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## STATEMENT BY

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Excellencies, distinguished participants, ladies and gentlemen

It is indeed a great pleasure for me to take part in this important event. The Executive Secretary of ESCAP, Dr. Noeleen Heyzer very much wanted to join you but has been prevented to do so due to prior commitments that require her to be in Bangkok this morning. She has asked me to convey her sincere regrets and greetings to all of you.

Education indeed is the key to achieving all development goals, including the Millennium Development Goals. There is a rich literature documenting the role education has played in fostering development by empowering people in different countries. It was because of this that educational goals were included among the MDG as a key indicator of human development and progress. Governments across the region recognize the criticality of education and are paying attention to it. As a result, the Asia-Pacific region as a whole has been able to achieve the education targets contained in the MDGs especially with respect to achieving universal primary education, perhaps the single most important achievement of the countries in this region. While issues such as quality, access and affordability are still

very important, and no doubt will be discussed at length during the course of the day, the region can be truly proud to have made some important breakthroughs in making education available to all.

ESCAP in partnership with ADB and UNDP has been monitoring the progress in achieving the MDGs in Asia-Pacific region since 2002 reported in a series of regional reports. Copies of the 2010/11 Report entitled Paths to 2015: MDG Priorities in Asia and the Pacific launched on the sidelines of the GA MDG Summit last September are available here. This report shows that the Asia-Pacific region as a whole has made impressive progress. But that progress has been highly uneven across goals, between and within countries with some of the gaps actually widening.

One of the greatest MDG successes in Asia and the Pacific has been with respect to poverty reduction. Between 1990 and 2005, countries in Asia and the Pacific reduced the number of people living on less than \$1.25 a day from 1.5 billion to 947 million – all the more impressive given that over the same period the region's population increased by some 800 million. As a result, the region as a whole is on track to achieve the target of halving the proportion of people living in poverty. The region is also on track for another key target – ensuring that all children have access to primary school education, a point I earlier alluded to.

Some other indicators, which the region has already achieved include reducing gender disparities in primary and tertiary education, reducing HIV prevalence, stopping the spread of tuberculosis, reducing consumption of ozone-depleting substances, and halving the proportion of people without access to safe drinking water. But the region has lagged behind in some major areas, for example, in reducing the extent of hunger, in ensuring that girls and boys reach the last grade of primary education, in reducing child mortality, in improving maternal health, and in providing basic sanitation. So there are variations in achievement across goals and indicators.

There are important variations across countries and sub-regions in terms of achievement. In general, Southeast Asian and East Asian countries have had much greater success in achieving the MDGs with South Asian countries and Pacific islands states lagging behind. Variations persist even within a country for instance between rural and urban areas and depending upon the gender.

The other important point is that because of its larger population base, on most indicators, the Asia-Pacific region has the greatest number of people who are deprived. In the case of sanitation, for example, the region has more than 70 per cent of the developing world's people who are affected – which in 2008 totalled to almost 1.9 billion. Similarly, when it comes to providing people with access to clean water, the region is an early achiever yet still has 470 million people who are deprived.

The financial crisis combined with the food-fuel crisis has created fresh complications by pushing millions of people in poverty and by disrupting the growth process across the world. But at the same time I would like to argue that in the aftermath of the financial crisis, poverty reduction and achievement of MDGs should occupy centre stage of the development strategy in the region. It is now widely believed that consumption in the western economies especially the US will be declining in the coming years. There is now a concern about sustaining the dynamism of emerging Asia-Pacific economies in the context of this decline.

ESCAP has suggested in its latest reports that with 950 million people living in poverty and with wide MDG and other development gaps especially in the LDCs and in the small island economies, there is considerable headroom for generation of aggregate demand through additional consumption and investment through inclusive policies. Achievement of MDGs should no more be seen as a social welfare scheme but a critical part of the strategy to promote growth itself. So all the policies that help to close these gaps and foster inclusive development need to be adopted by the governments. These include paying attention to agriculture and rural development, employment generation, strengthening social protection, closing gender gaps, enhancing financial inclusion, among others.

Finally I wish to emphasize the continuing relevance of global partnership especially for assisting the LDCs in closing the MDG gaps. ESCAP studies found that the Asia-Pacific region would require additional resources of the order of US\$ 636 billion over the 2010-2015 for closing the MDG gaps (over and above what it is spending). For the region as a whole, the costs may not seem daunting, but for individual countries they can be steep-over 20% of the GDP for some of the least developed and other countries with special needs. These countries need to be assisted through ODA.

Besides overseas development assistance, South-South cooperation is becoming an important channel of resources and technical assistance for many countries. Significant magnitude of such assistance is originating now in countries in the region such as China, India, Thailand, among others in Asia-Pacific region.

In closing let me also recognize the role that greater connectivity and regional economic integration can play in making the region more resilient to further crises and bolster the capacity of the poorest countries to achieve the MDGs. Regional economic integration, for example, could enable smaller countries in particular to extend their markets and reap efficiency gains. Asia-Pacific region is finally moving towards exploiting the opportunities of regional economic cooperation with recent initiatives taken by ASEAN, SAARC, BIMSTEC and other groupings. Promising opportunities are also waiting to be exploited in the area of financial cooperation in the region for financing infrastructure development and closing the development gaps. ESCAP is assisting the region in developing elements of a regional financial architecture for closing these gaps. Regional dialogues such as this are very important for shaping the coordinated regional perspectives and facilitate sharing of development experiences.

Let me stop here.

Thank you.