3rd Asia-Pacific Forum for South-South and Triangular Cooperation: 
The Role of South-South Cooperation in Building Back Better from COVID-19 Pandemic in Asia and the Pacific

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Abstract

Prepared as the background document for the 3rd Asia-Pacific Forum for South-South and Triangular Cooperation, this report examines the role of South-South and triangular cooperation in building back better from the COVID-19 pandemic in Asia and the Pacific. The report is structured around three sections. The first section provides an overview of where the region currently stands in terms of socio-economic impacts of COVID-19 in Asia-Pacific.

The second section provides examples of the South-South and triangular cooperation actions undertaken by the United Nations, including ESCAP, regional and subregional organizations and countries in Asia and the Pacific to respond to and start recovering from the pandemic. The third section examines ways to accelerate recovery and resilience for all, bringing forward five recommendations for follow-up actions.

Keywords: South-South, Triangular, Cooperation, Socio-economic, Pandemic, Covid-19, Asia, Pacific
1. COVID-19: Where we currently stand

The coronavirus virus (COVID-19) pandemic has rapidly evolved and disrupted lives, livelihoods, communities and businesses worldwide. Almost every day, case numbers are increasing, with the World Health Organization reporting, as of 3 November 2020, over 47 million confirmed cases across the globe, including over 1.2 million deaths (https://covid19.who.int).

With almost two thirds of the world’s population living within Asia and the Pacific, these shocking figures could have reached alarming levels during the early-to-mid stages of the pandemic if many countries within the region didn’t take the necessary containment actions of locking down their social and economic activities. Timely and relevant measures have prevented the virus from spreading as rapidly and broadly among the population, compared to other parts of the world.

Nonetheless, as we all live in a global economy, with numerous webs intricately intertwined between health, economic, and social streams, the global spread of COVID-19 has ultimately inflicted real suffering for people across Asia and the Pacific. The successful containment measures implemented by countries within the region were still not impervious to the pandemic’s global shock waves. As the Secretary-General of the United Nations António Guterres said, “By addressing the initial health crisis, we have inadvertently created an economic crisis, a humanitarian crisis, and a security crisis.”

Collectively, these social and economic shocks have spread across every corner of the region, leaving no country or community spared. The unavoidable consequence has been a disproportionate impact on the most vulnerable groups of populations.

Another major consequence coming from implemented containment measures is interrupted production, transport, and distribution, especially for products made by a single source or reliant on complex supply chains. Freight consolidation, lean inventories, and just-in-time delivery, which were hallmarks of existing regional supply chains, suddenly became weaknesses as a result of these disruptions.

The World Trade Organization\(^1\) suggests transport and travel costs have the highest potential to make the most significant impact on international trade amid the pandemic. These costs account for 15% of trade costs in agriculture, 19% in goods-related services, such as retail and wholesale, and about 31% in manufacturing trade. Additional customs and health inspections, reduced hours of operation, road closures, border closures, prohibitive transport costs, could lead to an increase in trade costs of 25%, given the scale of the impact and the severity of such containment measures.\(^2\) Further economic pressure resulting in the global response to the

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pandemic has led to half the global workforce at risk of losing their jobs, with almost 59% of full-time jobs being wiped out within the Asia-Pacific region over the last two quarters of 2020.\(^3\) Furthermore, those who can still work are witnessing their incomes decline by more than 10% in the region, with the total working-hours lost for the second quarter increasing to 15.2%, or 265 million full-time equivalent (FTE) jobs. The negative trend is slowly stalling for the region, with this figure expected to gradually decrease to 7.3% in the fourth quarter.\(^4\) However, the region’s youth has also been deeply impacted, with a projected 10-15 million people aged between 15-24 years old being at risk of losing their jobs by the end of this year.\(^5\)

Augmenting the dramatic decrease in tax revenues once generated by a healthy workforce, government expenditures have skyrocketed due to the immediate economic and policy initiatives created to address the pandemic. This squeeze is compounded by catastrophic contractions of up to 40% in foreign direct investment and up to 20% in trade for Asia and the Pacific\(^6\). Countries, individually and together, reacted swiftly to the crisis, with a fiscal response of more than US$11.5 trillion globally, as of the end of August 2020. However, just 2.5% of this global fiscal stimulus is accounted for by developing and emerging economies, which have the greatest need, least resources, and weakest capacities for addressing the crisis of such magnitude.

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\(^3\) https://www.downtoearth.org.in/news/economy/covid-19-400-mln-jobs-lost-in-q2-2020-says-international-labour-organization-72086
2. From response to recovery: Building back better from COVID-19

As Asia and the Pacific transitions to recovery from COVID-19, countries developing and implementing recovery measures need support in adjusting and improving their policies and plans. The situation seems dire and the stakes are high. The nature of the pandemic will not allow countries to simply transition to a full-scale recovery, instead, a rebound from recovery to response phase is expected for a certain period of time until the immunization is in place.

Pandemics push us to think outside of the box, or in this case, outside the typical emergency management cycle. In other words, while four phases to reduce the impact of a natural hazard – preparedness, response, recovery, and mitigation – are principally linear, the response and recovery phases for a pandemic are essentially non-linear. This poses extreme difficulties for all countries throughout the globe to combat the pandemic effectively and consistently (i.e. current spikes in the United States and Europe). Especially for developing countries, it has been almost impossible to do it alone.

Partnerships and socio-economic collaborative efforts are needed to ensure the vulnerable and disadvantaged segments of the populations are assisted first and not left further behind. North-South, South-South and triangular cooperation among countries would be needed to successfully address the challenges posed by the pandemic. In this global effort, the role of the United Nations, globally, regionally and at the country level is crucial. Similarly, the role of regional and sub-regional intergovernmental organizations of countries of the South will also play a key role. Most important is the role of the countries themselves. They would not only need to implement policies but also actively contribute to North-South, South-South, and triangular cooperation.

This paper focuses on South-South and triangular cooperation. With the positive results countries in Asia and the Pacific have generally made in responding to the pandemic, and the fact that several countries are in the process of testing vaccines for COVID-19, the time has now come to transition from formulating a response to the COVID-19 pandemic to one of recovery and building back better.

2.1 United Nations and other multilateral institutions in Asia and the Pacific

Leading the way for all countries is the Secretary-General’s position report, United Nations Comprehensive Response to COVID-19: Saving Lives, Protecting Societies, Recovering Better (September 2020), which discusses the UN’s following three-point comprehensive response to COVID-19:

Health Response: Guided by WHO and the Strategic Preparedness and Response Plan, the UN health response sets out to control the virus, support the development of a vaccine, diagnostics and treatment, and strengthen preparedness, with a focus on whole-of-society responses, solidarity with developing countries and special attention to people at greatest risk.

Safeguarding lives and livelihoods: Addressing the devastating socio-economic and humanitarian aspects of the crisis, the UN undertakes a wide-ranging effort to safeguard lives and livelihoods. With strong emphasis on supporting the most affected and least resilient, 

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7 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7214278
the UN has pushed for a comprehensive stimulus package amounting to at least 10% of global GDP and massive support to developing countries.

A Better Post-COVID-19 World: Guided by the 2030 Agenda for Sustainable Development, the UN envisages a recovery process that pursues a better post-COVID world by addressing the climate crisis, inequalities, exclusion, gaps in social protection systems and the many other fragilities and injustices that have been exposed.

This paper will further expand upon the last pillar of the UN's response, *A Better Post-COVID-19 World*, where the United Nations, and its global network of regional and country offices, including ESCAP, will support all governments to ensure that the regional economy and the people they serve emerge ultimately stronger by building back better.

Recovery is an opportunity to address inequality, exclusion, gaps in social protection systems, the climate crisis, and the many other fragilities and injustices that have been exposed. Instead of going back to unsustainable systems and approaches, the United Nations calls for a transition to renewable energy, sustainable food systems, gender equality, stronger social safety nets, and universal health coverage. The focus of socio-economic recovery strategies should be to accelerate the achievement of the 2030 Agenda and sustainable development. Coming out of the COVID-19 crisis will require a “whole-of-society, whole-of-government and whole-of-the-world approach” fueled by compassion and solidarity.

**ESCAP Framework: Socio-economic Response to COVID-19**

ESCAP, the UN’s most inclusive regional intergovernmental platform, has answered the call by taking guidance from the global UN Framework for the Immediate Socio-economic Response to COVID-19 and crafted a regional framework of its own; *Socio-Economic Response to COVID-19: ESCAP Framework*. The above report outlined ESCAP’s framework of support to member States as they respond to the socio-economic impact of the pandemic in the region. To ensure consistency of support from the UN system to its member States, ESCAP’s proposed framework is appropriately aligned with the UN’s global framework and covers several similar socio-economic dimensions.

ESCAP’s Framework revolves around four main building blocks to bring value addition to member States, but also promotes recovery to build back better effectively and efficiently:

- Protecting and investing in people and enhancing resilience of societies and communities, especially women and vulnerable groups of population, through strengthening social protection, improving access to health systems and basic services, and enhancing resilience and emergency preparedness
- Supporting sustainable and inclusive economic recovery through fiscal and monetary stimuli in line with the 2030 Agenda for Sustainable Development and the Paris Agreement
- Restoring and building resilience in supply chains and supporting SMEs, through regional and sub-regional coordination on trade and investment, transport, and digital connectivity
- Building back better through more environmentally friendly and cooperative societies, by embedding resilience, inclusiveness, and sustainability considerations into policy responses.

The Framework encourages countries to seize the opportunity and the disruptions of this crisis to accelerate progress towards meeting the 2030 Agenda. In addition, the Framework promotes forging regional and sub-regional cooperation efforts and solutions across the four broad areas, and in line with the priorities of the Regional Roadmap for Implementing the 2030 Agenda for Sustainable Development in Asia and the Pacific.9

ESCAP has also developed a regional COVID-19 Policy Tracker. Through this online portal,10 member States and leaders can learn from the experiences and best practices of other countries within the region. This form of knowledge sharing and displaying lessons

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10 https://www.unescap.org/covid19
learned is a hallmark of South-South and triangular cooperation and can greatly enhance a particular developing country’s COVID-19 recovery development.

ESCAP is also providing additional recovery solutions via its high-profile online platform *Regional Conversation Series on Building Back Better* in connection with COVID-19 applications. The aim is to bring together member State representatives and diverse groups of eminent personalities to share their insights and experiences, inspire actions and advocate solutions on how Asia and the Pacific could build back better post-COVID-19 pandemic through regional cooperation. ESCAP held six such regional conversations in this series covering technology and ICT, fiscal and monetary stimuli, climate change and air pollution, supply chains and connectivity, social protection and shaping the future together. It has also worked with sub-regional organizations across Asia and the Pacific to discuss collaboration on helping member States recover from the pandemic.

ESCAP has also developed a “Macroeconomic Model to Build Back Better” to support the design of economic recovery packages for countries in the Asian and the Pacific region. The model offers insights into how countries can build resilience post-COVID-19, while enhancing sustainability along economic, social and environmental dimensions. It allows for analysis of 58 countries and territories in the Asia-Pacific region that are systematically monitored by ESCAP. The model provides a “country overview”, illustrating key factors that are expected to affect the impact of the crisis on the economy, putting this into a regional and global context. These include measures of the spread of the pandemic, the country’s exposure to external shocks, the stringency of measures that have been required to contain the pandemic, the industrial structure of production and trade, social conditions, and the policy backdrop.

**United Nations Office for South-South Cooperation: Regional initiatives in Asia and the Pacific**

UNOSSC (hosted by the United Nations Development Programme) is the main entity of the UN to promote, coordinate and support South-South and triangular cooperation globally and within the UN system. Since the onset of the COVID-19 pandemic, UNOSSC has facilitated the spirit of empathy, solidarity, and cooperation in the Global South at both global and regional levels. This has been accomplished through compiling and assessing needs in the Global South, facilitating connections, sharing knowledge and best practices, and urging strong international solidarity and support among governments and people as countries jointly respond to the pandemic.

Through its Cities Alliance project, UNOSSC successfully mobilised personal protective equipment (PPE) and other medical supplies to developing countries in the Asia-Pacific region. The India-UN Development Partnership Fund and the India, Brazil and South Africa Facility for Poverty and Hunger Alleviation (IBSA Fund), both managed by UNOSSC, have also supported COVID-19 responses through various projects focusing on increasing national healthcare capacities, reducing risk of transmission, mitigating socio-economic impact and catalysing transformative recovery in the region.

Before the 2020 United Nations Day for South-South Cooperation, in August 2020, the UNOSSC Regional Office in the Asia-Pacific region launched a survey targeted at 30 countries in the region. The survey sought data from the countries on their priorities to recover from the pandemic in terms of public health, economic and social impacts, as well as their prime concerns in responding to COVID-19.

The survey results revealed that all participating countries in the region had taken part in supporting or receiving assistance from other countries in the Global South. The regional elements of South-South cooperation were apparent from countries in the region stating that their support was given to neighbouring or other countries in the region.

The survey also sought country views regarding what recovery from the impact of the COVID-19 epidemic pertaining to public health, economy, and social environment should look like. The most common response was a need to develop

11 https://www.unescap.org/regional-conversation-2020
regional emergency response measures.

When countries were asked how they can best support each other to recover from the pandemic, they evenly listed “cooperation through trade, concessional and grant financing, debt relief,” “joint planning and implementation of recovery plans,” “sharing data,” and “deploying experts” as being the most important elements to recover from the pandemic.

Respondents also indicated several priorities that can be supported through international help and South-South cooperation, such as (i) provision of essential health supplies, including COVID-19 testing equipment; (ii) granting debt relief and concessional finance to ensure developing countries have enough fiscal resources; (iii) supporting the development and implementation of green recovery plans; and (iv) removing technological barriers to speed digital transformation.

Another useful tool UNOSSC has utilized during the pandemic is its South-South Galaxy knowledge sharing and partnership brokering platform. This invaluable mechanism has provided the timely opportunity for Southern partners to access a broad range of knowledge, solutions, research, partners and capacity building initiatives, including latest COVID-19 best practices and solutions in the region.

UNOSSC’s Asia-Pacific regional office has organized a webinar series with the focus on supporting SMEs in response to COVID-19 pandemic in region. Further work in this area is envisaged with interested Member States and other partners.

**United Nations Regional Collaborative Platform**

The Asia-Pacific Regional Collaborative Platform (RCP) is an internal platform for inter-agency collaboration that emerged from the UN development systems reform, bringing together the previous structures of the Regional Coordination Mechanism and the Regional UN Sustainable Development Group. RCP strives to support coherence and effectiveness of the work carried out by the United Nations at the regional level. It is structured around Issue Based Coalitions (IBCs) that bring together multiple agencies to coordinate the UN response to cross-cutting challenges and synergize response. The RCP and its IBCs also substantively support UN Resident Coordinators and UN country teams in Asia and the Pacific.

The COVID-19 pandemic has been the central focus of several initiatives pursued by the RCP. For example the IBC on Climate Change Adaptation and Building Resilience, which is co-lead by the United Nations Development Programme (UNDP) and the United Nations Office for Disaster Risk Reduction (UNDRR), prepared a report on lessons learnt from past disasters in Asia and the Pacific. This report was shared with UN agencies as well as UN country teams in Asia and the Pacific.

Similarly, the IBC on Inclusion and Empowerment, which is co-chaired by the International Labour Organization (ILO) and the United Nations Children’s Fund (UNICEF) prepared a policy brief on responses on social protection in the context of COVID 19. In addition, the IBC on Human Mobility and Urbanization, co-chaired by IOM and UN Habitat is preparing a study on the impact of COVID-19 on regional and sub-regional migration patterns in Asia and the Pacific.

**Asian Development Bank (ADB)**

The Asian Development Bank (ADB) has dedicated over US$20 billion to numerous regional and country-specific recovery from COVID-19 initiatives. ADB will work with developing members to secure more diversified value and supply chains, and to promote regional public goods for better collective prevention of disease outbreaks, mitigation of climate change impacts, and enhancement of the regional financial safety net. ADB also plans to strengthen investments in health, education, and social protection, accelerate its efforts to tackle climate change, invest in information technology and data for health and education, financing for MSMEs, and remote work. At the same time, it plans to also address the digital divide and cyber security, strengthen domestic resource mobilization through international tax cooperation, support the efforts of its developing members to secure vaccines, and to formulate strategies for equitable delivery.

13 https://www.southsouth-galaxy.org
Asian Infrastructure Investment Bank (AIIB)

AIIB has created a Crisis Recovery Facility to support AIIB’s members and clients in alleviating and mitigating economic, financial and public health pressures arising from COVID-19. Available until October 2021, the Crisis Recovery Facility will offer up to US$13 billion of financing to both public and private sector entities in any AIIB member facing, or at risk of facing, serious adverse impacts as a result of COVID-19. The Facility is designed to be flexible and adaptive to emerging demand. This includes financing of immediate health sector needs, financing to supplement government productive expenditures to support the social and economic response and recovery, and to address liquidity constraints for clients in infrastructure and other productive sectors.

2.2 South-South and triangular cooperation and support for country level actions

Countries in Asia and the Pacific have undertaken several measures to promote recovery from COVID-19. Many of these measures are listed in the ESCAP’s COVID-19 Policy Response Tracker under four broad thematic areas: protecting and investing in people and enhancing resilience of societies and communities; supporting sustainable and inclusive economic recovery through fiscal and monetary stimuli in line with the 2030 Agenda for Sustainable Development and the Paris Agreement; restoring and building resilience in supply chains and supporting SMEs; and by building back better through more environmentally friendly and cooperative societies. Some of these measures are highlighted below to illustrate the wealth of experience that countries of Asia and the Pacific have accumulated. These experiences provide an ideal opportunity to learn from each other through South-South cooperation.

In addition to containing the virus and protecting health workers, almost all countries of the region instituted measures to support vulnerable population groups by direct allowances, including rent relief; ensured food security by ensuring that farm to market or sea to market supply chains were resilient; subsidized employment generation; initiated investments in the economy, including infrastructure projects; supported SMEs through subsidies and loans; and promoted domestic tourism, once the spread of COVID-19 was controlled. Some countries initiated policies that focused on building back better by increasing health coverage for all, reducing digital divide, protecting the environment, and retraining youth for future technology-based employment.

In addition to ensuring the well-being of their own citizens, many countries reached out to provide assistance to others. For example, the China International Development Cooperation Agency (CIDCA) initiated assistance in the health sector by providing grants and loans to several countries to respond and recover from the epidemic. India worked with SAARC to establish the SAARC COVID-19 Response Fund, and also shared its Electronic Vaccine Intelligence Network (eVIN) technology with Indonesia. The eVIN initiative was rebranded as SMILE in Indonesia and has made the vaccine supply chains more efficient throughout the country. Kazakhstan, through its Regional Hub of Civil Service, convened several online exchanges to share experiences and lessons learned from responding to the pandemic, focusing on the current best practices to recover.

Thailand provided necessary medical equipment for laboratory use and patient care to other countries through Public-Private Partnership (PPP). In particular, Thailand International Cooperation Agency (TICA), Ministry of Foreign Affairs, developed the Post COVID-19 Development Cooperation Policy and Direction to promote ‘security’ and ‘resilience’ in this region through various forms of activities. Together with other relevant line agencies, TICA initiated a Development Cooperation Programme on Strengthening Preparedness and Response to Pandemic of COVID-19 for the neighbouring countries. The objective of this programme is to share experiences and transfer knowledge on COVID-19 through a cross-border medical networking system. TICA also developed an online Knowledge Bank on COVID-19 and shared it with countries in and beyond the Asia-Pacific region.

Indonesia pledged to boost political solidarity among developing countries and translate it into concrete cooperation to fight COVID-19. Indonesia is actively cooperating with other
developing countries in the recovery of global supply chains for trade in health products and food needs. Indonesia is also committed to improve global health governance so that countries will be better prepared to handle the pandemic in the future.

Japan pledged to expand support to developing countries in and beyond the Asia-Pacific region. For example, Japan is working with ASEAN on the establishment of a regional centre for public health and emerging diseases. Japan will also implement a COVID-19 Crisis Response Emergency Support Loan of up to US$4.5 billion over a two-year period.

The Republic of Korea provided US$100 million worth of assistance to more than 100 countries in order to combat COVID-19. Furthermore, it introduced the COVID-19 Comprehensive Rapid Response Program supporting the expansion of health-care facilities and capacity-building of health professionals in order to strengthen the health systems of partner countries. The Korea International Cooperation Agency (KOICA) introduced its Agenda for Building Resilience against COVID-19 (known as the “ABC Program”) through development cooperation as their COVID-19 response mechanism to help other developing countries in the region.

These are just some of the examples of South-South cooperation actions countries have taken to respond to and build back better from COVID-19. These examples and more can be found on the ESCAP COVID-19 Policy tracker and the South-South Galaxy portals.

2.3 Actions by sub-regional intergovernmental organizations

In addition to taking individual steps, countries of the region have also taken collective measures through sub-regional intergovernmental organizations.

The Association of Southeast Asian Nations (ASEAN) covers 10 countries, 650 million people, and a combined GDP of US$2.8 trillion. It has played a central role in Asian economic integration, signing six free-trade agreements with other regional economies and helping to spearhead negotiations at the Regional Comprehensive Economic Partnership (RCEP). The RCEP will end up being the world’s largest trade agreement recovery process from COVID-19 to include the promotion of women, peace, security, and preserving biodiversity. In addition, in the spirit of South-South cooperation, ASEAN has created several of the following innovative knowledge and information-sharing mechanisms to simultaneously respond to and recover from the COVID-19 pandemic in order to meet the unpredictable fluctuations in economic, social, and health conditions of the region: ASEAN Emergency Operations Centre Network for public health emergencies (ASEAN EOC Network); ASEAN BioDiaspora Virtual Centre (ABVC); Regional Public Health Laboratories Network (RPHL); ASEAN Risk Assessment and Risk Communication Centre (ARARC); and ASEAN Health Sector Cooperation Platforms and Mechanisms. Like SAARC, ASEAN has also initiated a COVID-19 ASEAN Response Fund.

At its 37th Summit held earlier this month, ASEAN Member States adopted the ASEAN Comprehensive Recovery Framework. The framework adopted five broad strategies, namely: Enhancing Health Systems; Strengthening Human Security; Maximising the Potential of Intra-ASEAN Market and Broader Economic Integration; Accelerating Inclusive Digital Transformation; and Advancing Towards a More Sustainable and Resilient Future. These resonate well with the strategies adopted by ESCAP and the UN system in Asia and the Pacific. In addition, the Summit ASEAN also adopted the ASEAN Strategic Framework for Public Health Emergencies as well as the ASEAN Declaration on an ASEAN Travel Corridor Arrangement Framework.

South Asian Association for Regional Cooperation

The South Asian Association for Regional Cooperation (SAARC) created the SAARC Coronavirus Emergency Fund for the South Asian subregion, pledging over US$18 million to assist its member countries in quickly and effectively responding to the negative impacts of COVID-19. SAARC had also solidified historic agreements between its member countries, adopted international travel bans, enforced strict lockdowns, announced special economic packages, and banned all religious gatherings to battle the pandemic, earning them a praise from the World Bank for their quick response.

The SAARC Development Fund raised a US$7.7
million grant for a COVID-19 project for SAARC Member States. Ministries of the eight Member States will enhance ICU and isolation facilities in regional health centres, provide equipment, strengthen surveillance, and raise health awareness targeted towards people living in poverty and disadvantaged. It will also devise prevention and response strategies for any COVID-19 second wave or future pandemics.

Pacific Islands Forum

In response to COVID-19, leaders of the Pacific Islands Forum (PIF) invoked the Biketawa Declaration, a framework developed in 2000 for coordinating responses to regional crises. The Biketawa Declaration recognizes that, in times of crisis, all actions must be taken on the basis that Pacific countries are an extended family of island nations. The Forum also established and operationalized the Pacific Humanitarian Pathway on COVID-19. In its efforts to promote recovery among its members, the Forum has prioritised infrastructure development and digitization and e-commerce as vital for rebuilding resilient economies moving forward.

Their first major step was to implement the Pacific Humanitarian Pathway on COVID-19 (PHP-C), which was launched on 7 April 2020. With the assistance of the United Nations and additional funding provided by the United States, the PHP-C has continued to perform as the key regional cooperative response and recovery mechanism to facilitate the delivery of medical supplies and food, enhancing emergency telecommunications systems, and opening commercial air service to take pressure off supply chains.

Pacific Islands Development Forum

The call for the Pacific Island Development Forum (PIDF) was endorsed by Pacific Island Leaders at the 2012 “Engaging with the Pacific” meeting held at Nadi, Fiji. The Official Communiqué recorded that the leaders, “Endorsed the convening of the Pacific Islands Development Forum for the purpose of engaging leaders from key sectors in implementing green economic policies in SIDS...” The PIDF Charter directs the Secretariat, as one of PIDF’s functions, to “serve as the Pacific regional counterpart for the South-South groupings and other regional and international arrangements that focus on sustainable development and especially poverty eradication in Pacific islands to ensure policy and coherence at all levels.” PIDF has conducted several activities with its partners to help its members address challenges posed by COVID-19. This includes organizing an online training on “Making Cities Resilient: Developing and implementing local disaster risk reduction strategy to respond to COVID-19 and to better prepare for the future.” Similarly, to cope with global threats posed by pandemics like COVID-19 that exacerbate the ongoing impacts of climate change on the most vulnerable nations, particularly in Pacific Island Countries (PICs), PIDF and UNDP jointly initiated a project on solar energy.

Shanghai Cooperation Organisation

To promote recovery from COVID-19, the Shanghai Cooperation Organisation (SCO) is working towards expanding multilateral trade and economic cooperation, primarily in the field of transport and logistics, infrastructure, scientific research, technology and innovation. The new Action Plan for 2021-2025 calls for increased collaboration on financing for development towards greater regional economic integration. In light of COVID-19, the focus would be on the growing role of digital technologies and effective application of IT including e-commerce, economic opportunities for youth, including establishing youth business incubators, and start-ups engaged in digital innovation and promoting investment and recovery of SMEs. It has also emphasized the central role of sustainable development in the region on the basis of equal partnership in order to improve the quality of life in all its member States.

Asia-Pacific Economic Cooperation

Similarly, the Asia-Pacific Economic Cooperation (APEC) developed several policy papers and held online forums that promoted the further digitalization of MSMEs and the importance of a robust digital connectivity to promote economic participation, drive inclusive growth, create a more contactless and cashless economy, and to build resilience. APEC economies should foster the development of more secure, accessible and affordable digital infrastructure for all and of free and secure flows of data across borders. Furthermore, APEC calls for maintaining the central role of trade in economic recovery by refraining from imposing new trade and
investment barriers. Members of APEC have also committed to putting women and girls at the centre of economic recovery efforts by creating opportunities that can further unlock their potential, remove barriers, and better drive economies towards a swift, inclusive and sustainable recovery.

APEC has stressed the importance of trade playing a central role in economic recovery and APEC economies must collaboratively plan for the re-opening of borders. APEC proposes the establishment of a temporary APEC coordination body to provide guidance for the orderly re-opening of borders and development of quarantine protocols. This body would collaborate, share information, and evaluate available data against agreed criteria that would enable all APEC economies to assess when and how to open borders and fully and safely reconnect with other economies.
3. Recovery and resilience for all

While COVID-19 has disrupted the region’s economies and societies, it has also provided opportunities to develop more inclusive, equitable and environmentally sustainable economies and societies. Managing the socio-economic consequences of these new economies might lead to perceived trade-offs between “better recovery” and “quick recovery”. COVID-19 requires a massive socio-economic recovery effort. Numerous actors within the region are in the process of setting up plans to mitigate negative consequences and working on mid- and long-term recovery plans. It is very clear from the beginning that the recovery process requires vast amounts of financial resources (i.e. debt relief, continued stimulus packages, and development). Additionally, many other countries, especially low-income countries, will need significant external support through South-South and triangular cooperation in finance, technologies, and knowledge.

3.1 Recommendations for follow-up actions

As outlined in this report and through the numerous virtual dialogues, seminars and other meetings, countries of Asia and the Pacific have expressed their commitment to solidarity and cooperation. To ensure a sustainable recovery and building back better from the pandemic, these need to be translated into concrete platforms to learn from each other and to build strategic partnerships. To carry the momentum forward, the following actions are suggested to promote South-South and triangular cooperation.

(i) **Strengthen health emergency systems and resources and cooperation on social protection at the sub-regional levels**

Information on future pandemics needs to be shared as quickly as possible, including public health measures to manage its spread. While such systems have been established under the auspices of WHO, they need to be strengthened further, and capacities of developing countries to track and report on public health emergencies needs to be strengthened through South-South cooperation.

Not all countries in the region have the financial and human resources to manage health and pandemic emergencies and will need help from other countries. This could be done through a collective commitment of funds to the WHO’s COVID-19 Solidarity Response Fund or through the expansion of the coverage of subregional public health emergency funds. Lessons learnt from the COVID-19 ASEAN Response Fund and the SAARC Coronavirus Emergency Fund could be considered to create or strengthen such funds in other subregions.

There is a need for stronger subregional cooperation on social protection. The ASEAN region is leading by example through a blueprint that is advancing closer collaboration on social protection. The United Nations, academia, social partners, and civil society need to work more closely with policymakers to build the evidence base, identify good practices and advocate for the positive impact social protection has on families, economies, and societies; the benefits would far exceed the investments.

(ii) **Strengthen cooperation on increasing regional resources for fiscal and monetary stimuli**

Large, targeted and unconditional fiscal stimuli are often crucial to effectively respond to pandemics. Increasing public spending on health facilities and services to meet the challenges of controlling a pandemic is crucial. To this end, budgetary positions require flexibility in coming up with needed resources. Similarly, recovery phases also require extensive public
expenditures and investments. All such measures need fiscal space and may lead to increases in budget deficits and public debt. While the region as a whole has ample fiscal space, some countries have high budget deficits and debt management challenges. Regional coordination in this area could provide considerable relief to such countries. In this connection, an expansion of bilateral currency swaps among central banks of the region can provide much needed liquidity. Such measures could be coordinated with IMF and regional multilateral banks such as ADB and AIIB.

(iii) **Support intergovernmental agreements that ensure trade and investment, transport and ICT connectivity and resilience of trade and supply chains**

To ensure resilience of supply change and transport and connectivity systems it is important to add such elements to already existing regional agreements in Asia and the Pacific, such as the Asian Highway Network, Trans-Asian Railway Network, and the Dry Ports Agreement and the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia-Pacific.

During the COVID-19 pandemic multiple digital divides were clearly visible. To ensure that no one is left behind and that sustainable and technology and innovation-based recovery occurs faster, it is crucial to achieve the Asia-Pacific Information Superhighway initiative. This would lead to universal safe, affordable, and reliable access for all by 2030.  

Furthermore, regional trade pacts need to avoid trade bans on key product categories in times of global and regional shortages. Unfortunately, over 60 countries since March 2020 introduced export curbs on key medical supplies which disrupted economies and cost lives. Such provisions in regional trade pacts among developing countries for emergencies with complementary production structures may serve as a cushion and guarantee uninterrupted access to key products and medical supplies.

(iv) **Build partnerships to address transboundary environmental issues**

Building back better means ensuring the economic, social and environmental dimensions are incorporated in recovery policies and action plans. Such recovery and build-back-better plans should focus on accelerating achievements of the 2030 Agenda for Sustainable Development. It also means that countries of Asia and the Pacific need to work together to address transboundary issues in their efforts to build back better. Some of these issues include air pollution, protection of marine environments and other shared eco-systems.

(v) **Enhance South-South Cooperation among countries of Asia and the Pacific by strengthening mechanisms for sharing experiences among state and non-state actors in building back better**

The strengthening of existing networks, communities of best-practices, and knowledge platforms among different stakeholders are crucial in promoting South-South and triangular cooperation. If such networks, communities, or platforms do not exist they need to be created in order to effectively and efficiently build back better.

Analysis and sharing of good practices is also important in this regard to ensure transferability of information, experience, skills and lessons learnt. Such practices may include local innovations and lessons to either accelerate responses to the rapid spread of a pandemic or help mitigate its effects and strategies and approaches to build back better.

In this context, it is vital to further update, expand, and strengthen ESCAP’s COVID-19 Policy Tracker and UNOSSC’s Galaxy platform. Moreover, linkages and synergies between the two platforms need to be further developed and enhanced.

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3.2 Conclusion

This pandemic has offered the region a rare opportunity to embrace and accelerate the achievement of the 2030 Agenda. It has also provided an opportunity to strengthen South-South and triangular cooperation. While the North-South cooperation model remains important, as seen in this paper, South-South cooperation has resulted in some innovative solutions in responding to and recover from COVID-19.

Countries of the Asia-Pacific region need to work together to build upon their achievements in realizing productive, sustainable and equitable economies and societies that protect the health and well-being of all, preserve the natural and marine environment, and build resilience to future crises. The region must build back better and become more resilient and unified to address future crises and pandemics.