

Opening Remarks

Agenda 2: Towards an inclusive, resilient and sustainable economic recovery from the coronavirus disease pandemic

Third session of the Committee on Macroeconomic Policy, Poverty Reduction, and Financing for Development

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Honourable Chair, Vice Chairs

Excellencies, Distinguished Delegates,

Highlighting the devastating effects of the COVID-9 pandemic on the socioeconomic well-being of people in Asia and the Pacific, the document ESCAP/CMPF/2021/1 highlights risks of a K-shaped economic recovery characterized by widened inequality gaps both within and across countries.

The pandemic has also revealed the region's lack of resilience and vulnerability to effectively cope with such non-economic shocks that have large economic effects. It is a stark reminder that long-term and systematic development risks, when they materialize, can cause years of socioeconomic progress to evaporate.

No doubt, most countries have responded aggressively and quickly to deal with the crisis induced by the pandemic, by introducing several fiscal, monetary and financial measures. Yet, such responses in several developing countries of our region have been inadequate owing to fiscal and financial constraints. The increasing debt stress in some countries also threatens the continuity of essential fiscal spending and investments in future development.

Such lack of fiscal means and rising debt vulnerabilities has left little space for investments in the transformation required to attain inclusive, resilient and sustainable economies.

This document provides a rich menu of policy options that countries can consider to ensure an inclusive recovery, build economic resilience to future shocks, and support the transition towards a green economy.

To 'build forward better' on these lines, the document briefly discusses an illustrative policy package aimed at ensuring access to social services, closing the digital divide and strengthening climate and clean energy actions. The details of such a policy package and its wide-ranging beneficial impacts are discussed in detail in our flagship publication, the Economic and Social Survey of Asia and the Pacific 2021.

Understanding the importance of fiscal means to implement such policies, the document also discusses policy options that can help secure the needed fiscal resources.

I invite the Committee members to discuss policies that have been implemented by them in their respective countries to support an inclusive, resilient and sustainable recovery.

It will also be very enlightening to learn how policy makers in your country are addressing the fiscal constraints while pursuing inclusive, resilient and sustainable development.

I look forward to an engaging discussion.

Thank you.