innovations have led the subregion in making enormous progress in economic and social development. Despite the progress, the subregion faces immense challenges — reversing the widening disparities between and within society and decoupling environmental impacts from economic growth are two of the more prominent ones. The subregion's six member States — China, the Democratic People's Republic of Korea, Japan, Mongolia, the Republic of Korea and the Russian Federation — vary in their stages of development, resulting in a wide diversity that is perhaps

<sup>56</sup> Pacific Islands Forum Secretariat, *2011 Pacific Regional MDGs Tracking Report* (Suva, 2011).

<sup>57</sup> [www.forumsec.org/pages.cfm/about-us/the-pacific-plan](http://www.forumsec.org/pages.cfm/about-us/the-pacific-plan).

<sup>58</sup> [www.forumsec.org/resources/uploads/attachments/documents/Cairns%20Compact%202009.pdf](http://www.forumsec.org/resources/uploads/attachments/documents/Cairns%20Compact%202009.pdf).

the subregion's most unique characteristic. Widespread poverty continues to be a serious challenge in the Democratic People's Republic of Korea and Mongolia. China and the Russian Federation also face this problem, albeit mostly in rural areas. Mongolia, as the only landlocked developing country in the subregion, faces enormous social, environmental and economic challenges. Against this background, the member States identified the possible areas of activities to be undertaken by the Subregional Office for East and North-East Asia: gender mainstreaming; HIV/AIDS; ageing; youth issues and unemployment; Millennium Development Goal statistics; social protection; trade and transportation facilitation; and green innovation and technologies.

170. To address these issues, the secretariat reviewed existing good practices and facilitated knowledge sharing among stakeholders. Improving connectivity and access to markets is a critical element of narrowing the development gap among the economies of the subregion. Mongolia, in particular, faces significant barriers to trade and transit. This, in turn, made it difficult for Mongolia to fully benefit from the tremendous advantage of being in close proximity to major global trading nations. In this connection, the secretariat carried out a series of activities in the area of trade facilitation regarding Mongolian trade corridors, resulting in commitments among key stakeholders to capacity-building programmes, strengthening partnerships with the private sector, and enhancing cargo visibility. The secretariat will continue to work with government officials in the subregion to implement these commitments.

171. In the area of youth participation in policymaking process, the secretariat created a network of youth organizations and brought together 68 youths from the subregion. By making these youths aware of good practices associated with youth participation in policymaking from other subregions, these youths were able to produce a North-East Asia Youth Statement that was subsequently submitted to the secretariat of the Rio+20 Conference as inputs for a Rio+20 global compilation document. In 2012-2013, the secretariat will continue work with youths and policymakers in the subregion to identify areas of mutual support in policymaking. The outcome of a meeting on long-term care and social participation of older persons calls on all stakeholders to embrace older persons as active contributors to societal well-being and progress of civilizations.

172. The secretariat disseminated information on good practices in the areas of green economy, youth participation and regional environmental cooperation to member States and key stakeholders through periodic newsletters. In support of the wider United Nations drive to promote private sector engagement, the secretariat met with a number of multinational companies and initiated discussion on possible collaboration through their corporate social responsibility programmes. In carrying out its work, the Subregional Office collaborates with other divisions of ESCAP ensuring there is no duplication.

173. Tremendous economic growth in the subregion comes at the cost of environmental degradation. While each country in the subregion has its own distinctive environmental challenges depending on its level of development, the subregion has to address transboundary problems in the areas of marine environment, air pollution and biodiversity protection. To address these "common pool" challenges, member States and the secretariat have expanded the activity and scope of the North-East Asian Subregional Programme for Environmental Cooperation (NEASPEC), which now

covers transboundary air pollution, nature conservation, eco-efficiency partnership and dust- and sandstorms.

174. As the secretariat for NEASPEC, the Subregional Office serves as a platform for member States to discuss and formulate various approaches towards the development of a cooperation framework. By participating in a number of workshops and expert group meetings, member States had the opportunity to share experiences and lessons learned in the areas of transboundary air pollution, nature conservation, low carbon city development and the prevention of dust and sandstorm. The secretariat, jointly with the Asian Development Bank, continues its technical assistance project related to the mitigation of transboundary air pollution from coal-fired power plants. In particular, the project provided technical support for selected power plants to meet the goal of the Government of China to achieve absolute reductions of SO<sub>2</sub> emissions, and the Government of Mongolia to develop the new national emission standards for coal-fired power plants. During the 16th Senior Officials Meeting of NEASPEC, member States adopted for implementation a new project on transboundary air pollution and formulated an action plan for possible future activities on transboundary marine pollution and nature conservation. In the area of eco-efficiency partnership, the secretariat is tasked as the locus of the information platform for collecting and analysing strategies and plans for low-carbon green cities in the subregion and distributing information thereon. It is also tasked as a catalyst for capacity development programmes among cities. For transboundary nature conservation, the secretariat is facilitating the development of a framework for a bi-/multilateral cooperation mechanism. In the area of combating desertification and prevention of dust- and sandstorms, a pilot tree-planting project in Zamyn-Uud was initiated and a comprehensive training programme for Mongolian national experts on policy and technical issues associated with combating desertification.

175. Through the operationalization of the Subregional Office for East and North-East Asia, the secretariat has aimed to continue strengthening subregional cooperation within a regional framework by, among other things: (a) providing regular analysis of socio-economic trends and priorities in the subregion; (b) ensuring a balanced delivery of technical assistance through more in-depth and focused capacity-building activities; (c) strengthening working relations with multilateral organizations and other relevant partners, (d) supporting intergovernmental processes; and (e) acting as a knowledge hub for gathering and disseminating good practices related to development policy.

### **III. Subregional Office for North and Central Asia**

176. The North and Central Asian countries are strategically positioned as a gateway between Europe and Asia and offer extensive potential for trade, investment and growth. Subregional cooperation is the most important cross-cutting issue in North and Central Asia, a subregion that comprises Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, the Russian Federation, Tajikistan, Turkmenistan and Uzbekistan. Substantial progress in subregional and regional trade and economic cooperation, increased market size, joint tackling of environmental issues would facilitate the sustainable and dynamic development of these countries. Against this background, possible areas of activities to be undertaken by the Subregional Office for North and Central Asia in the following priority areas:

(a) *Transport and trade facilitation*: developing better transport links, including Euro-Asian transport corridors; transit and transport cooperation, including improved border crossing; introducing trade facilitation measures; and reducing trade barriers;

(b) *Water, energy and environment*: management of water and energy resources, protection of the environment and climate change adaptation.

177. Those priority areas would revolve around promoting subregional cooperation and collaboration.

178. The strategic importance of this subregion has significantly increased in recent years. However, at present, it faces a number of problems the solutions to which require assistance from the international community. Many of the issues could be better addressed through strengthened subregional and intraregional cooperation, and better integration in the world economy. The subregion faces a number of challenges – achievement of the Millennium Development Goals, barriers to trade and transport connectivity, management of water resources and risks of disasters, to name a few. In particular, the subregion shows mixed results and needs further support in capacity-building as regards achieving the Millennium Development Goals.

179. There are a number of other important areas of development in the subregion, such as building the capacity of statistical offices and knowledge-based development which are addressed by the United Nations Special Programme for the Economies of Central Asia (SPECA). As Afghanistan is a member of SPECA, it is equally important to strengthen its economic ties with neighbouring countries in Central Asia.

180. Most of the North and Central Asian countries are landlocked and the Subregional Office for North and Central Asia is well positioned to assist them by supporting the Almaty Programme of Action, which is aimed at improving trade and transport links between landlocked countries within the region as an effective way to achieve deeper integration of the economies of North and Central Asia, create a more unified market and a favourable environment for investments.

181. Efficient and sustainable management of water resources and related energy issues in Central Asia remain highly important in this subregion and beyond. Although Central Asian countries have concluded a significant number of agreements to manage their shared water resources, the institutional and legal frameworks for such cooperation need improvement. The backbone of the economies of the subregion are old small dams and dykes. Therefore, it is important to develop a common methodology of assessment of their safety to be developed and used in the subregion.

182. Cooperation in disaster risk reduction (DRR) has acquired special significance for Central Asia as, mirroring global trends, disasters are on the rise in the subregion. There is a need for coordination at various levels to provide the key stakeholders with a common platform to discuss the various issues for cooperation in DRR, such as those related to the sharing of data, good practices, taking up joint projects and institutional networking for capacity-building. Expert consultations and dialogues among key practitioners are important in order to further strengthen legislative



frameworks, institutional mechanisms and cooperation in DRR in Central Asia.

183. Joint and wide-scale efforts are needed to lower risks, meet challenges and ensure stable and sustainable growth in North and Central Asian countries. The above-mentioned issues require intensive capacity-building for policymakers, senior government officials and administrators involved in formulating and implementing economic and social development policies and programmes to promote inclusive and sustainable development and the achievement of the Millennium Development Goals, focusing on the specific priorities of member countries in North and Central Asia in the areas of trade and transport facilitation, water management, environmental protection and disaster risk reduction. These challenges will be better addressed through strengthened subregional cooperation, stronger collaboration among neighbours within the subregion and increased integration in the world economy.

184. Through the operationalization of the Subregional Office for North and Central Asia, the secretariat has aimed to continue strengthening subregional cooperation within a regional framework by, among other things: (a) contributing focused and in-depth subregional perspectives to regional efforts; (b) forging partnerships with government agencies, institutions, the private sector and civil society; (c) developing and disseminating virtual products; (d) sharing good practices; and (e) replicating successful programmes and projects. Based on the existing potential of ESCAP, the implementation of substantive projects in the areas identified by the Subregional Office will help the subregion to strengthen subregional cooperation and resolve existing problems. Progress in subregional and regional trade and economic cooperation, increased market size and joint tackling of environmental issues would facilitate the sustainable and inclusive development of these countries.

#### **IV. Subregional Office for South and South-West Asia**

185. The South and South-West Asian subregion has emerged as one of the fastest growing subregions, yet remains home to the largest concentration of poor and malnourished people in the world. Drawing on the outcome of the High-level Policy Dialogue on Development Challenges Facing the Subregion, held in New Delhi on 15 and 16 December 2011, the secretariat herein provides an overview of the multidimensional and interrelated challenges facing and highlights the policy options available to the subregion and the potential to scale up poverty reduction efforts and enhance connectivity and partnerships and regional economic integration, with a special focus on least developed countries. This overview also sets out an agenda for the work of the Subregional Office.

186. South and South-West Asia, with an average growth rate of 8 per cent, has emerged as one of the fastest growing subregions in the world and has weathered the global financial crisis well. Yet, the subregion has lagged behind in terms of Millennium Development Goal achievements and accounts for the largest concentration of poor and malnourished people on earth. This is in spite of improvements in poverty reduction, hunger and malnutrition, child and maternal mortality, safe drinking water and sanitation facilities. Vast gaps in social and physical infrastructure development within and between countries remain. Of the 10 countries in the subregion, 4 are least developed, and 3 of them face additional

constraints, as they are also landlocked. Yet, South and South-West Asia has the potential of becoming a growth pole of the world economy. It could also account for the bulk of global poverty reduction efforts and inclusive development goals. The secretariat, through its newly established Subregional Office for South and South-West Asia, has begun to assist the countries in the region in fostering inclusive and sustainable development.

187. The recent work of the secretariat, as reported in the ESCAP/ADB/UNDP *Asia-Pacific Regional MDG Report 2011/12*, shows that the dynamism of South Asia has helped reduce income poverty levels (per capita income increases of approximately 6 percentage points) and improve food security, literacy, health and access to basic amenities. The subregion has either achieved or is well on track to eliminate gender inequality in education at the primary and secondary levels, has begun to reverse the incidence and prevalence of tuberculosis, and has halted the loss of protected terrestrial and marine areas and the increase in the consumption of ozone-depleting substances. Some countries in the subregion have also made good progress towards reducing poverty, reducing the proportion of underweight children, and achieving universal primary education, as well as increasing access to safe drinking water. By contrast, the subregion as a whole is unlikely to meet the Goals related to reducing hunger, under-5 mortality and maternal mortality, expanding access to safe drink water, expanding access to improved sanitation facilities and reducing CO<sub>2</sub> emissions.

188. Not meeting the target means that large numbers of people would continue to be deprived of the benefits of development, especially so in view of the wide inequalities that exist within countries and which place certain groups in extremely vulnerable situations (for example rural populations, the underprivileged and those with a low level of education, particularly women).

189. The subregion has also faced double-digit inflation in prices of food products during much of 2010 and 2011, primarily resulting from the failure of agricultural productivity to keep pace with rising demand. Rising prices of food and other commodities are either pushing millions of people into poverty or keeping millions in poverty, as shown by the secretariat's recent publication, the *Economic and Social Survey of Asia and the Pacific 2011*.

190. Addressing the range of issues facing the subregion requires a multifaceted agenda aimed at stimulating domestic and regional demand and intraregional trade while also boosting investment in agriculture, food security and rural development, financial inclusion and infrastructure development with a focus on strengthening connectivity and regional economic integration. Strengthening social protection, as a crucial investment to help people escape from poverty, and further promoting gender equality and the empowerment of women in all spheres of life would also be vital components of such an agenda.

191. Inaugurated in December 2011, the Subregional Office for South and South-West Asia based in New Delhi convened the High-level Policy Dialogue on Development Challenges Facing the Subregion on 15 and 16 December 2011. The event, which was attended by about 200 participants, including senior stakeholders from countries in the subregion, provided a highly effective platform for member States to discuss ways to accelerate progress in the subregion and recommend priority policy actions which member States might wish to pursue further. Starting with an interactive

dialogue of ministers and policymakers with Nobel laureate Professor Amartya Sen, the event underscored the critical importance of paying attention to human development and the Millennium Development Goals in national development strategies; it also examined the challenges faced and strategies adopted by Governments. Among other recommendations, experts participating in the Dialogue called for policies to deepen regional economic integration and enhance inter- and intraregional connectivity, paying special attention to countries with special needs and their specific development challenges, and the “bottom billion”. They also recommended greater policy dialogues to address food and energy security concerns as well as actions to scale up comprehensive social protection programmes and strengthen gender equality and the empowerment of women. In this connection, the Subregional Office for South and South-West Asia was identified as a key development partner for the subregion in pursuing inclusive and sustainable development and in striving to facilitate regional economic cooperation and the sharing of experiences and good practices in support of the achievement of the Millennium Development Goals, with a special emphasis on poverty reduction and least developed countries. The subregion does not have the option of “growing now and cleaning up later”. It should take advantage of new environmentally friendly technologies and sustainable development practices as it strives to alleviate poverty and further reduce inequality. In this process, South and South-West Asia needs to be assisted by a conducive external environment and global partnership, including the flow of development assistance and finance, transfer of technology, market access and other resources that will help enhance production capacities, especially for countries with special needs. In recent years, South-South and triangular cooperation has emerged as an important vehicle for the sharing of development experience, skills and even capital. Regional economic integration within the subregion and across Asia and the Pacific has much potential to assist South and South-West Asia in expanding economic opportunities, especially as rapidly growing economies have emerged in the neighbourhood. The Dialogue also concluded that regional financial architecture needs to be developed further to facilitate the “recycling” of the Asia-Pacific region’s vast foreign exchange reserves for bridging infrastructure investment gaps, which are particularly large in South and South-West Asia.

192. The Subregional Office for South and South-West Asia has started engaging with subregional organizations, such as the South Asian Association for Regional Cooperation, the Economic Cooperation Organization and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, as well as key policy think tanks to leverage and build synergies on priority development issues, while also working closely with other United Nations agencies. Organized jointly by ESCAP, ADB and UNDP, the High-level Subregional Forum on Accelerating Achievement of the Millennium Development Goals in South Asia, hosted by the Subregional Office in New Delhi on 17 and 18 February 2012, built on earlier experiences and focused specifically on areas in which progress in South and South-West Asia is most lagging — health, nutrition and food security — with the *Asia-Pacific Regional MDG Report 2011/12* providing an analytical basis for the discussions.

## **V. Issues for consideration by the Commission**

193. The members of the Commission may wish to share their experiences and views on the issues and challenges identified by ESCAP

subregional offices. The Commission may wish to encourage member countries to enhance subregional cooperation and incorporate it into their socio-economic development process. The Commission may also wish to identify priorities and provide the secretariat with further guidance on the approaches it wishes the secretariat to follow in its future work. In particular, the Commission may wish to provide the secretariat with further guidance on how to strengthen sustainable and inclusive development outcomes at the subregional level.

---