ROYAL GOVERNMENT OF CAMBODIA
National Committee for ESCAP

ESCAP
Economic and Social Commission for Asia and the Pacific

Policy Dialogue: [ESCAP- National Committee for ESCAP]

"Boosting affordable and longer-term financing for Governments"

Monday, 15 July 2024
08.30 – 11.30 hours
Himawari Hotel, Phnom Penh

In-person event

Concept Note

A. Background

While developing Asia-Pacific economies have displayed resilient output growth in 2023, the lingering effects of the COVID-19 pandemic together with the war in Ukraine have had significant socioeconomic impacts. Job creation is subdued, the cost of living is high, and there are concerns regarding the rise in poverty and inequalities. At the same time, climate change and related natural disasters are increasingly disrupting economic activities and adversely impacting people's well-being.

As of 2023, the Asia-Pacific region reached only 17 per cent of the progress required to achieve the Sustainable Development Goals (SDGs) by 2030.[1] At the current pace, the region will only achieve all the 17 Goals by 2062 – marking a significant 32-year delay.

More public investments are urgently needed to promote inclusive, resilient and sustainable development in Asia and the Pacific. The latest UN analysis estimates that the annual SDG financing gaps range between $2.5 trillion and $4 trillion in developing countries worldwide.[2] Yet, the ability of governments to increase, or even maintain, developmental spending is constrained. Many governments are now paying more on interest payments than what they spend on education, healthcare and social protection combined.[3] In Asia and the Pacific, the risk of sovereign debt distress is also high in many countries, especially in the least developed countries and small island developing States, which already face sizeable development financing needs. Many governments in the region are also paying higher borrowing costs with shorter loan maturity period.

Developing Asia-Pacific countries need to strengthen their domestic resource mobilization strategies and macroeconomic fundamentals to reduce fiscal risks and borrowing costs. Yet, the tangible benefits of such policy efforts on fiscal and public debt positions may take years to materialize. Support from the international community is urgently needed in the meantime.

[1] ESCAP (2024). Asia-Pacific SDG Progress Report.
[2] United Nations (2024). Financing for Sustainable Development Report 2024. DESA.
[3] UNCTAD (2023). A world of debt.

To confront these development financing challenges, the United Nations Secretary-General launched the "*SDG Stimulus to deliver the 2030 Agenda for Sustainable Development*" in February 2023.[4] Together with reforms of the international financial architecture, it calls for immediate actions to cut government borrowing cost and make financing for governments longer term.

In this context, the 2024 edition of ESCAP's flagship publication *"Economic and Social Survey of Asia and the Pacific"* examines how countries in the region, donors, multilateral development banks and credit rating agencies can boost the availability of affordable and long-term financing for Governments.[5] The report also provides an analysis on the fiscal implications of global megatrends, especially demographic shifts, climate change and environmental degradation, and rapid technological advancements.

B. Objectives, structure and participation

This policy dialogue is jointly organized by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and the National Committee for ESCAP. The event aims to discuss ideas on policy issues and actions to reduce the cost of government borrowing and to increase the supply of long-term capital for development purposes. The discussion could include interconnected issues of macroeconomic prospects, challenges and policy options in the context of Asia and the Pacific.

Among others, participants include government ministries (especially those working on fiscal and public debt issues), central banks, academic institutions, think-tanks, international development partners, and private sector representatives (especially financial institutions and credit rating agencies). The event will be conducted in English.

The final version of the concept note (including the programme), presentation slides and other materials relating to this policy dialogue, is available on ESCAP *Survey* 2024 website.

C. Contact persons

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D. Tentative programme

Monday, 15 July 2024	
08:30 - 09:00	**Registration and Refreshments**
09:00 - 10:00	**Session 1: Opening and Context Setting** *Event moderator* ○ H.E. Dr. Korm Ribaun, Secretary-General for the National Committee for ESCAP *Remarks/Presentation*

[4] www.un.org/sustainabledevelopment/wp-content/uploads/2023/02/SDG-Stimulus-to-Deliver-Agenda-2030.pdf
[5] The full report and other outreach materials are available from: https://www.unescap.org/kp/2024/survey2024

	○ Remarks by Mr. **Hamza Ali Malik**, Director, Macroeconomic Policy and Financing for Development Division, ESCAP ○ Remarks by Ms. **Alissar Chaker**, Resident Representative, United Nations Development Programme (UNDP) in Cambodia ○ Keynote Address by H.E Dr. **Ly Thuch**, Senior Minister and President of the National Committee for ESCAP
10:00 – 10:15	**Session 2: Presentation** A presentation on "Boosting affordable and longer-term financing for Governments in Asia and the Pacific" ○ Mr. **Shuvojit Banerjee**, Macroeconomic Policy and Financing for Development Division, ESCAP
10:15 - 11:00	**Session 3: Panel discussion** This session brings together diverse experts and stakeholders to share ideas on how governments in Asia and the Pacific and international development partners can work together to boost affordable and longer-term financing for Governments. 1. H.E Mr. **Theng Pagnathun**, Delegate of the Royal Government of Cambodia, in charge of Director General of Planning, Ministry of Planning 2. Dr. **Ivan Gonzalez de Alba**, Senior Economist, UNDP Cambodia 3. Mr. **LONG Chantola**, Acting Director, Monitoring and Evaluation Department under the General Department of Budget, Ministry of Economy and Finance 4. Mr. **LONG Vibunrith**, Deputy Director General, National Bank of Cambodia 5. Mr. **Shuvojit Banerjee**, Macroeconomic Policy and Financing for Development Division, ESCAP
11:00 – 11:25	**Session 4: Discussion and Q&A**
11:25 - 11:30	**Closing**
11:30 -	**Lunch**