

ECONOMIC AND SOCIAL SURVEY  
OF ASIA AND THE PACIFIC

2013

# FORWARD-LOOKING MACROECONOMIC POLICIES

FOR INCLUSIVE AND SUSTAINABLE DEVELOPMENT

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## FOREWORD

While the Asia-Pacific region has weathered the financial crisis better than many other parts of the world, there is an urgent need to adapt macroeconomic policies to address the challenges of sustainable development and assist the poorest and most vulnerable.


That means complementing the emphasis on growth with a focus on equality and rights, social development and environmental sustainability. Specifically, it requires investments to address inequality, shortages in energy and inadequate infrastructure.

At the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals in 2010 and the Rio+20 United Nations Conference on Sustainable Development in 2012, world leaders pledged to adopt forward-looking macroeconomic policies that promote sustainable development and lead to sustained, inclusive and equitable economic growth.

Fortunately, many economies in the region are well-placed to implement such policies. The *Economic and Social Survey of Asia and the Pacific 2013* makes it clear that such investments are not only essential but also affordable.

These efforts are especially needed in Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. As well as assisting the achievement of the Millennium Development Goals, greater progress will fuel confidence in, and mobilize support for, an ambitious post-2015 development agenda. The recommendations in this issue of the *Survey* seek to assist these countries to advance economically, socially and environmentally.

I hope the policy-makers of Asia and the Pacific, and beyond, find this publication useful for its innovative approach to achieving more resilient, inclusive and sustainable development.

  
BAN Ki-moon  
Secretary-General of the United Nations

April 2013





## PREFACE

The *Economic and Social Survey of Asia and the Pacific* monitors regional progress, providing cutting-edge analyses and guiding policy discussion on the current and emerging socioeconomic issues and development challenges in the region since 1947. Its 2009 edition argued that the global economic and financial crisis could be turned into an opportunity to jump-start a regional reorientation towards a more inclusive, equitable and sustainable development path. While many Asian and Pacific countries started to take steps towards that goal, the recovery of economic growth since 2010, even if it is below the pre-crisis period, may dampen the sense of urgency about the need to reorient the region's development pattern.

The 2013 *Survey* reminds us that this is no time for complacency, as the need for a more inclusive and sustainable pattern of economic and social development continues to be critical. The *Survey* comes at a crossroad for Asia and the Pacific because of the tensions within the current development pattern of the region exposed by the ongoing crisis in the global economy, environmental fragilities, rapid demographic shifts and resource constraints.

As much as the region anchors the global economy, it is still home to more than 800 million people living in extreme poverty, 563 million people undernourished and more than 1 billion workers in vulnerable employment, while income and social inequality and economic insecurity continue to increase in many countries. In addition, the high resource-intensity of economic growth has caused a rapid rise in emissions of greenhouse gases and made countries increasingly vulnerable to commodity price shocks. The hundreds of millions left behind, along with the unsustainable pressures on natural resources, call – loud and clear – for a fundamental shift in the region's development journey.

The good news is that Asia and the Pacific has already started to rethink and reinvent itself. It is doing so by looking for new drivers of economic growth, closing development gaps and seeking to rebalance export-led growth with a greater reliance on domestic demand. It is also increasing spending on health, education, social protection and disaster management and it is addressing deficits in infrastructure and sustainability, including through low carbon and green economy policies. These

efforts should be supported, enhanced and propagated throughout all countries in the region. However, a major concern of policymakers about implementing a new, bold agenda is how much will it cost.

The main contribution of this edition of the *Survey* is to provide an answer to that important concern. It does so by estimating the required public expenditures for an illustrative package of policies to promote inclusive and sustainable development in a number of Asia-Pacific countries. The package includes the provision of an employment guarantee for 100 days a year, basic social services in education and health, income security to older persons and persons with disabilities and ensuring efficient energy for all.

The results are highly encouraging. They show that most countries can finance such a package without jeopardizing macroeconomic stability, although least developed countries would also require global partnership and development cooperation. To be sure, the package proposed in the 2013 *Survey* is just an illustrative example, and the details of the calculations deserve to be further discussed and refined. The purpose of this exercise is to move forward the regional development agenda from the discussion of the future we *want* to the means of implementation and financing to *realize* that future.

The package of policies discussed in this edition of the *Survey* not only illustrates the feasibility of taking decisive action towards inclusive and sustainable development in Asia and the Pacific but also highlights the importance of macroeconomic policies for this purpose. The dominant macroeconomic policy paradigm since the early 1980s has been too restrictive and not geared towards a great leap forward to inclusive and sustainable development. In the light of the region's high degree of economic insecurity, large development and infrastructure gaps and heightened environmental fragility along with extreme exposure to climate change-related risks, it is necessary to better balance the stabilization and developmental roles of macroeconomic policies. Macroeconomic policies could and should be forward-looking in order to play a key role in the region's next great transition to inclusive, resilient, equitable and sustainable development.

We hope that this document will stimulate policy debates among government officials, researchers, development partners and the general public of Asia and the Pacific, and that it will contribute to fostering a more inclusive and sustainable development in the region.



Noeleen Heyzer

Under-Secretary-General of the United Nations and  
Executive Secretary, United Nations Economic and Social  
Commission for Asia and the Pacific

# EXECUTIVE SUMMARY

## FORWARD-LOOKING MACROECONOMIC POLICIES FOR INCLUSIVE AND SUSTAINABLE DEVELOPMENT

Economic growth in the developing countries of Asia and the Pacific slowed to 5.6% in 2012 as a result of the double-dip recession in the euro zone and the tepid recovery of the U.S. economy. Although growth is projected to inch up to 6% in 2013, this rate is still below the average of 7.8% achieved in 2010-2011 and the average of 8.6% observed during the pre-crisis period of 2002-2007. More importantly, the extent to which the region's economic growth is contributing to the achievement of key development goals remains unclear.

Despite a significant reduction in poverty, the region is still home to more than 800 million poor struggling to survive on an income of less than \$1.25-a-day. This figure represents nearly two-thirds of the world's poor. Notably, in many countries in the region, including the most populous ones, rapid growth in income since the 1990s has been accompanied by increases in income inequality. In addition, the high resource-intensity of economic growth has spurred a rapid rise in emissions of greenhouse gases and made countries increasingly vulnerable to commodity price shocks, while key natural resources, such as forest covers, fisheries and fresh water, have been overexploited.

Economic insecurity has also risen amid rapid growth. More than 1 billion workers in the region are in vulnerable employment – characterized by low wages, no benefits, no job security and difficult conditions of work that undermine workers' fundamental rights. More than 900 million people in the region live just at the edge of extreme poverty on an income of between \$1.25-a-day and \$2-a-day, with the risk of a small shock or personal misfortune pushing them into extreme poverty in the absence of a comprehensive social protection floor.

Food security is also a major problem in Asia and the Pacific, with an estimated 563 million people undernourished. Economic insecurity and vulnerability are exacerbated by increasingly damaging natural disasters, which many believe are related to climate change and environmental degradation. Notably, during the period 1970-2010, the average number of people exposed to yearly flooding in Asia more than doubled from 29.5 million to 63.8 million while the population residing in cyclone-prone areas increased from 71.8 million to 120.7 million. In sum, despite the region's rapid economic growth, hundreds of millions of people continue to be highly vulnerable and insecure. Economic expansion has not been inclusive enough and has not translated into increased security of jobs and livelihoods. Instead, growth has been mostly jobless, that is without a commensurate growth of decent and productive employment in the formal sector. As a result, livelihood insecurity and disparities of opportunities and outcomes, including income, assets and wealth, are on the rise and reinforcing one another.

These trends, however, are not inevitable. The historical experience of successful economies in the Asia-Pacific region shows that rapid economic growth is not incompatible with a broad-based dissemination of opportunities for progress across the population, as elaborated in chapter 3. Enhancing the resilience of peoples' livelihoods and the inclusiveness of the development process is possible and must be a priority of the development agenda beyond 2015 for the Asia-Pacific region. This edition of the *Survey* argues that macroeconomic policies, especially fiscal policies, could and should play an instrumental role in achieving this priority.

### **Making development more inclusive and sustainable can help support growth**

Inclusive and sustainable development can contribute to supporting broad-based economic growth in the region by stimulating domestic sources of aggregate demand, which can have beneficial spillover effects across the region through trade. This edition of the *Survey* estimates that the effort of China to rebalance its economy towards a more pro-poor and consumption-led pattern of development could spur an additional \$13 billion worth of exports from other countries in the region during the period 2013-2015, representing an additional 0.5 of a percentage point to the region's rate of growth of exports.

The setting of minimum wages is another policy that can contribute to both addressing rising income disparities and supporting aggregate demand. The *Survey* argues that a minimum wage policy, if it is designed carefully and contains supportive adjustment measures, boosts workers' productivity and income and improves long-term job prospects without adversely affecting businesses. For example, it is estimated that the recent increases in minimum wage in Thailand could increase employment growth by up to 0.6 of a percentage point and real GDP growth by 0.7 of a percentage point by 2015 compared to a baseline scenario of no minimum wage increase.

In addition to demand policies, making the development process more inclusive and sustainable calls for supply-side policies to remove structural impediments to growth such as energy shortages and inadequate infrastructure. Supply-side policies aimed at reducing the carbon intensity of growth are also needed to minimize adverse impacts of economic activity on natural resources and commodity prices. The agricultural sector plays a fundamental role as a producer of food and employer of approximately 60% of the working population in the region, including the majority of the poor. After decades of neglect, the sector deserves special attention, especially in the light of challenges emanating from a growing population and an increased incidence and intensity of extreme weather events.

The implementation of both demand-side and supply-side policies towards inclusive and sustainable development relies fundamentally on the ability of States to allocate public spending – and to create a conducive environment for private investments – in key economic and social sectors of the economy. This requires broad-based forward-looking macroeconomic policies that balance stabilization and development needs.

### **The role of macroeconomic policies**

The dominant macroeconomic policy paradigm since the early 1980s has emphasized stabilization in the narrow sense of keeping inflation at a very low single-digit level and achieving a primary budget surplus or a very low deficit-to-GDP ratio. In developing countries, there often has been a trade-off between achieving such stabilization targets and broader development objectives. Many countries have achieved them at the cost of development, for example, by cutting public investment in key areas and expenditures



on education and health. Indebted countries in the euro zone are also prioritizing fiscal austerity at an enormous economic and social cost associated with high unemployment.

While keeping inflation and the fiscal accounts under control are important objectives of macroeconomic policy, disregarding important development objectives could be highly detrimental for an economy's long-term prospects. In the light of the extensive development challenges of Asia and the Pacific associated with the region's high degree of economic insecurity, large development gaps, significant infrastructure shortages and unsustainable environmental impacts, there is clearly a need to balance the stabilization and developmental roles of macroeconomic policies.

Such balance could entail changing the way fiscal and monetary policies are designed and implemented, and how issues pertaining to public debt or inflation are viewed. In particular, as argued in previous editions of the *Survey*, there has to be greater emphasis on the quality and composition of public expenditure, rather than on aggregate budget deficits and public debts. The present *Survey* further develops this theme by providing estimates of the required public investment for a set of policies to enhance the region's resilience and inclusiveness in selected countries. These policies include the provision of an employment guarantee for a limited number of days (100 days) in a year, basic social services in education and health, income security to older persons and persons with disabilities and ensuring energy for all by 2030.

These policies are examples of forward-looking macroeconomic policies because they can promote sustainable development and lead to sustained, inclusive and equitable economic growth. The importance of forward-looking macroeconomic policies has been recognized in key United Nations documents, such as the outcome document of United Nations Conference on Sustainable Development (Rio+20), which was held in Rio de Janeiro, Brazil, from 20 to 22 June 2012. It is expected that the contents of the current *Survey* will contribute to policy debates about how to realize the goal of inclusive and sustainable development in the Asia-Pacific region.

### **Prospects for 2013**

As indicated above, economic growth in the developing Asia-Pacific economies is expected to increase slightly to 6% in 2013 from 5.6% in 2012. The increase is partly due to an expected improvement in global demand arising from steady, although subpar, growth in the United States and a limited rebound in the performance of major emerging economies. The two regional giants, China and India, are expected to rebound somewhat from a slowdown in 2012. China is expected to grow by 8% in 2013, slightly up from 7.8% in 2012, while India is expected to recover from its relatively low 5% growth in 2012 to 6.4% in 2013. Somewhat improved global trade is expected to support growth in export-led economies, such as the Republic of Korea (from 2% in 2012 to 2.3% in 2013), Hong Kong, China (from 1.4% to 3.5%) and Singapore (from 1.3% to 3%).

Growth in North and Central Asia is likely to remain stable, as the subregion continues to benefit from high global energy prices and sustained growth in the Russian Federation (3.4% in 2012 and 3.6% in 2013). In South and South-West Asia, four countries in addition to India – Afghanistan, Bangladesh, Bhutan and Sri Lanka – are projected to grow by 6% or more in 2013. In contrast, most Pacific island developing economies are expected to experience slower growth in 2013. For example, the rate of growth in Papua New Guinea is expected to drop to 4% in 2013 from 9.2% in 2012 as a result of the winding down of a large liquefied natural gas construction project.

## Investing in inclusive and sustainable development

The current issue of the *Survey* estimates, as an illustrative example, the public investment needs to deliver a package of policies to promote inclusive and sustainable development in 10 Asia-Pacific countries: Bangladesh, China, Fiji, India, Indonesia, Malaysia, Philippines, Russian Federation, Thailand and Turkey. The package includes the following six elements:

- A job guarantee programme that is available to all participants in the informal sector for 100 days per year and pays benefits equivalent to the national poverty line;
- A universal, non-contributory pension for all aged 65 or older valued at the national poverty line;
- Benefits to all persons with disabilities between the ages of 15 and 65 equivalent to the national poverty line;
- Increasing the share of public health expenditures of GDP to 5% by 2030;
- Universal enrolment in primary education by 2020 and in secondary education by 2030; and
- Three energy goals to be achieved by 2030: (i) universal access to modern energy services, (ii) doubling the global rate of improvement in energy efficiency, and (iii) doubling the share of renewable energy in the global energy mix.

The overall investment requirements to implement such a policy package vary across countries, with median values of 5.8% of GDP by 2020 and 8.2% of GDP by 2030. Most of the increase between 2020 and 2030 is due to health expenses – as they are assumed to rise gradually until 2030 – and pensions – due to the increase in the share of the population aged 65 and above. In the case of China, the cost of the package is projected to reach 3.3% of GDP in 2020 and 5.2% of GDP by 2030. For other countries, such as India, Indonesia, Malaysia, the Russian Federation, Thailand, Turkey and Viet Nam, the numbers are projected to vary between 4.7% and 9.8%. While these amounts are not trivial, they are affordable. Because of the low tax revenue-to-GDP ratios prevailing in the region, measures such as broadening tax bases, making tax structures more progressive, improving the efficiency of tax administration and tightening regulations on tax havens could raise the required financing. The cost of the package is projected to exceed 10% of GDP by 2030 only in Fiji (13%) and Bangladesh (22%). This suggests that economies with special needs, such as small island developing states and least developed countries, will need significant external assistance from development partners to complement their domestic resource mobilization efforts.

In addition, a long-term macroeconomic simulation exercise shows that governments can pursue inclusive and sustainable development while maintaining fiscal sustainability and price stability at the same time. This suggests that there is not necessarily a tradeoff between economic growth, social development and environmental sustainability. The three pillars of sustainable development can support and strengthen each other, thus challenging the “grow first” paradigm.

This is very encouraging. It vindicates the importance of rethinking and adopting broad-based forward-looking macroeconomic policies for a win-win development for both people and the planet as recognized by the world leaders at the 2010 Millennium Development Goals Summit and again at the Rio+20 conference in 2012.

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# EXPLANATORY NOTES

Analyses in the *Economic and Social Survey of Asia and the Pacific 2013* are based on data and information available up to the end of March of 2013.

Groupings of countries and territories/areas referred to in the present issue of the *Survey* are defined as follows:

- ESCAP region: Afghanistan; American Samoa; Armenia; Australia; Azerbaijan; Bangladesh; Bhutan; Brunei Darussalam; Cambodia; China; Cook Islands; Democratic People's Republic of Korea; Fiji; French Polynesia; Georgia; Guam; Hong Kong, China; India; Indonesia; Iran (Islamic Republic of); Japan; Kazakhstan; Kiribati; Kyrgyzstan; Lao People's Democratic Republic; Macao, China; Malaysia; Maldives; Marshall Islands; Micronesia (Federated States of); Mongolia; Myanmar; Nauru; Nepal; New Caledonia; New Zealand; Niue; Northern Mariana Islands; Pakistan; Palau; Papua New Guinea; Philippines; Republic of Korea; Russian Federation; Samoa; Singapore; Solomon Islands; Sri Lanka; Tajikistan; Thailand; Timor-Leste; Tonga; Turkey; Turkmenistan; Tuvalu; Uzbekistan; Vanuatu; and Viet Nam
- Developing ESCAP region: ESCAP region excluding Australia, Japan and New Zealand
- Developed ESCAP region: Australia, Japan and New Zealand
- Least developed countries: Afghanistan, Bangladesh, Bhutan, Cambodia, Kiribati, Lao People's Democratic Republic, Myanmar, Nepal, Samoa, Solomon Islands, Timor-Leste, Tuvalu and Vanuatu
- Landlocked developing countries: Afghanistan, Armenia, Azerbaijan, Bhutan, Kazakhstan, Kyrgyzstan, Lao People's Democratic Republic, Mongolia, Nepal, Tajikistan, Turkmenistan and Uzbekistan
- East and North-East Asia: China; Democratic People's Republic of Korea; Japan; Hong Kong, China; Macao, China; Mongolia; and Republic of Korea
- North and Central Asia: Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan, Turkmenistan and Uzbekistan
- Pacific: American Samoa, Australia, Cook Islands, Fiji, French Polynesia, Guam, Kiribati, Marshall Islands, Micronesia (Federated States of), Nauru, New Caledonia, New Zealand, Niue, Northern Marina Islands, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu
- Pacific island developing economies: Pacific excluding Australia and New Zealand
- Small island developing states: Cook Islands, Fiji, Kiribati, Maldives, Marshall Islands, Micronesia (Federated States of), Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu
- South and South-West Asia: Afghanistan, Bangladesh, Bhutan, India, Islamic Republic of Iran, Maldives, Nepal, Pakistan, Sri Lanka, and Turkey
- South-East Asia: Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor-Leste, and Viet Nam

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Mention of firm names and commercial products does not imply the endorsement of the United Nations.

Many figures used in the *Survey* are on a fiscal year basis and are assigned to the calendar year which covers the major part or second half of the fiscal year.

Growth rates are on an annual basis, except where indicated otherwise.

Reference to "tons" indicates metric tons.

References to dollars (\$) are to United States dollars, unless otherwise stated.

The term "billion" signifies a thousand million. The term "trillion" signifies a million million

In the tables, two dots (..) indicate that data are not available or are not separately reported; a dash (-) indicates that the amount is nil or negligible; and a blank indicates that the item is not applicable.

In dates, a hyphen (-) is used to signify the full period involved, including the beginning and end years, and a stroke (/) indicates a crop year, fiscal year or plan year. The ISO codes, fiscal years, currencies and exchange rates as of 31 December 2012 of the economies in the ESCAP region are listed in the following table:

<i>Country or area in the ESCAP region</i>	<i>ISO Alpha-3 code</i>	<i>Fiscal year</i>	<i>Currency and abbreviation</i>	<i>Rate of exchange for \$1 as of 31 December 2012</i>
Afghanistan .....	AFG	22 December to 21 December	afghani (Af)	53.03 <sup>a</sup>
American Samoa .....	ASM	..	United States dollar (\$)	1.00
Armenia .....	ARM	1 January to 31 December	dram	403.58
Australia .....	AUS	1 July to 30 June	Australian dollar (\$A)	0.96
Azerbaijan .....	AZE	1 January to 31 December	Azerbaijan manat (AZM)	0.79
Bangladesh .....	BGD	1 July to 30 June	taka (Tk)	79.85
Bhutan .....	BTN	1 July to 30 June	ngultrum (Nu)	54.78
Brunei Darussalam .....	BRN	1 January to 31 December	Brunei dollar (B\$)	1.22
Cambodia .....	KHM	1 January to 31 December	riel (CR)	3 992.00 <sup>a</sup>
China .....	CHN	1 January to 31 December	yuan (Y)	6.29
Cook Islands .....	COK	1 April to 31 March	New Zealand dollar (\$NZ)	1.22
Democratic People's Republic of Korea .....	PRK	..	won (W)	98.95
Fiji .....	FJI	1 January to 31 December	Fiji dollar (F\$)	1.79
French Polynesia .....	PYF	..	French Pacific Community franc (FCFP)	90.44
Georgia .....	GEO	1 January to 31 December	lari (L)	1.66
Guam .....	GUM	1 October to 30 September	United States dollar (\$)	1.00
Hong Kong, China .....	HKG	1 April to 31 March	Hong Kong dollar (HK\$)	7.75
India .....	IND	1 April to 31 March	Indian rupee (Rs)	54.78
Indonesia .....	IDN	1 April to 31 March	Indonesian rupiah (Rp)	9 670.00
Iran (Islamic Republic of) .....	IRN	21 March to 20 March	Iranian rial (RIs)	12 260.00
Japan .....	JPN	1 April to 31 March	yen (¥)	86.55
Kazakhstan .....	KAZ	1 January to 31 December	tenge (T)	150.74
Kiribati .....	KIR	1 January to 31 December	Australian dollar (\$A)	0.96
Kyrgyzstan .....	KGZ	1 January to 31 December	som (som)	47.40
Lao People's Democratic Republic ....	LAO	1 October to 30 September	new kip (NK)	7 989.03
Macao, China .....	MAC	1 July to 30 June	pataca (P)	7.98
Malaysia .....	MYS	1 January to 31 December	ringgit (M\$)	3.06
Maldives .....	MDV	1 January to 31 December	rufiyaa (Rf)	15.37
Marshall Islands .....	MHL	1 October to 30 September	United States dollar (\$)	1.00
Micronesia (Federated States of) .....	FSM	1 October to 30 September	United States dollar (\$)	1.00
Mongolia .....	MNG	1 January to 31 December	tugrik (Tug)	1 392.10
Myanmar .....	MMR	1 April to 31 March	kyat (K)	848.50 <sup>a</sup>
Nauru .....	NRU	1 July to 30 June	Australian dollar (\$A)	0.96
Nepal .....	NPL	16 July to 15 July	Nepalese rupee (NRs)	87.77
New Caledonia .....	NCL	..	French Pacific Community franc (FCFP)	90.44
New Zealand .....	NZL	1 April to 31 March	New Zealand dollar (\$NZ)	1.22
Niue .....	NIU	1 April to 31 March	New Zealand dollar (\$NZ)	1.22
Northern Mariana Islands .....	MNP	1 October to 30 September	United States dollar (\$)	1.00
Pakistan .....	PAK	1 July to 30 June	Pakistan rupee (PRs)	97.14
Palau .....	PLW	1 October to 30 September	United States dollar (\$)	1.00
Papua New Guinea .....	PNG	1 January to 31 December	kina (K)	2.10

<i>Country or area in the ESCAP region</i>	<i>ISO Alpha-3 code</i>	<i>Fiscal year</i>	<i>Currency and abbreviation</i>	<i>Rate of exchange for \$1 as of 31 December 2012</i>
Philippines .....	PHL	1 January to 31 December	Philippine peso (P)	41.19
Republic of Korea .....	KOR	1 January to 31 December	won (W)	1 070.60
Russian Federation .....	RUS	1 January to 31 December	ruble (R)	30.37
Samoa .....	WSM	1 July to 30 June	tala (WS\$)	2.28
Singapore .....	SGP	1 April to 31 March	Singapore dollar (S\$)	1.22
Solomon Islands .....	SLB	1 January to 31 December	Solomon Islands dollar (SI\$)	7.29
Sri Lanka .....	LKA	1 January to 31 December	Sri Lanka rupee (SL Rs)	127.08
Tajikistan .....	TJK	1 January to 31 December	somoni	4.76
Thailand .....	THA	1 October to 30 September	baht (B)	30.63
Timor-Leste .....	TLS	1 July to 30 June	United States dollar (\$)	1.00
Tonga .....	TON	1 July to 30 June	pa'anga (T\$)	1.72
Turkey .....	TUR	1 January to 31 December	Turkish lira (LT)	1.78
Turkmenistan .....	TKM	1 January to 31 December	Turkmen manat (M)	2.85
Tuvalu .....	TUV	1 January to 31 December	Australian dollar (\$A)	0.97
Uzbekistan .....	UZB	1 January to 31 December	Uzbek som (som)	1 980.00
Vanuatu .....	VUT	1 January to 31 December	vatu (VT)	91.96 <sup>b</sup>
Viet Nam .....	VNM	1 January to 31 December	dong (D)	20 828.00

Sources: United Nations, *Monthly Bulletin of Statistics* website, [http://unstats.un.org/unsd/mbs/data\\_files/t43.pdf](http://unstats.un.org/unsd/mbs/data_files/t43.pdf), 30 March 2013; and national sources.

<sup>a</sup> 30 November 2012.

<sup>b</sup> 31 October 2012.



# ABBREVIATIONS

ADB	Asian Development Bank
AEC	ASEAN Economic Community
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
ASEAN+3	ASEAN + China, Japan and Republic of Korea
ASEAN+6	ASEAN + Australia, China, India, Japan, New Zealand and Republic of Korea
CAL	capital account liberalization
CLMV	Cambodia, Lao People's Democratic Republic, Myanmar and Viet Nam
CO <sub>2</sub>	carbon dioxide
CPI	consumer price index
CRED	Centre for Research on the Epidemiology of Disasters
DAC	Development Assistance Committee
DFID	Department for International Development
ESCAP	Economic and Social Commission for Asia and the Pacific
EPOC	ESCAP Pacific Operations Centre
EU	European Union
FDI	foreign direct investment
GDP	gross domestic product
GNI	gross national income
GRB	gender-responsive budgeting
IBRD	International Bank for Reconstruction and Development
IEA	International Energy Agency
ILO	International Labour Organization
IMF	International Monetary Fund
km <sup>2</sup>	square kilometre
kWh	kilowatt-hour
LAC	Latin America and Caribbean
LDCs	least developed countries
LLDCs	landlocked developing countries
LPG	liquefied petroleum gas
LPI	Logistics Performance Index

# ABBREVIATIONS *(continued)*

MFI	microfinance institutions
MW	megawatt
NGO	non-governmental organization
ODA	official development assistance
OECD	Organization for Economic Cooperation and Development
PISA	Programme for International Student Assessment
PPP	purchasing price parity
QE	quantitative easing
R&D	Research and development
Rio+20	United Nations Conference on Sustainable Development
SAARC	South Asian Association for Regional Cooperation
SIDS	small island developing States
SMEs	small and medium-sized enterprises
SPC	Secretariat of the Pacific Community
SPF	social protection floor
SRO-SSWA	Subregional Office for South and South-West Asia
UNCTAD	United Nations Conference on Trade and Development
UNDESA	United Nations, Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
UNISDR	United Nations International Strategy for Disaster Reduction
WHO	World Health Organization

# SOURCES OF QUOTATIONS

- (a) Page 1: an excerpt from the speech of Prime Minister Sheikh Hasina (the People's Republic of Bangladesh) at the 18th Biennial Conference of Bangladesh Economic Association, 13 September 2012 (source: [www.pmo.gov.bd/index.php?option=com\\_content&task=view&id=855&Itemid=353](http://www.pmo.gov.bd/index.php?option=com_content&task=view&id=855&Itemid=353))
- (b) Page 13: an excerpt from the speech of President Xi Jinping (the People's Republic of China) at the opening plenary of BFA Annual Conference in his capacity as Vice-President, 11 April 2010 (source: [www.english.people.com.cn/90001/90776/90883/6946380.html](http://www.english.people.com.cn/90001/90776/90883/6946380.html))
- (c) Page 69: an excerpt from the speech of Prime Minister Peter O'Neill (Papua New Guinea) at the 5th Bali Democracy Forum, 8-9 November 2012 (source: <http://www.pngperspective.com/news/oneill-papua-new-guinea-emerged-stronger-and-secure-after-constitutional-crisis/>)
- (d) Page 137: an excerpt from the speech of President Vladimir Putin (the Russian Federation) at the meeting with G20 Finance Ministers and Central Bank Governors, 15 February 2013 (source: [www.eng.kremlin.ru/transcripts/5007](http://www.eng.kremlin.ru/transcripts/5007))
- (e) Page 175: an excerpt from the statement of Prime Minister Manmohan Singh (the Republic of India) at the High-level round table of the United Nations Conference on Sustainable Development, Rio+20, 21 June 2012 (source: [www.uncsd2012.org/index.php?page=view&type=12&actor=25&statement=990&nr=210&menu=76&str=&t=respondent](http://www.uncsd2012.org/index.php?page=view&type=12&actor=25&statement=990&nr=210&menu=76&str=&t=respondent))