Mr Chairman

1. May I join other delegates, in complimenting the Executive Secretary, Dr Shamshad Akhtar and all her colleagues in the ESCAP Secretariat for preparing such a large number of excellent documents for this session of the Commission. Since this is Dr Shamshad Akhtar’s last event before she completes her tenure in Bangkok, I wish to place on record, my sincere appreciation for her outstanding performance as executive secretary of the Commission over the past four years.

2. Asia is leading this endeavor of reducing poverty and inequality thanks to its phenomenal economic growth. This is evident from the fact that Asia registered 7 percent growth on average in these two decades. These two decades are best in terms of creating opportunities by applying knowledge and new technologies.

3. This rapid growth has significantly improved living standards and reduced extreme poverty. During 1990–2010, the region’s average per capita GDP in PPP terms increased from $1,602 to $4,982. The proportion of the population living on or below the $1.25-a-day poverty line fell from 54% in 1990 to 22% in 2008, as 700 million people were lifted out of poverty.

4. South Asia as a sub-region of the Asia-Pacific has distinction of having largest proportion of the poor in the world. The challenge of poverty eradication in South Asia needs to be tackled by providing opportunities. To this end building of inclusive transnational institutions and reforming existing one, enhanced inter and intra-regional cooperation, higher level of economic integration, building knowledge corridors and extending cross-border communication beyond
conventional diplomacy and official communications are essential component of public policy.

5. The growth through liberal economic policies has created haves and have nots. The technological change of extraordinary intensity has changed the development paradigm across the world. Technological change of the kind we have seen in the past two decades tends to reinforce the tendency for high-value-added activities (including innovation) to cluster in the (high-cost) Western economies rather than disperse to lower-cost developing countries.

6. Inequality has many dimensions. Income inequality is just only one aspect of inequality. Disparities in terms of gender, region etc. are also needed to be addressed to ensure sustainable development in Pakistan. Often the different manifestations of inequalities - of income, assets, public services – has remained unaddressed.

7. Pakistan is facing two-pronged challenge. At the one hand, economy needs to grow more rapidly and on the other hand, it requires to improve the income distribution mechanism. Therefore, the growth must be inclusive and broad based.

8. Pakistan’s development framework prioritizes investments in human capital and social services. It recognizes the importance of inclusive and balanced growth – one which promotes the concept of shared prosperity and endeavors to address geographical and social inequality. Pakistan strongly believes that the benefits of growth must be shared by all segments of society especially those from the marginalized groups.
9. **One positive aspect for Pakistan** is that although the economic growth was below its historical performance since 2008, it was **more inclusive with better distribution mechanism**. Pakistan has thus quality growth with falling value of *gini* coefficient (a measure to compute inequality). But these efforts have to continue as inequality is still high. Regional inequalities further complicate the problem for Pakistan as revealed by the district-wise multidimensional poverty indices published by the Planning Commission.

10. Pakistan’s development framework (**Vision 2025**) prioritizes investments in human capital and social services. It recognizes the importance of inclusive and balanced growth i.e. “**one which promotes the concept of shared prosperity and endeavors to address geographical and social inequality**”. Pakistan strongly believes that the benefits of growth must be shared by all segments of society especially those from the marginalized groups.

11. Pakistan is following a comprehensive approach to deal with poverty and horizontal and vertical inequalities.

   A) Investing in human capital to ensure inclusive growth.
   
   B) Fairer allocation of resources to minimize regional inequality
   
   C) Broadening the tax base for generating more resources

   **Key Steps Towards Social Uplift**

   **Benazir Income Support Programme (BISP):**
BISP is a major government initiative launched in 2008, which targets marginalized and vulnerable groups of the national populace, especially women. Under the scheme, of social safety net, very low income families receive a cash grant of $20 per month to cover the food expenses. The amount is transferred through smart cards, which the beneficiaries (80% females) receive the allowance every 3 months. The Government has increased budget allocation of BISP from Rs 47 billion ($460 million) in 2012-13 to Rs 121 Billion ($1100 million) in 2017-18. Number of beneficiaries has increased from 1.8 million to 5.6 million in a decade.

**National Health Program:** It is another milestone towards social welfare reforms; ensuring that the identified under-privileged citizens across the country get access to minimum necessary free medical health care in a swift and dignified manner through a computerized health card.

**Youth Business Loan Scheme:** Aimed at training unemployed youth of Pakistan for acquiring productive skills for gainful employment.

**Interest Free Loan Scheme:** Micro-finance facility aimed at helping the industry raise current access level of 2.5 million people to 5.0 million.

**Youth Training Scheme:** Aimed at training the educated youth of Pakistan through internship in private and public sector offices at public expense.

**Youth Laptop Scheme:** Aimed at spreading the use of computers amongst the college/university level students to bring about a technology revolution and bridge the digital divide. (Pakistan ranked 4th in E-lancing)

**Fee Reimbursement Scheme:** Aimed at encouraging pursuit of higher education by students from less developed areas through financing of their tuition fees paid directly to universities.

The government has strived hard to deal with horizontal and vertical inequalities. Many programs are initiated for enhancing access of the poor to health and education

➢ Endowment fund for education
➢ Up-scaling nutrition
➢ Health Skills Development
➢ Disability help and disaster mitigation
➢ Central Bank has initiated a program of financial inclusion for eradicating inequalities in access to finance, microfinance network, and interest free Islamic finance

Moreover, government is committed to increase:

➢ Women’s participation in the workforce
➢ Enforcing a minimum wage standard,
➢ Creating microcredit opportunities,
➢ Ensuring 100% enrollment and reducing school dropout rate.
➢ Revamping technical and Vocational system to impart modern marketable skills.

➢ National plan to address Multidimensional Poverty especially for the most impoverished districts.

Conclusion:

Both Poverty and inequality are decreasing despite the fact that economic growth is below its historical trend during the last decade. Pro-poor spending, effectiveness of social safety nets, higher remittance inflows and some targeted interventions could be attributed for this improvement.

World Economic Forum 2017 has acknowledged Pakistan’s efforts by improving its ranking by 9 notches in terms of inclusiveness of its economic growth record.

Going forward, our aim is to build a society where wealth is not concentrated in the hands of a handful, where everyone has
adequate nutrition, clean drinking water, enough food for their families, quality education, healthcare and equal access to justice.

SDGs offer new avenues for multilateral and regional cooperation in achieving these goals like poverty and inequality, I hope ESCAP will continue to play an important role in the years to come.

Thank you.