Agenda item 4:
Review of the Implementation of the 2030 Agenda for Sustainable Development in Asia and the Pacific

INTRODUCTION BY THE SECRETARIAT
INTRODUCTION

Change in Asia and the Pacific has powered phenomenal economic growth and transformed societies. ESCAP has supported its member States on this transformational journey. The 2030 Agenda for Sustainable Development offers the latest and most ambitious phase for the region’s development.

Countries have used ESCAP’s intergovernmental platforms to put in place the foundations to support their implementation and review of progress of the 2030 Agenda, including through the establishment of the Asia Pacific Forum on Sustainable Development as an integral part of the conference structure of the Commission and the adoption of a Regional Road Map for Implementing the 2030 Agenda in Asia and the Pacific to guide regional cooperation and collective action.

The Sixth Asia-Pacific Forum on Sustainable Development held in March this year demonstrated how this forum has become the central multi-stakeholder platform for taking stock of progress towards the SDGs, for supporting countries to prepare for the High-level Political Forum on sustainable development, for development and refinement of Voluntary National Reviews and for sharing expertise and experiences that can accelerate implementation at the national level.
Recent analysis on ESCAP’s SDG Gateway launched at the APFSD showed clearly that such acceleration is needed as on its current trajectory the region is unlikely to achieve any of the SDGs by 2030.

While the region has made significant headway towards poverty reduction (Goal 1) for example, for more than half the SDGs, progress is stagnant or heading in the wrong direction. Little progress has been made towards reducing inequalities (Goal 10) or taking action to combat climate change and its impacts (Goal 13) for example. At the same time, the region has moved backwards in ensuring access to clean water and sanitation for all (Goal 6), promoting decent work and economic growth (Goal 8), and promoting sustainable consumption (Goal 12).

![Graph](image-url)

**Figure 1**: Snapshot of progress in achieving the Sustainable Development Goals in Asia and the Pacific (Source: ESCAP, Sustainable Development Goals Gateway, Accessed in May 2019)
The key to reversing the current trend on the SDGs may lie in enhanced investment in people. Evidence from the ESCAP’s 2018 Social Outlook suggests that increased public spending to match the global average would help lift over 300 million out of moderate poverty and 50 million people out of extreme poverty by 2030.

Social protection can also help reduce inequalities: countries with higher spending on social protection tend to have lower levels of inequality of opportunity. Moreover, increasing investment in social protection to reach the global standards would boost GDP growth and enable vulnerable populations to buffer external shocks, build resilience, and escape deprivation.

In this context, the ESCAP Committee on Social Development, at its fifth session held in November last year, requested the ESCAP secretariat to explore and develop a modality for strengthening regional cooperation on social protection. The ESCAP secretariat has established a Group of Experts consisting of members and associate members to guide the process. The Group will be convening its first meeting in less than a month’s time and will report to the Commission at its 76th session in 2020.

Figure 2: Public spending and inequality in Asia and the Pacific in 2017 (Source: ESCAP’s calculation based on International Labour Organization data on social protection (2017). Available from: https://www.ilo.org/ilostat/ accessed on 24 August 2018)
ENVIROMENT

Asia Pacific’s growth has not only resulted in high levels of inequality and vulnerability but also come with adverse impacts on the environment. Rapid urbanization coupled with unsustainable resource use – now higher than the global average - have resulted in growing air pollution, increasing waste and degradation that threaten the well-being of people.

ESCAP’s SDG Progress Report in Asia Pacific 2018 launched at this Commission reveals that the ocean health index has deteriorated significantly between 2013 and 2017. In response, ESCAP is partnering with UNEP and UN DESA in the “Ocean Account Partnership” to strengthen national capacities to produce data and develop ecosystem accounts in support of SDG14.

ESCAP is also supporting the region in addressing the issue of plastic waste, leading a multi-stakeholder regional initiative on improving circular plastic waste management. One result of the initiative in 2019 was the Regional Policy Guide “Closing the Loop” that shares lessons learnt and experiences from Asia Pacific cities in waste management.

Figure 3: Trends in domestic material consumption 1990-2017 (Source: ESCAP SDG Gateway, accessed on 20 May 2019)
DISASTER RISK REDUCTION

Climate related disasters are on the rise in Asia and the Pacific. Disasters worsen inequality between countries and within countries and are undermining development. The Economic and Social Survey of Asia and the Pacific 2019 finds that in the Pacific island developing States the average annual loss associated with natural disasters is about 18 per cent of total infrastructure investment, or 9 times higher than the regional average.

At the same time disasters hit the poor the hardest. ESCAP’s 2017 Asia-Pacific Disaster Report highlighted that each disaster in the region leads to a 0.13 percentage point increase in the Gini coefficient.

As the figure shows, countries in the upper quadrants (Y axis) experience high vulnerability to disasters, noted by the size of the circle, and this converges with high inequality of opportunities and high-income inequality (X axis), thus making the inequality of impact more severe.

Figure 4: Overlap of Disaster risk and Inequalities (Source: ESCAP’s calculations based on data on Gini coefficient and INFORM Risk Index)
ENERGY

Achieving SDG7 will bring much more than sustainable energy for all. Energy access, renewables and energy efficiency hold the keys to tackling grassroots poverty and inequality, managing climate change and sustaining economic growth. But SDG7 itself is behind target in Asia Pacific.

At current rates, by 2030 63 million people will remain without access to electricity and 1.6 billion people without access to clean cooking fuel. Uptake of clean fuels and technologies is also slow. The overall share of renewables in the energy mix is declining (Figure 5). One impact is millions of premature deaths from indoor and outdoor air pollution.

As an outcome of the Asia Pacific Energy Forum and its declaration, ESCAP is supporting countries to develop national roadmaps for SDG7. A further ESCAP research initiative is quantifying the social, economic and environmental benefits of electricity and clean cooking to identify and inform the benefits of stronger policies for clean cooking. Work on energy connectivity is helping identify gaps in the region where increased energy trade and connectivity can help scale up uptake of renewables and plug energy access gaps.

Figure 5: Share of renewable energy in Total Final Energy Consumption 1990-2016
(Source: UNESCAP, Regional Trends Report on Energy for Sustainable Development)
TRANSPORT

Closing infrastructure gaps is another critical element of accelerating progress towards the SDGs, but only if the infrastructure is green and resilient. This is particularly the case with transport. Asia is the fastest growing region in terms of urbanization. The rate of urbanization implies an increasing concentration of wealth and consumers in cities, which is driving up the rate of motorization and the demand for urban passenger and freight travel. These have led to urban transport challenges such as extending transport service coverage, managing congestion, reducing emissions and air pollution, enhancing safety and ensuring affordability.

Against this background, the Committee on Transport, in November 2018, endorsed the ESCAP-developed Sustainable Urban Transport Index (SUTI) as a tool to measure the sustainability of urban transport systems and services in cities and track improvements over time. So far, ten cities (Bandung, Colombo, Dhaka, Greater Ho Chi Minh City, Hanoi, Jakarta, Kathmandu, Surabaya, Surat, and Suva) have participated in the pilot use of SUTI.

Figure 6: A visual display of Sustainable Urban Transport Index (SUTI)
SDG COSTING

Rapid economic growth in Asia and the Pacific has come at the cost of rising inequalities and considerable environmental degradation and the region is unlikely to reach most of the Sustainable Development Goals under a business as usual scenario. Change is needed in mindset and policy direction, moving away from sole emphasis on economic growth or ‘prosperity’ to investing in ‘planet’ and ‘people’. Our latest research shows that the investment needs to implement this change are high, but achievable.

ESCAP’s Economic and Social Survey for Asia and the Pacific 2019 provides a comprehensive assessment of the investment needed to reach the Sustainable Development Goals in the region by 2030. The Survey estimates an additional $1.5 trillion per year (equivalent to 5 per cent of the region’s GDP in 2018).

This means investing:
- $669 billions per year in people, for poverty, hunger and health and education;
- $590 billions per year in planet, for clean energy, climate change and environmental protection; and
- $196 billions a year for prosperity underpinned by sustainable transport, improved access to ICT and water and sanitation services.

These “ambitions beyond growth” are largely affordable for most countries in the region, given available public and private resources. On average, it means investing less than $1 a day per person. However, LDCs need to invest at least more than twice as much as the regional average – between $2-3 per person per day. Strong development partnerships and regional cooperation are essential to ensure that all countries complete this important journey.

Figure 7: Annual Investment Gap 2016-30
(Source: ESCAP, Economic and Social Survey of Asia and the Pacific 2019: Ambition beyond growth)
TRADE AND INVESTMENT

High expectations were set for trade and investment in delivering the 2030 Agenda, based on aspirations for shared global prosperity supported by the multilateral trading system. In recent months, however, this premise has faced a serious test. Besides long-standing challenges, such as high trade costs, additional challenges have grown recently as a result of the increased level of trade tensions and protectionism.

ESCAP’s Asia-Pacific Trade and Investment Report 2018 shows that the current trade tensions will have detrimental impacts globally and regionally. Trade and investment flows are expected to slow if geopolitical tensions disrupt existing supply chains and dampen investor confidence.

Asia-Pacific countries are to be affected by a significant loss of demand for intermediate products and commodities from China. Global GDP could fall by nearly $215 billion and the region’s GDP by approximately $60 billion. In the case of prolonged trade tensions, the adverse impacts could increase to approximately $400 billion at the global level.

Rising economic uncertainty created by growing trade tensions have affected FDI in some countries but benefited others. However, on the whole a continued escalation of trade tensions would threaten jobs and growth in all countries but would hit the poorest the hardest.

Figure 8: Changes in export growth under different scenarios of trade wars (Source: Asia-Pacific Trade and Investment Report 2018)
TRADE AND INVESTMENT

Against this backdrop, the Committee on Trade and Investment held its sixth session in Bangkok from 13 to 15 March 2019, noting that the Asia-Pacific region could weather worsening trade tensions and global policy uncertainties through continued regional integration accompanied by efforts to simplify and digitalize trade and improve the business environment.

Regional trade integration - Regional Comprehensive Economic Partnership, the Comprehensive and Progressive Trans-Pacific Partnership and the European Union-Japan Economic Partnership Agreement - could boost regional exports by 1.3%-2.9%. With regional integration, regional employment could increase by more than 3.5 million jobs despite falling globally. These results show that regional cooperation has become a vital means for Asia and the Pacific to increase economic resilience and mitigate adverse impacts from external trade policy shocks.
While trade and investment are slowing, the growth in the digital economy is creating new opportunities to grow international trade. The volume of cross-border data flows is still growing enormously. Much of this flow of data facilitates the movement of goods, services, finance, people, especially in the realm of e-commerce.

Digital technology is providing access to new markets and business inputs that can increase productivity and the capacity of businesses to compete. Digital technology is providing new opportunities for SMEs everywhere. However, the growing digital divide is an urgent regional policy priority, particularly for low-income countries. Broadband access in developing countries remains low, especially in lower-middle and low-income countries.

The region has some of the most technologically advanced economies in the world, but we also have some of the most technologically deprived. Therefore, collaboration to bridge the digital divide will be critical.

Figure 9: Global connectedness trends 2005-2017
(Source: Calculations produced by ESCAP)
In this context, the Committee on Information and Communications Technology, Science, Technology and Innovation, which held its second session in Bangkok from 29 to 31 August 2018, asked the secretariat to support member States in developing their science, technology and innovation policies, strategies and road maps for the Sustainable Development Goals, in order to effectively harness science, technology and innovation for sustainable development.

Collective efforts to move forward regional cooperation initiatives, such as the Asia-Pacific Information Superhighway initiative, the Asia-Pacific Innovation Forum, or through the Asian and Pacific Centre for Transfer of Technology, and the Asian and Pacific Training Centre for Information and Communication Technology for Development, will be essential.

Figure 10: Broadband (Fixed) Access from 2000 to 2017 (Source: Calculations by ESCAP based on data from ICT Indicators Database, December 2018 Edition)
Data availability in the Asia and the Pacific region is a challenge.

The Asia and Pacific statistical community committed, in 2016, to a Collective Vision and Framework for Action for Advancing Official Statistics for the 2030 Agenda, and in 2018, adopted a Declaration, Navigating Policy with Data to Leave No One Behind committing for a strengthened national statistical systems in nine areas, including integrating statistics into national development plans and strengthening legislation, where appropriate, in support of evidence based policy making.

Figure 11: Dashboard of anticipated progress in 2030: Asia-Pacific region
(Source: UNESCAP, Asia and the Pacific SDG Progress Report 2019)
CONCLUSION

Many of the region’s biggest challenges, from climate change and air pollution to inequality and vulnerability, require multi sectoral, transboundary and regional actions. ESCAP’s conference structure is ideally placed to pride the leadership and demonstrate the ambition needed to put the region on track for achieving the SDGs.

Our analysis shows that the investments required to achieve the SDGs are sizable but affordable. Through ESCAP’s intergovernmental platforms, countries are enhancing regional cooperation to strengthen the means of implementation. Going forward, there is a need to step-up these efforts to mobilize the resources and the tools required to meet the Goals by 2030.

The secretariat will continue to provide the integrated knowledge, support the intergovernmental dialogue and norm setting, and deliver the technical support to enable countries to succeed in their ambitious development goals.

The secretariat looks forward to hearing the views and guidance from its members and associate members on how to strengthen ESCAP’s support to achieve the SDGs in the region.