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The current economic, food and climate crises and the effects on the achievements of the MDGs: the role of the UN system's support to national efforts, 15 July 2009, Geneva

Panel Presentation
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Excellencies,

I will focus my presentation on how does the UN work at the regional level to support practices at country level to assist countries to achieve the MDGs in the context of multiple threats to development, using Asia-Pacific as the example.

Asia-Pacific had an impressive record of freeing more than 350 million people from extreme poverty between 1990 and 2004, and the region as a whole was on track to meet the 2015 target of halving the proportion of people living in income poverty.

The financial crisis in developed countries and the unprecedented economic crisis it has given rise to means that hard fought development gains are at danger of being rolled back. Asia-Pacific could see an additional 60 million people fall back into poverty this year alone.

Even before the current crisis, though the region as a whole had made good progress towards many of the MDGs, much needed to be done especially on health-related MDGs. In Asia-Pacific region at least one third of children are still undernourished, and 240,000 mothers, still die every year in childbirth/from pregnancy complications. Almost half (45 per cent) of the population still lack improved sanitation facilities, and more than one third (36 per cent) of the growing urban population live in slums.

Even in areas such as poverty reduction where the region has made remarkable progress there are disparities between sub-regions and within countries. In 1981 East Asia was the poorest sub-region in Asia-Pacific. Between 1981 and 2005, poverty in East Asia fell from 80% to 18%, owing to China's dramatic progress, while poverty in South Asia fell from 60% to 40% in the same period. Despite this significant improvement, South Asia still has 600 million people living below \$1.25 a day today. Within countries, disparities exist within the fault lines of gender, class, caste and geography.

In addition, related to climate change and changing weather patterns, cyclones, flooding, fires have become more extreme. The number of people affected by natural disasters in the region is nearly 50 per cent more than the global average. Women are 14 times more

likely to be victims of natural disasters than men, thus further challenging MDG 3 targets.

The convergence of the economic, food and climate change crisis thus threatens to roll back our development gains and stop progress towards the achievement of the MDGs. The major and most immediate concern today is that of rising unemployment: as many as 24.8 million people could lose their jobs in 2009, with tens of millions more driven into income insecurity from which it will take years to recover from.

As the 1997 crisis showed, when people are affected by sudden shocks, the ones most at risk are the poor, women workers in the manufacturing, informal and agricultural sectors, the youngest and oldest populations and low- skilled migrants. Already before the crisis, 28 per cent of under-5 children were underweight, with 3.8 million children dying before the age of five. Now an additional 40 million people are thought to be going hungry as a result of rising income and food insecurities, with cascading negative effects on education attainment, health, hygiene, adequate sanitation and the spread of communicable diseases.

The negative human impacts will therefore last much longer than the crisis itself. Although economic growth for developing countries in the region is projected at 2.8 % for 2009, a figure which appears

relatively robust compared to -2.9 % for overall world economic growth, social recovery may take up to a decade.

ESCAP, as a Regional Commission supports its member States by serving as a platform for regional dialogue, consensus building and sharing of solutions and experiences so that the on-track countries can assist the off-track countries or communities through South-South cooperation to close the development gap. While the globe faces an economic crisis, it has manifested itself regionally in Asia Pacific as a trade crisis. No one country can respond without consideration for the activities of its neighbors. Now, more than ever, Regional Commissions are providing strategic analysis, policy options, and technical cooperation to facilitate a regional response that impacts the national development. In fact, most of the coherent policy dialogues as well as policy action in the context of the present crisis have been at the regional level from infrastructural development that create economic corridors linking LDCs to more prosperous economic centres, to energy and water secure resources for development, to regional coordination to address international migration and trafficking, to the question of regional facilities for financial liquidity.

In line with the mandate of sound strategic analysis to our member States-

- ESCAP's flagship publication *Economic and Social Survey of Asia and the Pacific 2009* provided a compelling analytical basis for the policy reforms that the region will need to collectively make to reorient their development policies towards an inclusive and sustainable growth and development process. This has been discussed and accepted by over 50 member states of the Commission as the direction to move towards.
- The social development division of ESCAP has focused its work around the concept of social justice and inclusion. ESCAP is promoting the building of a stronger social foundation encompassing a more inclusive society upon which the region's future economic growth will be built. ESCAP is promoting policies and partnerships aimed at providing lasting and sustainable social protection systems as a means of creating more resilient societies.
- As part of its mission of providing a platform for regional dialogue and consensus building and sharing of solutions and experiences, in December 2008, ESCAP and the Government of Indonesia organized the High-level Regional Policy Dialogue on "The food-fuel crisis and climate change: Reshaping the Development Agenda". This was the first time that the crises were addressed in a comprehensive and integrated manner in the region. Recommendations from the Dialogue, as contained

in the “Bali Outcome Document”, serve as a framework for actions to be undertaken by member States to address the impact of the crises on our region.

- This process was further taken forward when at the 65th Session of the UNESCAP Commission in April 2009, when Governments adopted a resolution urging implementation of regional cooperation initiatives to help addressing the impact of the economic crisis and its impact on the achievement of MDGs.

ESCAP has also been active in collaboration across the UN system in the region in addressing critical aspects of the impact of the triple threats on the MDGs.

- Together with the UNDP (chair of the Regional Directors team) and ADB, ESCAP (chair of RCM) are engaged in a tripartite partnership to monitor MDG progress in Asia and the Pacific. The wide-ranging partnership draws on the analytical strengths of each of the organizations, and has led to the development of well-established and widely-recognized methods for tracking MDG progress. The 2009 MDG report seek to address the following issues:
 - Economic crisis and its impact on the MDGs, including the impact of high food prices
 - Increased vulnerabilities faced by weaker/vulnerable groups and vulnerable countries

- Gender equality and women’s empowerment data and analysis will be embedded in the entire report and will form an essential part of the story line.

This report is expected to articulate regional perspectives and feed into to a proposal to establish a unified and responsive United Nations Vulnerability Monitoring and Response Mechanism, that will draw information systematically from throughout the UN system, including its relevant funds, programs and agencies, the Regional Commissions, and the specialized agencies, including the Asian Development Bank, to track the full impact of the crisis and to promote effective, timely coordination of multilateral responses.

ESCAP, as chair of the United Nations Regional Coordination Mechanism (RCM), has led the effort in the UN system in Asia-Pacific to improve coordination among the work programmes of the organizations of the United Nations system towards regional-level system-wide coherence and “delivering as one”. The RCM, with ESCAP as the Chair came together to produce the publication for the ASEAN Secretariat “Striving Together: ASEAN and the UN”. The study analyses MDG-related progress in economic and social development in the region, assesses future threats, and provides recommendations on enhancing future cooperation between the ASEAN and UN in meeting the subregion’s development challenges. The RCM also has thematic working groups in the areas of hunger and poverty reduction, environment, gender equality, health,

education and disaster risk reduction. These working groups ensure policy coherence at the regional level and also provide support to UN country teams at their request. In this regard, they act as regional technical support structures drawing together the normative and operational parts of the UN system at the regional level to support UN country teams on a demand basis. This is done in close cooperation of the RDT.

ESCAP promotes green growth by promoting a fundamental paradigm shift from current development approaches. The main focus is on development of capacity, building consensus and sharing of experiences at regional level to promote low carbon green growth. ESCAP champions the concept of green growth through analytical work for technical support captured in a range of publications and policy briefs. ESCAP has identified five areas for policy focus which include sustainable consumption and production, sustainable infrastructure, green tax and budgetary reforms, eco-efficiency indicators and payment for ecosystems services. ESCAP promotes the adoption of these principles into national development plans, implements pilot projects and fosters exchange of ideas, knowledge and good practices. ESCAP's green growth approach has been embraced by many of its member States.

Our region ---- noted for its economic dynamism and determined fight against poverty --- stands exposed to the impacts of the triple

crises which have already exerted serious economic, social and environmental consequences and worryingly undone some of the remarkable progress of this region towards achievement of the MDGs. But the convergence of these crises has also brought an opportunity to take a fresh look at our policies and reshape our development agenda. By taking ownership of reviving their economies, developing regions can ensure that the recovery is built on an alternative development paradigm that is both inclusive and sustainable and therefore far more supportive of achievement of the MDGs. By doing so, our region can look forward to an era of shared prosperity, equity, social justice, peace and human dignity for all.