

**Economic and Social Commission for Asia and the Pacific****Seventy-eighth session**

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Item 2 (b) of the provisional agenda\*

**Theme topic, “A common agenda to advance sustainable development in Asia and the Pacific”:  
subregional perspectives****Subregional cooperation to advance sustainable development in Asia and the Pacific****Note by the secretariat***Summary*

In the 2030 Agenda for Sustainable Development and the report of the Secretary-General entitled “Our Common Agenda”, the importance of the subregional dimensions of sustainable development was clearly acknowledged. Regional and subregional frameworks can facilitate the effective translation of sustainable development policies into concrete action at the national level. The Economic and Social Commission for Asia and the Pacific adopted resolution 75/3, in which it recognized the importance of partnerships within and across subregions for the effective implementation of the 2030 Agenda.

The present document contains a brief overview of the status of progress in the achievement of the Sustainable Development Goals in each of the five subregions of the Commission, key recommendations from the subregional forums on sustainable development and opportunities for advancing the Common Agenda in each subregion.

The Commission may wish to take note of the document and provide guidance for the future work of the secretariat.

**I. Introduction**

1. Midway through the implementation period of the 2030 Agenda for Sustainable Development, the Asia-Pacific region is at a critical crossroads. Even before the coronavirus disease (COVID-19) pandemic, the region was not on track to achieve the Sustainable Development Goals by 2030. The COVID-19 pandemic and its profound socioeconomic impacts are complicating the trajectory towards sustainable development in the region. The region needs ambitious actions to change course and accelerate progress across a range of development challenges, such as growing inequalities and runaway climate change.

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2. While there is a need to accelerate progress towards the Sustainable Development Goals in the Asia-Pacific region as a whole, it is important to assess the unique areas of progress, stagnation, or regression in each of the five subregions of the Economic and Social Commission for Asia and the Pacific (ESCAP) and identify subregional priority areas for action to implement the 2030 Agenda. Towards this end, the annual *Asia and the Pacific SDG Progress Report* provides subregional insights, and forums on sustainable development are held in each subregion in advance of the annual Asia-Pacific Forum on Sustainable Development.

3. In 2020, the seventy-fifth anniversary of the United Nations arrived amid the COVID-19 pandemic, and Member States pledged to strengthen global governance for the sake of present and future generations and requested the Secretary-General to provide recommendations to advance a common agenda and to respond to current and future challenges. The report of the Secretary-General entitled “Our Common Agenda”, sets out actions to accelerate the implementation of existing agreements, including the Sustainable Development Goals.

4. The present document contains an overview of the progress in the achievement of the Sustainable Development Goals in each of the five subregions of the Commission, key recommendations from the subregional forums on sustainable development and opportunities for advancing the Common Agenda in each subregion.

## **II. Subregional cooperation to advance sustainable development in Asia and the Pacific**

### **A. East and North-East Asia**

#### **1. Progress in the achievement of the Sustainable Development Goals in the subregion**

5. As reported in the *Asia and the Pacific SDG Progress Report 2021*, the subregion is on track to achieve Sustainable Development Goal 1 (No poverty) and Goal 6 (Clean water and sanitation). Relatively good progress has been made towards Goal 2 (Zero hunger), Goal 3 (Good health and well-being), Goal 7 (Affordable and clean energy), Goal 8 (Decent work and economic growth) and Goal 9 (Industry, innovation and infrastructure). Progress towards Goal 5 (Gender equality) and Goal 10 (Reduced inequalities) is slow due to the existing gender wage gap and lack of gender parity in labour force participation and widening income inequality across most countries.

6. Meanwhile, the COVID-19 pandemic has brought about significant setbacks on various socioeconomic indicators, most notably, poverty, health, quality education, decent work and inequality. The International Labour Organization (ILO) estimated a 4.1 per cent loss in workers’ labour income (excluding income support measures) in 2020 compared with 2019. While the estimated income loss in the subregion was much lower than the regional average of 7.1 per cent in Asia and the Pacific, workers in the service sector and informal sector were hit much harder, which created spillover effects in progress towards the other Sustainable Development Goals. Impacts on Goal 5 include job losses among women and other vulnerable groups, especially among those holding temporary positions, which has also caused an overall setback with regard to Goal 8 and Goal 10.

7. With regard to the achievement of Sustainable Development Goal 4 (Quality education), the COVID-19 pandemic has had significant impacts on education quality and access due to the move to online learning. The lack of equipment and support for students from low-income families and persons with disabilities has resulted in the loss of opportunities for education and social mobility. Thus, the COVID-19 pandemic has made vulnerable socioeconomic groups more vulnerable.

8. The pandemic has had different implications for environment-related Sustainable Development Goals. Most countries in the subregion have seen a reduction or stabilization of greenhouse gas emissions and air pollution owing to lower economic and social activities. However, there have also been rapid upsurges of waste, particularly plastic waste, creating excessive burdens on waste management and challenges to the achievement of Goal 12 (Responsible consumption and production). The pandemic also increased public attention on environmental challenges, including the relationship between nature and human health. For example, while North-East Asia has improved forest coverage and expanded protected areas during recent decades, there is still significant biodiversity loss and a need for further progress in safeguarding key biodiversity hotspots across the subregion.

## 2. **Key outcomes, priorities and recommendations from the subregional forum on sustainable development**

9. The North-East Asia Multi-stakeholder Forum on Sustainable Development Goals, held on 28 and 29 October 2021, reviewed subregional progress in achieving Sustainable Development Goal 4 (Quality education), Goal 5 (Gender equality), Goal 14 (Life below water), Goal 15 (Life on land) and Goal 17 (Partnerships for the Goals). The following paragraphs provide information on the key outcomes and recommendations.

10. **Enhance social support programmes to reduce inequality.** As the COVID-19 pandemic has had disproportionate impacts on vulnerable socioeconomic groups, which have further expanded existing inequality, Governments need to enhance social support programmes tailored to mitigate the adverse socioeconomic impacts of the pandemic and make societies more resilient to future crises.

11. **Enhance efforts for green recovery from the COVID-19 pandemic.** The subregion has expanded forestry coverage and protected areas during the past three decades. The COVID-19 pandemic as well as various epidemics that occurred during recent decades underscore the high risk of zoonosis and in turn the need for a more integrated approach to nature and human health. Thus, a nature-based recovery is needed for building back better from the COVID-19 pandemic by investing in the institutional basis for nature-based solutions and developing various business models for nature-based solutions and multi-stakeholder participation.

12. **Utilizing new ways of monitoring progress in achieving the Sustainable Development Goals.** Data collection, monitoring and information systems are critical to implement the 2030 Agenda. However, there are significant gaps in data coverage and the accuracy and timeliness of information. In this regard, new methods, such as big Earth data and geospatial data collected by satellites and sensors with further artificial intelligence or machine analysis, could be used to supplement official data and statistics. The information collected can then be used to better optimize planning and the achievement of the Goals.

13. **Enhance the role of local government.** Local government involvement is seen as a key means to implement the 2030 Agenda by localizing the Sustainable Development Goals. Many local governments have initiated voluntary local reviews or similar programmes as baseline studies to monitor the status and progress towards the Goals, and they have used the review as a process to engage stakeholders rather than as a one-time exercise to produce a report. Voluntary local reviews need to be further strengthened through voluntary initiative of local governments, policy support from the central governments and proactive stakeholder participation.

14. **Promote multilateral technical cooperation.** Countries in the subregion could jointly accelerate progress by sharing technologies and practices to address disparities among the countries. While the subregion has various sectoral and bilateral cooperation mechanisms, it lacks a multilateral mechanism that could facilitate dialogues and cooperation on sustainable development in a holistic manner and bring together all the countries and non-state actors. Multilateral technical cooperation in the subregion is needed to pursue carbon neutrality pathways.

### 3. Opportunities to advance the Common Agenda

15. Key opportunities for advancing the Common Agenda in the subregion include pathways to net zero carbon emissions and connectivity, and inclusive and networked multilateralism.

16. **Pathways to net zero carbon emissions.** Efforts to achieve net zero carbon emissions in the subregion contribute to protecting the planet, a key commitment of “Our Common Agenda”. First, the subregion accounts for more than one third of global greenhouse gas emissions; its role is thereby critical in reducing total global emissions. The emissions from China in 2019 surpassed the combined emissions from all developed countries. Three other countries in the region, the Russian Federation, Japan and the Republic of Korea are also ranked in the top 10 in the world for emissions of carbon dioxide. Second, policy and technology development of the subregion towards the goal of carbon neutrality would play a critical role in shaping global decarbonization. The four above-mentioned countries have announced goals to achieve carbon neutrality by 2050 or 2060. China, Japan and the Republic of Korea are already leading in many fields of low carbon technologies and account for almost one fifth of global exports of all goods. Thus, technological transformation in those countries will create significant spillover effects in the global markets of low carbon technologies and goods. Third, the scale and discourse around decarbonizing energy and the economies of the countries significantly influence the global transition away from fossil fuels, as China, Japan and the Republic of Korea are among the top five importers of fossil fuels while the Russian Federation is a top exporter. Thus, the acceleration of progress in the subregion towards net zero carbon emissions will not only transform its fossil fuel-dependent economies but also create significant spillover effects for the global transformation.

17. **Connectivity.** Strengthening intraregional connectivity in transport, energy, and information and communications technology (ICT) can unlock the potential in the subregion to accelerate progress towards the implementation of the 2030 Agenda as well as national socioeconomic goals. However, geopolitical challenges in the subregion have hampered cooperation towards seamless connectivity across countries. While transport connectivity within individual countries in the subregion is generally very good, challenges remain in both the intercountry physical infrastructure as well as in using technology to enhance operational connectivity, which has vital linkages with trade

facilitation. The politics of the Korean Peninsula and the missing infrastructure links between the Democratic People's Republic of Korea and the Republic of Korea impact not only the Peninsula but also prevent other neighbouring countries from making the Asian Highway and the Trans-Asian Railway networks fully functional in the subregion. Energy connectivity, in particular power grid interconnection, could support countries in the subregion to mutually complement significant differences in energy resource endowments. China, the Democratic People's Republic of Korea, Mongolia and the Russian Federation have an extremely limited amount of power interconnection at the bilateral level, while Japan and the Republic of Korea are completely disconnected from others. Meanwhile, power grid interconnection could mitigate an unstable and intermittent supply of electricity from renewable sources as these sources make an increasing contribution to decarbonizing the energy system.

18. **Inclusive and networked multilateralism.** In “Our Common Agenda”, the Secretary-General called for multilateralism that is more networked, inclusive and effective by drawing together different institutional capacities towards a common goal. The East and North-East Asia subregion lacks a comprehensive multilateral mechanism that covers all countries and major stakeholders, while the Greater Tumen Initiative covers four countries and the Trilateral Cooperation Secretariat covers three countries. Meanwhile, countries as well as subnational entities have established a variety of functional and bilateral cooperation platforms. While sectoral cooperation mechanisms have been effective in solving technical issues in a particular field, the growing interdependence and spillover effects among different sectors call for a new approach to address common challenges in the subregion. Thus, the existing cooperation mechanisms could collaborate towards common goals and make multilateral cooperation more inclusive for academia, civil society organizations and research institutions.

## **B. North and Central Asia**

### **1. Progress in the achievement of the Sustainable Development Goals in the subregion**

19. Despite previous substantive progress, countries in North and Central Asia are not on track to achieve the Sustainable Development Goals, aside from Goal 16 (Peace, justice and strong institutions). Regression trends have been observed for the past five years on Goal 12 (Responsible consumption and production), Goal 13 (Climate action) and Goal 14 (Life below water).

20. Compared to the other Sustainable Development Goals, the most significant progress in the subregion has been made on indicators of Goal 16 with the decrease of intentional homicide and human trafficking. However, not enough data are available to measure actual progress for most of the indicators of Goal 16, Goal 5 (Gender equality) or Goal 14. Although data availability in the subregion has improved – in 2019, data were available for 44 per cent of the indicators of the Goals and in 2021 data availability had increased to 59 per cent – data collection efforts still need to be prioritized.

21. Notable progress was made on Sustainable Development Goal 3 (Good health and well-being), Goal 4 (Quality education) and Goal 9 (Industry, innovation and infrastructure). Progress on Goal 3 is mainly driven by the reduction of maternal, newborn and child mortality. With regard to Goal 4, minimum proficiency in reading and math has declined, and inequality in access to education and organized teacher training has increased. These Goals, together with Goal 5 and Goal 10 (Reduced inequalities), are expected to be

most impacted by the pandemic, leading to widening social disparities. Gender disparities continue to be high in participation in the labour force, mean years of schooling and among youths not in education, employment or training. Women in rural and urban areas spend approximately three to four times more of their time on unpaid domestic chores and care work compared to men.

22. It is crucial that development pathways are also aligned with environmental sustainability. The continued increase in material footprint per capita and domestic material consumption per capita reflects the rise in demand for resources in the subregion. Greenhouse gas emissions per capita and fossil fuel subsidies in North and Central Asia remain among the highest in the Asia-Pacific region. Countries in the subregion need to take this opportunity to advance green economy strategies and transition to low carbon systems.

## **2. Key outcomes, priorities and recommendations from the subregional forum on sustainable development**

23. The fifth North and Central Asia Multi-stakeholder Forum on Implementation of the Sustainable Development Goals, jointly organized by ESCAP and the Government of Turkmenistan in 2021, discussed progress and challenges, and provided recommendations for the regional and global processes for follow-up and review of the 2030 Agenda.

24. The participants called for deeper subregional collaboration, more resilient and inclusive development strategies, additional and better targeted financing, the strengthening of data availability and use, more stakeholder collaboration and local ownership.

25. One of the key recommendations was to deepen alignment and integration of the Sustainable Development Goals into national planning and budgeting processes. Governments need to fully integrate national priorities with the universal framework. Governments in North and Central Asia and key stakeholders must strengthen the coordination of work on the Goals.

26. Furthermore, the COVID-19 pandemic has spotlighted the importance of enhanced partnerships, collaboration and multi-stakeholder consultations. As the landlocked countries in North and Central Asia depend on transit corridors to receive goods and services, increased digitalization can better facilitate cross-border partnerships. Green value chains and sustainable investment promotion strategies can also benefit from enhanced collaboration and can facilitate economic diversification and transformation, which are essential for countries in the subregion. Targeted collaboration with the private sector, including small and medium-sized enterprises, to align private investments with advancement towards the achievement of the Sustainable Development Goals is crucial to build an inclusive economy. Local ICT capacities need to be strengthened to realize the potential of the digital revolution.

27. Another priority to accelerate progress towards the Sustainable Development Goals in the subregion is to improve the collection and use of data and statistics. In addition to improving data availability, countries need to address gaps in measuring progress. Assessing those gaps, identifying relevant national data sources and upgrading national statistical plans would ensure that indicators can be regularly produced with proper disaggregation and accuracy.

28. Additionally, while great variation exists within the subregion, innovative and green financing instruments and policies (e.g. thematic bonds, climate finance and debt-for-climate adaptation swaps) have significant potential to close the financing gap for achieving the Sustainable Development Goals. It is important to enhance the capacity of all key stakeholders to develop enabling environments for the application of innovative finance. Moreover, addressing national fragmentation of regulatory frameworks, standards and taxonomies at regional or global levels could be a game changer.

29. Discussing the progress on Sustainable Development Goal 4 (Quality education), the Forum participants called for increasing not only access to education facilities and programmes but also the improvement of their quality. Education systems needed to be flexible and fit for purpose in the twenty-first century, including through digital literacy and through quality teacher training. Forum participants also called for expanded and targeted investment in education and increased collaboration with all key stakeholders.

30. The discussion of Sustainable Development Goal 5 (Gender equality) highlighted the current conditions of women working disproportionately in vulnerable, informal and part-time employment, which puts them at risk during crises such as the COVID-19 pandemic. Increasing the labour force participation of women and economically empowering women will significantly boost national gross domestic product (GDP) and allow for a faster recovery from the COVID-19 pandemic.

31. To achieve Sustainable Development Goal 14 (Life below water) and Goal 15 (Life on land), more collaboration among Governments and stakeholders at national and regional levels is needed to make legal, technical and financial advances. It could be useful to quantify the value and use of key resources such as water and land – breaking issues down in budgetary terms and showing how GDP would be affected if resources and ecosystems were further degraded.

### **3. Opportunities to advance the Common Agenda**

32. Emerging and developing economies of North and Central Asia are among the most vulnerable to natural disasters caused by climate change. Combined with the disruptions from the COVID-19 pandemic, countries in the subregion are struggling to get back on track for a sustainable socioeconomic recovery. The impact of global warming is increasing the occurrences of extreme high temperatures and intense droughts and reductions of water availability, which in turn affect socioeconomic aspects such as food security. Energy security in the subregion is also susceptible to the impacts of climate change. In addition, countries still experience challenges to energy access as energy and electricity infrastructure are not evenly distributed within and across countries.<sup>1</sup> Considering the energy interdependence among countries and the shared interest in transboundary energy infrastructure, countries of the subregion should be better prepared to respond to large-scale crises, and they should make a commitment to advance infrastructure resilience. It is imperative for countries in North and Central Asia to advance systemic resilience to natural disasters and climate change.

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<sup>1</sup> ESCAP Subregional Office for North and Central Asia, “Sustainable and Clean Energy in North and Central Asia”, ESCAP working paper series (September 2021).

33. As the COVID-19 pandemic illustrated the interconnectivity between the climate and human health, it also exposed the need to improve capacities and resilience of health systems in North and Central Asia. The lateral public health approach, which promotes mainstreaming of health aspects into other sectors, allows for effective scaling up of strategies to tackle hazards and societal vulnerabilities concurrently. As countries in North and Central Asia aim to scale up the capacity of their health-care systems, it is necessary to consider integrating a lateral public health approach to allow for more transparency and information-sharing across different government mechanisms and between government and the public. Additionally, it is important that adequate infrastructure is in place to support public health interventions and disaster relief efforts.

34. Expanding cooperation for subregional infrastructure connectivity has the potential to increase subregional resilience and reinvigorate growth prospects in North and Central Asia.<sup>2</sup> Despite progress in recent years, the COVID-19 pandemic has exposed challenges that require better coordination by countries in North and Central Asia, especially in cross-border trade, transit and transport. The subregion faces challenges of high transport costs and low transport connectivity due to its geographic features and the inadequacy of infrastructure. Digital technologies and innovation have the potential to accelerate the development and integration of subregional infrastructure and activities. This is especially amplified during the COVID-19 pandemic as countries record a growing reliance on digital services and technologies. Aside from country-level digital transformation strategies, countries in the subregion should explore and expand cooperation in the subregion and the region to better capitalize on the benefits of digital connectivity.

35. Resource mobilization for sustainable development is a key aspect to ensure that countries can chart a more sustainable, inclusive and resilient path forward. For North and Central Asian countries, targeted and efficient public spending as well as phasing out expensive fuel subsidies are important strategies for freeing public funds. Financing greener and more resilient sectors is crucial for countries to diversify their economies.

## **C. Pacific**

### **1. Progress in the achievement of the Sustainable Development Goals in the subregion**

36. The Pacific was not on-track to achieve any of the 17 Sustainable Development Goals by 2030 even before the COVID-19 pandemic and showed regression on some of the Goals since 2015.

37. Some limited progress is evidenced, such as on Sustainable Development Goal 3 (Good health and well-being), Goal 7 (Affordable and clean energy), Goal 9 (Industry, innovation and infrastructure), Goal 15 (Life on the land) and Goal 17 (Partnerships for the Goals). Significant gaps remain for many Goals and the Pacific is regressing on Goal 6 (Clean water and sanitation), Goal 11 (Sustainable cities and communities), Goal 12 (Responsible consumption and production) and Goal 13 (Climate action). For instance, despite some improvement in access to basic drinking water and sanitation, high fluctuations in permanent water bodies are causing a regression in Goal 6. Although data are limited, there is also considerable

<sup>2</sup> ESCAP, “North and Central Asia as a transit hub: potential, challenges and the way forward”, Policy brief (May 2017).



regression on Goal 10 (Reduced inequalities). When reviewed at the indicator level, the subregion is also regressing on half of the indicators used to measure progress on Goal 2 (Zero hunger).

38. However, it should be recognized that key drivers of regression and the constraints on progress in implementation are global and transboundary in nature, including climate change, pollution, pandemics, trade and energy. The COVID-19 pandemic is expected to have severe negative impacts on progress in achieving the Sustainable Development Goals in the subregion with serious socioeconomic fallout through, for instance, widespread job losses and the aggravation of hardships for those in the most vulnerable situations.

39. Availability of robust and reliable data to measure progress remains a major challenge in the Pacific region, although there have been improvements in the past two years with the available data increasing from 60 indicators (26 per cent) in 2019 to 88 indicators (38 per cent) in 2021. With data limitations, there is a need to properly nuance the progress narrative so that external drivers of development challenges in the subregion are adequately acknowledged together with the responsibilities of national Governments and stakeholders.

## 2. **Key outcomes, priorities and recommendations from the subregional forum on sustainable development**

40. **Climate ambition and action.** The highest priority of the subregion is to actively promote higher global climate ambitions to limit carbon emissions and rising temperatures. Pacific small island developing States will also need to be a stronger collective and standard bearer in international forums, such as the United Nations Framework Convention on Climate Change and the International Maritime Organization where the Marshall Islands and Solomon Islands have been leading the proposal for a carbon levy on international shipping. A related initiative needing regional and global support is the Pacific Blue Shipping Partnership. Another initiative of the Pacific needing regional and global support in the light of sea level rise is the proposed regional framework for climate mobility (migration, displacement and relocation).

41. **Social protection and health.** Recovery from the COVID-19 pandemic and resilience-building requires the establishment of social protection schemes that are gender, disability and disaster responsive, and that encompass livelihoods, education and the informal sector. Yet, Governments in the Pacific spend on average less than 2 per cent of GDP on social protection and even less (0.5 per cent) on disability and related measures. Social protection and health are two of the priorities for the Pacific subregion so there is a need to examine how regional collaboration could be strengthened for social protection as well as the nexus and intersection of climate, the environment and health and pandemics.

42. **Climate-smart trade and energy.** The fifth Pacific Forum on Sustainable Development took place on 25 and 26 November 2021. Participants considered the important role of climate-smart trade and renewable energy in the fight against climate change and in the green recovery from the pandemic. Issues noted for support in climate-smart trade include the simplification of trade regulations and border processes; scaling up cross-border paperless trade, facilitation and digitization; intraregional trade (Pacific Island Countries Trade Agreement) and the assessment of labour mobility arrangements. For better uptake of renewable energy, there is a need to make better use of regional cooperation to facilitate energy transition; to strengthen institutional capacity for integrated energy policy and planning,

including Sustainable Development Goal 7 road maps; and to leverage energy sector financing, sustainable electric power development, low-carbon transport and partnerships with institutions and initiatives at all levels, including the private sector and communities.

43. **Climate and disaster risk finance.** Climate finance available to developing countries is far from sufficient considering the existing need. It is estimated that out of \$79.6 billion mobilized for climate finance in 2019, only 1.9 per cent benefited small island developing States.<sup>3</sup> According to the Pacific Islands Forum Secretariat, only 0.28 per cent of the climate finance mobilized has flowed into Pacific small island developing States. There are also concerns that climate finance is not adequately benefiting communities and vulnerable groups and that the transformative potential of stakeholder participation in decision-making is not being realized. Pacific small island developing States need more direct access to climate finance and innovative finance, and more flexibility in using different finance modalities (such as debt-for-climate adaptation swaps) and strengthened national systems (national sector planning and public finance management). Some key and forthcoming Pacific small island developing States initiatives needing regional and global support include the Pacific Resilience Facility and the Regional Debt Conference: Addressing Debt Sustainability in the Pacific in the Aftermath of COVID-19, to be hosted by the Pacific Islands Forum Secretariat and ESCAP.

44. **Achievement of the Sustainable Development Goals.** There is an ongoing need for statistical surveys to strengthen information and collect data to inform the implementation and review of the 2030 Agenda, including on gender and disability statistics. The coordinated and collaborative approach to reporting on progress under the Pacific Road Map for Sustainable Development strengthened relationships between all stakeholders (member States, the Council of Regional Organizations of the Pacific, the United Nations system and development partners), strengthening relationships and ensuring a coordinated approach. Nonetheless, there is a need for more context-specific reporting at the regional level to ensure a balanced assessment of the drivers behind poor performance. Institutionalizing stakeholder engagement in the follow-up to and review of the 2030 Agenda and the SIDS Accelerated Modalities of Action (SAMOA) Pathway is critical in building ownership, trust and partnerships and sustaining progress with civil society, the private sector, local governments, youth and gender focused groups, persons with disabilities, experts and other stakeholders.

45. In its review of Sustainable Development Goal 4 (Quality education), Goal 5 (Gender equality), Goal 14 (Life below water) and Goal 15 (Life on land) the Forum confirmed that the COVID-19 pandemic reinforced vulnerabilities linked to uneven or slow progress, and it affirmed the importance of digitalization and renewed regional cooperation, not only in the transboundary areas of oceans, biodiversity, agriculture and climate impacts, but also in areas that the Pacific subregion can address as regional and common priorities such as education and gender equality where the Pacific has regional frameworks and declarations by leaders.

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<sup>3</sup> Organisation for Economic Co-operation and Development (OECD), “Climate Finance Provided and Mobilised by Developed Countries: Aggregate Trends Updated with 2019 Data”, Climate Finance and the USD 100 Billion Goal (Paris, OECD Publishing, 2021).

### 3. Opportunities to advance the Common Agenda

46. **Protect the planet.** In the Pacific, there is a clear need to redouble efforts with regard to Sustainable Development Goal 13 (Climate action) as well as with regard to the sustainability dimension of the management of natural resources of Goals 14 and 15, due to the existential threats to these island nations.

47. **Ensure sustainable financing.** Currently available finance for the implementation of the 2030 Agenda in the Pacific is far from sufficient. Forthcoming initiatives in Pacific small island developing States need to be strengthened with regional and global support mechanisms, such as the Pacific Resilience Facility and the Regional Debt Conference: Addressing Debt Sustainability in the Pacific in the Aftermath of COVID-19.

48. **Leave no one behind and boost partnerships.** The impact of the COVID-19 pandemic exacerbated vulnerabilities in the Pacific subregion. There has also been a resurgence of interest and support for the important role that civil society organizations could play in the recovery and the achievement of the Sustainable Development Goals, which needs greater traction and institutionalization at community, national and regional levels. The Pacific subregion has a robust architecture of intergovernmental and stakeholder organizations which, with the support of the United Nations system and regional and multilateral partners, provides extensive coverage for the implementation of the 2030 Agenda under the Pacific Road Map for Sustainable Development and related regional strategies and frameworks, including the 2050 Strategy for the Blue Pacific Continent.

### D. South-East Asia

#### 1. Progress in the achievement of the Sustainable Development Goals in the subregion

49. The *Asia and the Pacific SDG Progress Report 2021* highlighted that South-East Asia is not on track to achieve any of the 17 Sustainable Development Goals by 2030. Notable progress however is evidenced on Goal 1 (No poverty), Goal 9 (Industry, innovation and infrastructure) and Goal 15 (Life on land). Areas with a lack of progress are Goal 4 (Quality education), Goal 8 (Decent work and economic growth) and Goal 17 (Partnerships for the Goals). Showing signs of regression are Goal 6 (Clean water and sanitation), Goal 11 (Sustainable cities and communities), Goal 12 (Responsible consumption and production), Goal 13 (Climate action) and Goal 14 (Life below water).

50. Two years on, the COVID-19 pandemic has adversely affected sustainable development efforts across the subregion and impacted the lives and livelihood of its people. The spread of the virus has entrenched multidimensional inequalities ranging from income inequality to digital inequality, and it has had a deep impact on the most vulnerable populations in the countries of the subregion.

51. Some progress was made towards eradicating income poverty in terms of the population living below international or national poverty lines. The subregion is similarly on track in addressing undernourishment and supporting children affected by stunting or malnutrition. However, progress towards these Sustainable Development Goals and targets is negatively impacted by losses due to natural disasters and the lack of spending on education and health services.

52. The subregion is regressing notably on environmental goals and climate action with emissions of greenhouse gases still increasing for most countries and slow progress in protecting marine areas and enhancing quality of oceans. The region is also regressing on responsible consumption and production. Although installed renewable electricity generating capacity has doubled since 2010, the subregion is also still lagging behind other subregions in Asia and the Pacific, spotlighting the need for the subregion to intensify efforts to create a more sustainable energy sector.

53. With manufacturing remaining a key economic driver, contributing approximately 21 per cent of GDP from 2010 to 2019,<sup>4</sup> the economic recovery forecast for the subregion is positive – while at a much slower pace than before – with growth rates projected to reach 3.1 per cent in 2021 and 5 per cent in 2022.<sup>5</sup>

54. The socioeconomic hardships of the COVID-19 pandemic in the subregion have included declining economic activities, lack of universal health-care services and deepening digital inequality that has pushed millions of people into multidimensional poverty and further impoverished the most vulnerable populations.

55. Despite the challenges, the COVID-19 crisis has also presented an opportunity to put sustainability back at the centre of national development trajectories, in particular through the efforts to recover stronger from the pandemic. It is crucial that the subregion focuses on ensuring that no one is left behind in the process of recovering from the socioeconomic impacts of the pandemic.

## **2. Key outcomes, priorities and recommendations from the subregional forum on sustainable development**

56. Against this backdrop, the fifth South-East Asia Multi-stakeholder Forum on the Implementation of the Sustainable Development Goals was convened by ESCAP in collaboration with the Ministry of Foreign Affairs of Thailand, the Asian Development Bank, the United Nations Development Programme and the Government of Canada. The Forum was held online from 28 to 30 September and 3 November 2021 with more than 700 participants, including representatives from Governments, the private sector, academia, think tanks, civil society organizations and other stakeholders.

57. Throughout four days and six sessions, the Forum highlighted innovative mechanisms, including impact financing, public-private partnerships and institutional coordination, that ensure that the COVID-19 recovery is inclusive, gender responsive and consistent with the 2030 Agenda. The Forum also focused on sharing best practices, lessons learned and experiences, particularly of women, in coping with the socioeconomic challenges induced by the COVID-19 pandemic.

58. Greater financial investments to increase the uptake of digital technologies will help to better track and contain the spread of the virus. At the same time, countries agreed that more resources should be allocated to address the digital divide across the subregion and further expand support for digital awareness, literacy and access, especially among the most vulnerable

<sup>4</sup> *Asia and the Pacific SDG Progress Report 2021* (United Nations publication, 2021).

<sup>5</sup> Asian Development Bank, *Asian Development Outlook 2021 Update: Transforming agriculture in Asia*. (Manila, 2021).

groups – people in the informal economy, women and girls, persons with disabilities, migrants and refugees – who have suffered the most throughout the pandemic.

59. Digital, energy, transport and trade connectivity is critical to recovery and progress towards the Sustainable Development Goals. Improving connectivity in the region includes investing in resilient transport connectivity; seamless trade as an enabler for advancing the digital economy; energy connectivity to mobilize the green electricity grids of tomorrow; and digital connectivity to bridge the digital divide within and between countries.

60. Impact financing and public-private partnerships can help to ensure that the recovery from the COVID-19 pandemic is inclusive, gender-responsive and consistent with the 2030 Agenda. Sustainably securing finance will be crucial in ensuring that the subregion recovers stronger and better from the pandemic. Public-private partnerships help to mobilize much-needed private investment while curbing investment risks to finance the Sustainable Development Goals and climate change mitigation actions. While the issuance of green, social and sustainability bonds has gained significant momentum, in particular in the Association of Southeast Asian Nations (ASEAN) countries with a record \$12 billion issued in 2020, the list of bond issuers remains uneven across the subregion while debt issuers are still facing institutional and capacity related challenges in issuing green, social or sustainable bonds. As a result, the potential of this market has yet to be fully exploited due to gaps in national capacity to issue these bonds.

61. With only eight years remaining to achieve the Sustainable Development Goals, strong global, regional and subregional partnerships are crucial for sustainable recovery from the pandemic and the implementation of the 2030 Agenda.

### 3. Opportunities to advance the Common Agenda

62. **Improve digital connection.** Digital connectivity has taken on a compelling new meaning for regional connectivity and in effectively using digital technologies to address the COVID-19 pandemic. Digital platforms have helped to maintain livelihoods and enabled the effective delivery of high value-added professional services that meaningfully use the Internet to build digital literacy and the transformation to digital societies. For several years, ESCAP has advocated accelerated investments in ICT infrastructure and broadband for all through its Asia-Pacific Information Superhighway initiative. The COVID-19 pandemic and the pressures it has put on congested networks has accelerated this need.

63. **Ensure sustainable financing.** The financial sector plays a key role in addressing climate change and the COVID-19 pandemic recovery efforts. Member States have stepped up their collective efforts to promote sustainable finance at the regional level. The Commission is working with member States to advance a sustainable finance agenda at the country and regional levels. Initiatives include building capacity on innovative and sustainable instruments such as green, social and sustainable bonds and attracting international investors to bonds issued by countries in the subregion.

64. **Boost partnerships.** The Commission plays a key role in fostering and strengthening cooperation at the national, subregional and regional level. As an intergovernmental platform, ESCAP supports member States and stakeholders to share knowledge, it provides technical support including capacity-building and facilitates sharing of good practices across the

subregion. Leveraging the role of regional frameworks and institutions, such as the Asia-Pacific Economic Cooperation and ASEAN, it promotes stronger linkages between policies, initiatives and frameworks for the effective and efficient advancement of development goals.

## **E. South and South-West Asia**

### **1. Progress in the achievement of the Sustainable Development Goals in the subregion**

65. The pace of progress of the South and South-West Asia subregion towards the Sustainable Development Goals has been less than adequate, as the subregion is not on track across all 17 Goals.<sup>6</sup> The baseline scenario in the subregion was marked by substantial gaps across most of the indicators, and the subregion accounted for nearly one third of the world's poor and food deprived populations and nearly half of the world's undernourished children. Challenges of the subregion include poverty-induced deprivations and inequalities in terms of access to basic infrastructure and services, including education, health, housing, clean energy and sanitation. South and South-West Asia is also one of the most disaster-prone regions globally, and recent years have been characterized by a rise in the incidence of climate change-related hazards.

66. The adverse socioeconomic impacts of the COVID-19 pandemic have escalated the challenges of implementation of the 2030 Agenda. The subregion experienced a negative GDP growth rate of about 6 per cent, severely affecting livelihoods and pushing millions back to poverty. In a report, the ESCAP secretariat observed that COVID-19 has triggered disproportionately larger impacts in the subregion.<sup>7</sup> With poorer resource bases, weak health infrastructure and services, and budget constraints limiting the extent and reach of public support measures, the crisis translated into much greater levels of socioeconomic distress compared to other Asia-Pacific subregions.

67. Prior to the onset of the pandemic, the subregion made good progress on Sustainable Development Goal 1 (No poverty), Goal 3 (Good health and well-being), Goal 4 (Quality education) and Goal 9 (Industry, innovation and infrastructure). Despite some progress on Goal 2 (Zero hunger), the prevalence of undernourishment, malnutrition and stunting among children remain acute challenges. More than 40 million under-5 children in the subregion, or 33 per cent, remain severely or moderately stunted – the highest rate among all Asia-Pacific subregions.

68. The subregion also needs substantial improvements on critical targets related to Sustainable Development Goal 5 (Gender equality), Goal 6 (Clean water and sanitation), Goal 7 (Affordable and clean energy) and Goal 10 (Reduced inequalities). Alarming, the subregion is found to be regressing on key Goals related to environmental sustainability, including Goal 13 (Climate action) and Goal 14 (Life below water), which may in turn have negative impacts on policy programmes for other Goals.

<sup>6</sup> ESCAP, “Asia-Pacific SDG gateway”, available at <https://data.unescap.org/data-analysis/sdg-progress#>. See also *Asia and the Pacific SDG Progress Report 2021*.

<sup>7</sup> ESCAP South and South-West Asia Office, *Achieving the SDGs in South Asia: An Integrated Approach to Accelerate SDG Progress and COVID-19 Recovery* (New Delhi, 2021).

## 2. Key outcomes, priorities and recommendations from the subregional forum on sustainable development

69. The fifth South Asia Forum on the Sustainable Development Goals, held in November 2021, called for integrating social, economic and environmental aspects of sustainability. This would require greater commitments in social sector spending in areas that are critical for improving living conditions, developing institutional capacities and strengthening the means of implementation, including resource mobilization.

70. In view of the emerging challenges in the subregion, the Forum identified five priority areas for action: (a) sustaining growth through economic diversification, particularly focusing on small and medium-sized enterprises and employment generation; (b) raising investments in the core social sectors of health and education; (c) expanding social protection, closing gender gaps and improving basic infrastructure; (d) ensuring food security, agriculture and rural development; and (e) investing in clean energy and environmental sustainability. The Forum also recommended increased fiscal stimulus packages, and the recovery measures must focus on employment creation, financial assistance for small and medium-sized enterprises and aligning programmes with the principles of green recovery.

71. While progress was made on mainstreaming the Sustainable Development Goals into national planning, progress is needed in terms of corresponding budgetary allocations, particularly in the light of COVID-19 recovery measures. Countries need to diversify and deepen development financing portfolios through an optimal mix of domestic and external sources, including broadening and deepening the tax base, reforming policies to attract foreign direct investment, facilitating private capital investments in development financing and using blended financing.

72. South and South-West Asian countries should adopt a whole-of-government and whole-of-society approach towards implementation, with better interdepartmental coordination and cooperation accompanied by robust outcomes-based monitoring and evaluation systems. Localization of the Sustainable Development Goals and greater and broader stakeholder participation were some of the priorities for inclusive approaches towards the Goals in the subregion. The Forum recommended greater participation of civil society in the processes for voluntary national reviews at national and regional levels to create greater buy-in for policy programmes for the Goals.

73. The South and South-West Asia subregion also needs to improve statistical systems for enabling better planning and monitoring processes. Investments in science, technology and innovation capabilities and digitization must be promoted as key enablers for implementation. Countries in the subregion with stronger capacities than others, such as India, may take the lead in promoting science, technology and innovation capacity development and training, as well as in research and development activities, including through common facilities, incentives and support. Steps must be taken to bridge the digital divide for effective delivery of education and other critical social services.

74. Assessing progress on Sustainable Development Goals 4, 5, 14 and 15, the Forum recommended investments in education with a focus on improving access to education services through digital platforms and skill development (Goal 4), adoption of broad-based gender-sensitive policies to address gender inequalities (Goal 5), and dedicated action plans to conserve marine and

terrestrial biodiversity and natural resources for environmental sustainability (Goal 14 and Goal 15).

75. The Forum called for enhanced regional cooperation in South and South-West Asia, including enhanced trade in goods and services and cross-border investment flows, sharing of good practices in public welfare programmes, collective regional actions to combat environmental risks and collaboration for development financing.

### **3. Opportunities to advance the Common Agenda**

76. To advance the Common Agenda on sustainable development in the South and South-West Asia subregion, programmes must aim to facilitate and support capacity-building, particularly focusing on areas of regional trade and economic integration, transport connectivity, women's empowerment, clean energy transition, climate-smart policies, disaster risk reduction, disability-specific social protection programmes and graduation from the category of least developed countries.

77. To advance subregional transport connectivity, ESCAP will support the operationalization of multimodal transport corridors in the subregion, building on past work in this regard. The activities will involve technical consultations with concerned officials and other stakeholders to identify connectivity bottlenecks and frame recommendations for promoting multimodal connectivity, integrating Asian Highway and Trans-Asian Railway networks and dry ports in the subregion and between the subregion and South-East Asia as well as Central Asia.

78. The Commission will continue to empower micro-, small and medium-sized enterprises led by women entrepreneurs through its capacity-building programmes on using e-commerce and digital marketing tools for advancing their businesses. The Commission endeavours to conduct national analytical studies on the state of women's economic empowerment in South Asia and to collaborate with the South Asian Association for Regional Cooperation (SAARC) Gender Policy Advocacy Group technical committee, the South Asian Women Development Forum and other relevant agencies to hold workshops and training on women economic empowerment.

79. In 2022, the subregional office of ESCAP for South and South-West Asia in collaboration with substantive divisions, subregional offices, regional institutions of ESCAP, government agencies, United Nations country teams, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the South Asia Network on the Sustainable Development Goals, think tanks and civil society organizations will provide policy advisory services and organize subregional capacity-building workshops tailored towards economic diversification and a smooth and sustainable graduation from the category of least developed countries for Bangladesh, Bhutan and Nepal.

80. Per capita greenhouse gas emissions in South Asian countries have been rising steadily, with a rising proportion of fossil fuels in the energy portfolio of the subregion. The ESCAP secretariat will conduct analytical exercises on the key challenges the subregion is facing in the transition towards clean energy, including technology and financing constraints. Policy recommendations emerging from the study will be used for capacity-building through workshops for policymakers and relevant stakeholders.



81. The COVID-19 pandemic has disrupted supply chains, trade and investment linkages, which severed the process of economic integration. The secretariat will conduct analytical studies and hold stakeholder meetings to identify the sectors where there is potential to form new regional and global supply chains in the post-COVID-19 scenario. The secretariat will also provide policy advisory services on the nature of economic cooperation required to safeguard health and the lives of people.

82. The countries of the subregion, in particular the least developed countries, face challenges in formulating policies to accelerate the implementation of the 2030 Agenda due to lack of statistical data and capacity for evidence-based policymaking. Building on the work done during 2019–2021, ESCAP will continue to engage South Asian think tanks, policymakers, SAARC, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation and other agencies to strengthen analytical capacities, facilitate subregional policy discussions and provide tailor-made training programmes and advisory services. The South Asia Network on the Sustainable Development Goals established by ESCAP will be mobilized and strengthened for promoting regional cooperation, including by improving the good practices database developed by the Network.

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

83. The Commission may wish to reflect on priority areas for accelerating the implementation of the 2030 Agenda and opportunities for advancing the Common Agenda in the subregions. The Commission may also wish to provide guidance to the secretariat on priority areas of work at the subregional and regional levels with a view to connecting efforts and strengthening cooperation among subregions.

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