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# Summary of the work of the Economic and Social Commission for Asia and the Pacific, 2024–2025

Note by the Secretary-General

The Secretary-General has the honour to transmit herewith a summary of the work of the Economic and Social Commission for Asia and the Pacific for the period 2024–2025.





# Summary of the work of the Economic and Social Commission for Asia and the Pacific, 2024–2025

#### Summary

Rising inequality, driven by income disparity and unequal access to opportunities, is deepening divides, while progress on the environmental elements of the Sustainable Development Goals remains slow. Urbanization and consumption patterns pose substantial challenges and demographic shifts are reshaping the region's risk landscape. Despite these hurdles, efforts by countries in the Asia-Pacific region highlight pathways for progress in the years ahead. Opportunities lie in advancing digital transformation, promoting sustainable energy transitions and enhancing regional cooperation to build resilience.

The present report provides the most recent data and analysis of the work undertaken by the Economic and Social Commission for Asia and the Pacific (ESCAP) in the past year in advancing the implementation of the 2030 Agenda for Sustainable Development.

The Economic and Social Council may wish to comment on the work of the ESCAP and take note of the present report.

#### I. Introduction

- 1. Climate change poses a significant threat to sustainable development, with Asia and the Pacific being highly vulnerable to climate-induced disasters and extreme weather events. At the same time, demographic shifts, including changes in age structure, are having an impact on countries across the region at varying speeds and with varying effects, fundamentally altering the region's development trajectory.
- 2. During the reporting period, the Economic and Social Commission for Asia and the Pacific (ESCAP) has made notable strides in addressing these issues through regional cooperation efforts. Key milestones include the advancement of inclusive social protection systems, which are crucial for reducing vulnerabilities and building resilience against economic shocks. Environmental sustainability has been another critical area. The establishment of regional early warning systems and the successful conclusion of forums on low-emission development are highlights of ESCAP efforts to mitigate climate risks. In addition, ESCAP has played a pivotal role in advancing digital transformation, offering transformative solutions for addressing climate change, particularly in energy transitions and climate action. Through these initiatives, the Commission's work has had a substantial impact, shaping regional policies, fostering cooperation and supporting the implementation of the 2030 Agenda for Sustainable Development through targeted actions and regional partnerships.

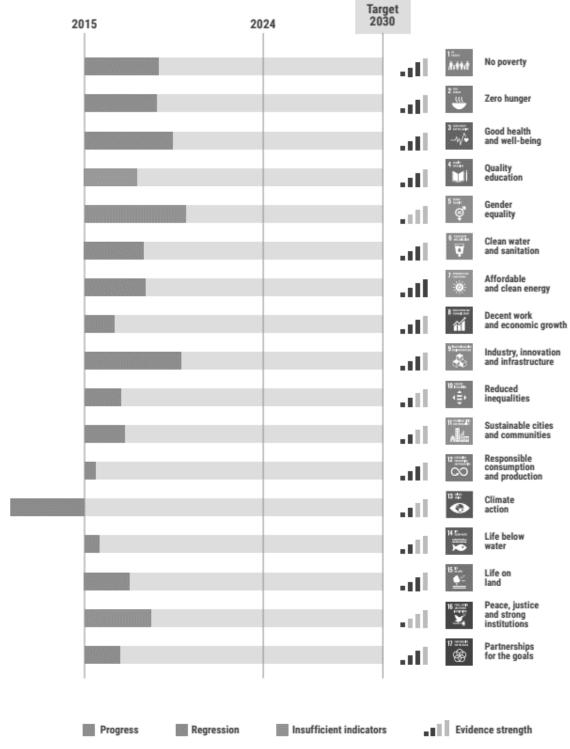
### II. Advancing implementation of the 2030 Agenda in the region

- 3. Against this background, ESCAP continues to support its members and associate members so as to accelerate progress towards the achievement of the Sustainable Development Goals.
- 4. The present report highlights selected examples of how ESCAP continues to play a vital role in shaping the region's economic and social development landscape through facilitated regional cooperation among its member States. For instance, the Commission's efforts to strengthen inclusive social protection systems, including the provision of tailored support to several countries, have been crucial in reducing vulnerabilities and building resilience against economic shocks. Environmental sustainability initiatives include the development of regional early warning systems and the successful conclusion of the Asia Low Emission Development Strategies Partnership Forum, which advanced low-emission and climate-resilient development. ESCAP has also supported digital transformation through the Asia-Pacific information superhighway initiative, enhancing regional digital connectivity and promoting inclusive digital economies. In addition, ESCAP has facilitated regional cooperation on sustainable transport, energy transitions and disaster risk reduction, exemplified by the promotion of multimodal connectivity in South-East Asia.

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#### A. Regional progress on the Sustainable Development Goals

Snapshot of progress towards the achievement of the Goals in Asia and the Pacific



Source: Asia and the Pacific SDG Progress Report 2025: Engaging Communities to Close the Evidence Gap (United Nations publication, 2025).

- 5. The 2025 Asia and the Pacific SDG Progress Report shows that, despite continued efforts, progress in the Asia-Pacific region towards the achievement of the 17 Sustainable Development Goals remains insufficient, with many targets advancing too slowly or stagnating. While significant progress has been made on Goal 9 (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation) and Goal 3 (Ensure healthy lives and promote well-being for all at all ages), the region faces alarming setbacks on Goal 13 (Take urgent action to combat climate change and its impacts). Compared with the rest of the world, the Asia-Pacific region is progressing more rapidly on most of the Goals, but lagging behind on Goals 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all), 13, 14 (Conserve and sustainably use the oceans, seas and marine resources for sustainable development) and 17 (Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development).
- 6. The report also shows that, of the 117 targets with sufficient data, only 16 are on track to be achieved by 2030 and 18 show a negative trend in need of urgent reversal, the majority of which pertain to climate-related challenges and disaster risk. The report showcases examples of new partnerships between governments, development partners and local communities in the Asia-Pacific region that have amplified the voices of diverse groups in decision-making processes and given them a role in generating data so that policymakers are better able to respond to their needs.
- 7. At the Twelfth Asia-Pacific Forum on Sustainable Development, government officials and representatives of civil society, youth and international organizations called for prioritized and targeted actions with strong multiplier effects across sectors to accelerate progress towards the achievement of the Sustainable Development Goals. During discussions conducted at the Forum, investing in future generations, including improving education, health and youth employment, and fostering intergenerational collaboration, were highlighted as critical to building inclusive societies. It was also highlighted that strong regional cooperation on financing for development, digital transformation and intergenerational equity, backed by inclusive access to technology, building upon the Pact for the Future, could enable countries to turbocharge progress towards the Goals.
- 8. The activities during the Forum included an in-depth review of the region's progress towards the achievement of Sustainable Development Goals 3, 5 (Achieve gender equality and empower all women and girls), 8, 14 and 17 and the launch of the 2025 Asia-Pacific SDG Partnership Report, which emphasizes the need for a just transition to green and blue economies that must be equitable and inclusive, create decent job opportunities and ensure that no one is left behind. While a just transition has the potential to generate millions of new jobs, it may also pose risks to employment and livelihoods, particularly for persons working in carbon-intensive sectors or the informal economy and those without social protection. Mitigating such risks will be necessary.

#### **B.** Social development

9. Rising inequality is deepening divides across Asia and the Pacific, including geographical, generational, gender and disability-related gaps. These challenges are compounded by the ongoing climate crisis, demographic shifts (including ageing populations) and digital transformation, all of which are reshaping the region's risk landscape. Today, 45 per cent of people in the region have no social protection coverage and millions living just above the poverty line remain highly vulnerable to

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economic shocks. Without stronger social protection systems, an estimated 266 million people could be pushed into poverty by 2040.

- 10. At the eighth session of the Committee on Social Development, in October 2024, participants discussed the importance of social protection to achieving the 2030 Agenda by reducing vulnerabilities to risks and shocks. In 2023 and 2024, ESCAP collaborated with nine countries (Cambodia, Fiji, Georgia, Maldives, Mongolia, Nepal, Philippines, Thailand and Türkiye) to assess their readiness to implement the Action Plan to Strengthen Regional Cooperation on Social Protection in Asia and the Pacific. Committee members reaffirmed their commitment to enhancing regional cooperation on social protection, fostering collaboration and sharing good practices. The Committee also recognized the impact of automation and digitalization on social protection systems, highlighting the need for investment in the reskilling and upskilling of workers. Members emphasized the acceleration of action in line with the Jakarta Declaration on the Asian and Pacific Decade of Persons with Disabilities, 2023–2032 (ESCAP/APDDP/2022/3/Add.1), to strengthen disability rights and inclusion across the region.
- 11. Progress towards achieving gender equality and the empowerment of women in the region is stagnant and some areas, such as labour force participation, show regression. Women and girls continue to face persistent challenges, including discriminatory social norms, gender stereotypes, high levels of gender-based violence and an unequal burden of unpaid care and domestic work. Socioeconomic fallout from the coronavirus disease (COVID-19) pandemic, the triple planetary crisis (climate change, pollution and biodiversity loss), food and energy insecurity, digital divides and geopolitical tensions are expected to persist or worsen unless swift and sustained action is taken.<sup>2</sup>
- 12. To address these challenges and to mark the thirtieth anniversary of the Fourth World Conference on Women, during which the Beijing Declaration and Platform for Action were adopted, ESCAP, in collaboration with the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) Regional Office for Asia and the Pacific, convened the Asia-Pacific Ministerial Conference on the Beijing+30 Review in November 2024. During the Conference, participants reviewed progress made over the previous five years on the implementation of the Beijing Declaration and Platform for Action in the region, while reflecting on emerging challenges, successful practices and lessons learned.
- 13. Migration plays a significant role in the economies and societies of Asia and the Pacific. ESCAP, in collaboration with the Regional United Nations Network on Migration for Asia and the Pacific, prepared the Asia-Pacific Migration Report 2024<sup>3</sup> and organized the Asia-Pacific Regional Review of Implementation of the Global Compact for Safe, Orderly and Regular Migration, held in February 2025 in Bangkok, to assess progress and identify regional priorities for advancing the implementation of the Compact.
- 14. Digitalization and population ageing are two key trends shaping the Asia-Pacific region. ESCAP, through the China-ESCAP Cooperation Programme, is working to promote digital inclusion for older persons, with a focus on older women and their socioeconomic participation. In August 2024, a regional meeting on enhancing digital literacy among older persons in Asia and the Pacific was held in Beijing, bringing

<sup>&</sup>lt;sup>1</sup> Social Outlook for Asia and the Pacific 2024: Protecting our Future Today – Social Protection in Asia and the Pacific (United Nations publication, 2024).

<sup>&</sup>lt;sup>2</sup> Charting New Paths for Gender Equality and Empowerment: Asia-Pacific Regional Report on Beijing+30 review (United Nations publication, 2024).

<sup>&</sup>lt;sup>3</sup> Asia-Pacific Migration Report 2024: Assessing Implementation of the Global Compact for Migration (United Nations publication, 2024).

together policymakers, experts and older persons' associations to discuss the gendered digital divide and advocate inclusive digital skills training. Building on these efforts, ESCAP has developed smartphone-focused training materials tailored to the needs of older women, recognizing their vital roles as caregivers and knowledge-sharers within families.

#### C. Environment and development

- 15. Environmental aspects of the Sustainable Development Goals have progressed slowly in Asia and the Pacific. The food, energy and finance crises, exacerbated by COVID-19, conflicts and climate change, have revealed the region's socioeconomic and environmental vulnerabilities. In addition, urbanization and consumption patterns pose significant challenges. While cities are major contributors to climate change and highly vulnerable to its effects, they also have the unique potential to lead the transition towards the achievement of the Goals.
- 16. During the eighth session of the Committee on Environment and Development, held in October 2024, a review of the progress made on key priorities outlined in the Ministerial Declaration on Protecting Our Planet through Regional Cooperation and Solidarity in Asia and the Pacific (ESCAP/CED/2022/4/Add.1) was conducted and the Asia-Pacific SDG Localization Platform was launched.
- 17. ESCAP supported the preparation of updated nationally determined contributions under the Paris Agreement by collaborating with partners to organize regional reviews and consultations. These included the Asia Low Emission Development Strategies Partnership Forum, held in August 2024; the "NDCs 3.0 Regional Forum for Asia", held in September and October 2024; and the nineteenth Policy Consultation Forum of the Seoul Initiative Network on Green Growth, held in October 2024. As co-chair of the issue-based coalition for raising climate ambition in Asia and the Pacific, ESCAP continued work on the review of climate ambition, which analyses gaps in nationally determined contribution targets and regional greenhouse gas emission trends in the energy and transport sectors. In addition, in partnership with Fiji, Indonesia and Maldives, ESCAP facilitated the development of a regional initiative for ocean-based climate action, which is a voluntary programme focused on blue carbon ecosystems, ocean renewable energy, low-carbon shipping and resilience of the ocean to climate change. The initiative was launched during the Regional Dialogue on Ocean-based Climate Action, held in September 2024.
- 18. Effective subnational financing is key to facilitating climate action. In this context, ESCAP collaborates with member States through the Urban-Act: Integrated Urban Climate Action for Low-Carbon and Resilient Cities project to strengthen local climate action capacity. In 2024, the project developed a climate finance assessment framework covering climate policy, public finance and budgeting, climate data and organizational capacity, which is being piloted in India and Indonesia. At the subregional level, the fourth International Forum on Low-Carbon Cities, held in October 2024, showcased innovative solutions and technologies to promote more sustainable urban practices.
- 19. Since launching the Regional Action Programme on Air Pollution in 2022 as the first region-wide action plan, ESCAP has continued to advance regional cooperation on air quality. In 2024, key efforts included organizing a clean air week to strengthen technical and policy capacities, supporting air quality monitoring agencies in establishing the Pandora Asia Network to improve the collection of satellite-derived

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<sup>&</sup>lt;sup>4</sup> 2024 Review of Climate Ambition in Asia and the Pacific: From Ambitions to Results: Sectoral Solutions and Integrated Action (United Nations publication, 2024).

air quality data, publishing technical papers on air quality management, implementing a project on transboundary airshed management and developing the Regional Action Programme on Air Pollution partnership and coordination platform to engage regional stakeholders.

#### D. Disaster risk reduction

- 20. The Asia-Pacific region, home to three fifths of the global population, is the most disaster-prone region in the world. From 1970 to 2024, natural hazards in the region affected 6.97 billion people and took the lives of over 2 million people, averaging 38,622 fatalities per year.<sup>5</sup> Increasingly frequent floods, droughts, heatwaves and other hazards disproportionately affect the least developed countries, exacerbating vulnerabilities and straining resilience. A projected temperature rise of 2°C poses greater risks to key areas, including major river basins, while threatening biodiversity hotspots and ecosystems essential for climate adaptation. Mangroves, which are critical for coastal protection, face growing threats from cascading hazards. Accordingly, there is an urgent need for enhanced disaster preparedness and sustainable environmental management across the region.<sup>6</sup>
- 21. ESCAP serves as a knowledge partner to regional climate forums, scaling up the automation of impact-based forecasting through platforms such as the North Eurasian Climate Outlook Forum, the South Asian Climate Outlook Forum, the Association of Southeast Asian Nations (ASEAN) Climate Outlook Forum, the Forum on Regional Climate Monitoring, Assessment and Prediction for Asia, the Third Pole Regional Climate Centre Network and the Third Pole Climate Forum.
- 22. In alignment with the Early Warnings for All initiative of the Secretary-General, ESCAP has strengthened regional efforts to advance climate action for sustainable development. This includes the adoption of the Pact for the Future (General Assembly resolution 79/1) in order to develop policies and take action to combat climate change and its impacts and to develop regional early warning systems. Among the Early Warnings for All pilot countries, ESCAP has developed and provided downscaled climate and hazard projection data, including on temperature, precipitation, heatwaves, floods, droughts, landslides and glacial lake outburst floods, to Cambodia, Maldives, Nepal and Tajikistan. To integrate climate uncertainties into early warning systems, ESCAP has also piloted the downscaled models for impact-based climate forecasting for critical sectors for Bhutan, such as population, food and energy.
- 23. The ESCAP multi-donor trust fund for tsunami, disaster and climate preparedness remains crucial in advancing a regional strategy to achieve early warnings for all. However, this work requires ongoing investment and ESCAP continues to collaborate closely with member States to ensure the longevity of these critical contributions. In this regard, the Committee on Disaster Risk Reduction decided during its eighth session to position the multi-donor trust fund as a dedicated regional funding mechanism to support the initiative through strategic cooperation. Moreover, the Governments of Sweden and Thailand, following events commemorating the victims of the Indian Ocean tsunami in December 2024, which marked 20 years since the disaster, renewed their funding commitments to the multi-donor trust fund.
- 24. ESCAP produced two key knowledge products to enhance understanding of policy for disaster resilience through regional cooperation. In the *Asia-Pacific*

<sup>&</sup>lt;sup>5</sup> See https://apmcdrr.undrr.org/conference-event/regional-cooperation-amplify-early-warning-all-ew4all-investments.

<sup>&</sup>lt;sup>6</sup> See www.unescap.org/kp/2024/targeting-transformative-disaster-risk-resilience-south-and-south-west-asia-pacific.

Disaster Report 2023,<sup>7</sup> it was shown that flooding caused the most significant loss of life and widespread impacts in the region in 2021 and 2022, while the compendium on geospatial practices of ESCAP, updated in 2024, included 100 practices from East and North-East Asia of using artificial intelligence and digital technologies for disaster risk reduction.<sup>8</sup> In addition, ESCAP published subregional Asia-Pacific disaster reports for the Pacific, South-East Asia, East and North-East Asia, North and Central Asia and South and South-West Asia in 2024 to provide a deeper understanding of the region's complex risk landscape and to support policy actions on transformative adaptation.

25. ESCAP developed an innovative geospatial tool, SATGPT, which is powered by large language models and designed to automate flood hotspot mapping for Asia-Pacific countries. This tool has been successfully used in Indonesia to map flood hotspots in the city of Karawang, earning recognition and awards. In addition, ESCAP supported digital transformations in local governments in Indonesia and Thailand through field projects. For instance, the municipal government of Kho Hong in Thailand transitioned from manual logbook recording to a geospatial platform, while the governments of Bandung and Makassar in Indonesia improved their ability to address slum issues using geospatial technologies, leading to better development outcomes, including improved public services and reduced disaster risk.

#### E. Energy

26. Through the Ministerial Declaration on Building a Secure, Sustainable and Interconnected Energy Future for Asia and the Pacific, States members of ESCAP requested the Commission to support the advancement of energy connectivity, the expansion of access to modern energy services and the promotion of sustainable energy transitions. Under that mandate, ESCAP has integrated regional perspectives and the strategic objectives of diverse stakeholder groups into developing national and subregional road maps for achieving Sustainable Development Goal 7 (Ensure access to affordable, reliable, sustainable and modern energy for all) and implementing the Regional Road Map on Power System Connectivity: Promoting Cross-border Electricity Connectivity for Sustainable Development. In August 2024, the Expert Working Group on Universal Access to Modern Energy Services, Renewable Energy, Energy Efficiency and Cleaner Use of Fossil Fuels and the Expert Working Group on Energy Connectivity explored institutional, regulatory, financing and technical frameworks to support strategic planning for energy transitions.

27. ESCAP, in collaboration with the United Nations Environment Programme (UNEP) and with contributions from Sustainable Energy for All under the Cool Coalition framework, supported Indonesia in launching its first national cooling action plan. While electricity demand in that country's building sector is projected to grow by nearly 400 per cent, from 62 terawatt-hours (TWh) in 2020 to 241 TWh by 2040, the first national cooling action plan is aimed at reducing that increase by 57 per cent, limiting the cooling demand in buildings to 104 TWh by 2040, through targeted policies, market and regulatory measures, technological and financial innovations, and capacity-building strategies.<sup>9</sup>

<sup>7</sup> Seizing the Moment: Targeting Transformative Disaster Risk Resilience (United Nations publication, 2023).

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<sup>&</sup>lt;sup>8</sup> Geospatial Practices for Sustainable Development in East and North-East Asia 2024: A Compendium (United Nations publication, 2025).

<sup>9</sup> See www.unescap.org/news/indonesia-sets-path-climate-friendly-cooling-national-cooling-action-plan.

- 28. In partnership with the ASEAN Centre for Energy, the Southeast Asia Energy Transition Partnership managed by the United Nations Office for Project Services and the Clean, Affordable and Secure Energy for Southeast Asia project of the German Agency for International Cooperation, ESCAP has supported the ASEAN Power Grid Advancement Program, with a focus on a pilot project on multilateral power trading. ESCAP, in collaboration with the ASEAN secretariat, has also organized capacity-building workshops for the ASEAN Energy Regulators' Network. In addition, ESCAP has developed a road map for establishing cross-border power trade among States members of the Economic Cooperation Organization, promoting greater integration and the sharing of renewable energy resources. <sup>10</sup>
- 29. At the thirteenth International Forum on Energy for Sustainable Development, held in December 2024 in Bangkok, ESCAP joined other United Nations regional economic commissions to call for accelerated global action towards an equitable and sustainable energy future. Representatives from the regional commissions emphasized the importance of strengthening interregional partnerships by promoting aligned policies, knowledge-sharing, technology exchange and collaboration on innovative financing solutions.
- 30. In addition, the Executive Secretaries of the five regional commissions issued a statement on the urgent need for action to address global energy challenges, <sup>11</sup> in which they reaffirmed their commitment to supporting States members of the commissions in accelerating renewable energy deployment and improving energy efficiency. They also highlighted the importance of equitable energy access, particularly for underserved communities in developing regions, and expressed their commitment to empowering women in energy decision-making processes.
- 31. ESCAP has been supporting the application of the United Nations Resource Management System to enhance sustainable development in relation to the minerals, materials and technologies critical for energy transitions. As part of the technical advisory group for the United Nations Panel on Critical Energy Transition Minerals, ESCAP contributed to shaping policy recommendations and their implementation at the regional, subregional and national levels. ESCAP has assisted the ASEAN secretariat in developing an ASEAN minerals development vision, following the endorsement of the ASEAN principles for sustainable minerals development at the ninth ASEAN Ministerial Meeting on Minerals in 2023.

#### F. Transport

32. The Asia-Pacific region is becoming increasingly interconnected. However, the rising demand for transport and rapid urbanization call for coordinated efforts to reduce emissions, improve road safety and ensure equitable access. Over the past decade, vehicle registrations relative to the population have risen by 64 per cent, and road transport infrastructure expanded by over 50 per cent between 2004 and 2019. That growth has led to a 34 per cent increase in transport-related carbon dioxide emissions, and to a persistent gender gap in the transport workforce, of which women constitute just 16 per cent. <sup>12</sup> Furthermore, excessive transport costs and delays continue to affect countries in special situations, especially landlocked developing countries and small island developing States.

See www.unescap.org/kp/2024/power-market-roadmap-central-and-west-asia-promoting-cross-border-electricity-connectivity.

<sup>&</sup>lt;sup>11</sup> See www.unescap.org/sites/default/d8files/event-documents/UN%20RCs%20Joint%20Statement %20IFESD FINAL%20%281%29.pdf.

Review of Developments in Transport in Asia and the Pacific 2024: Transition towards Sustainable Transport Solutions (United Nations publication, 2024).

- 33. At the eighth session of the Committee on Transport, held in November 2024, participants reviewed the implementation of the Regional Action Programme for Sustainable Transport Development in Asia and the Pacific (2022–2026). Discussions included the topics of regional and interregional transport connectivity, inclusive urban transport, low-carbon mobility and logistics, sustainable shipping corridors and improving road safety. Ahead of the Fifth Ministerial Conference on Transport, to be held in 2026, the Committee also discussed its preparations and highlighted key elements for the development of the next phase of the Regional Action Programme.
- 34. ESCAP, in partnership with the Government of Bhutan, hosted the Subregional Capacity-building Workshop on Promoting Multi-modal Connectivity in Eastern South Asia in October 2024. The Workshop was aimed at improving subregional connectivity, in line with Asia-Pacific regional transport and trade facilitation frameworks. Participants from Bangladesh, Bhutan, India and Nepal came together to discuss strengthening cross-border trade and transport links and to explore ways to enhance cooperation among stakeholders. It was agreed that collective action was needed to address remaining connectivity bottlenecks.
- 35. In partnership with the Ministry of Land, Infrastructure and Transport of the Republic of Korea, ESCAP completed a project to strengthen the technical capacity of Pacific small island developing States in advancing sustainable smart mobility to address climate change. A series of consultative and capacity-building activities were conducted as part of the project. Building on those efforts, a new project to assess the technical feasibility of smart mobility technologies, in support of the rapid transition to sustainable smart cities in Pacific small island developing States, has been launched in 2025.
- 36. To advance low-carbon transport, ESCAP launched the second phase of the regional cooperation mechanism on low-carbon transport in 2024, with the aim of supporting its States members in developing and implementing climate mitigation and transport plans. A key strategy is the transition to electric mobility, in alignment with the Paris Agreement and Sustainable Development Goal 13. Under the Asia-Pacific Initiative on Electric Mobility, in which 20 of its States members participate, ESCAP provides a platform for knowledge exchange and regional cooperation. Technical workshops and capacity-building programmes have benefited countries such as Cambodia, Georgia, the Lao People's Democratic Republic, Mongolia, Nepal, Sri Lanka and Thailand. To further support electric mobility in public transport, ESCAP is working with the Lao People's Democratic Republic, the Philippines, Sri Lanka and Tajikistan on electric vehicle financing models and charging infrastructure. The initiative is aimed at helping those countries to deploy pilot electric bus systems by 2026.

# III. Strengthening the means of implementation of the 2030 Agenda

# A. Macroeconomic policy, poverty reduction and financing for development

37. Countries in Asia and the Pacific face significant challenges in financing development goals while managing high levels of government debt. There has been an increase in the number of economies in the region, particularly those in special situations, that are experiencing or facing a high risk of external debt distress. In 2023, net interest payments consumed at least 10 per cent of government revenues in 15

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<sup>&</sup>lt;sup>13</sup> ESCAP/78/15/Add.2.

countries, thus taking away limited fiscal resources that could be spent on promoting inclusive and sustainable development.<sup>14</sup>

- 38. The Asia-Pacific region requires strategies to boost the availability of affordable and long-term financing for Governments. One key approach is enhancing domestic resource mobilization, particularly through stronger public revenue collection. In an analysis conducted by ESCAP, three critical factors for increasing tax revenues were highlighted: the rationalization of tax structures, the digitalization of tax administration and the reduction of wasteful tax exemptions. <sup>15</sup> Addressing structural and governance factors, such as income inequality and corruption, would raise the potential for tax enhancements. In the interim, urgent international support is essential. Donors should prioritize addressing financing gaps over political interests, multilateral development banks should maximize the development impact of their resources, and credit rating agencies should acknowledge that sustainable development investments can enhance a country's creditworthiness over time.
- 39. Climate action in Asia and the Pacific is falling behind. In this context, ESCAP is working with the Governments of Indonesia, the Philippines and Viet Nam to strengthen their capacity to mobilize financing for energy transitions. With the Asia-Pacific region facing an annual energy investment shortfall of approximately \$0.8 trillion, the work of ESCAP addresses the urgent need for strategic financial solutions. ESCAP has conducted national workshops in each of these countries, organized cross-border dialogues and produced three technical reports on critical aspects of financing the energy transition.
- 40. ESCAP, the Resident Coordinator Office and the Agency for Securities Market Development and Special Registration of Tajikistan, in partnership with the Luxembourg Green Exchange, launched a training course entitled "Sustainable finance instruments: training on thematic bond issuance". In the most recent nationally determined contributions of Tajikistan, investment requirements for climate action were estimated at 7 per cent of the country's gross domestic product, and thematic bonds could offer a promising possibility for attracting private investors to finance such investments. The course equipped participants with the knowledge to navigate the issuance process for thematic bonds and to adopt best practices related to taxonomies, principles, external reviews and reporting.
- 41. Unmitigated climate change threatens financial stability and sustainable development financing. To address this situation, ESCAP is supporting the Central Bank of Mongolia, under the Nationally Determined Contributions Partnership, to assess climate-related risks over the next 30 years through climate and economic scenario analysis. ESCAP has also helped to develop two disclosure guidelines of the International Financial Reporting Standards and strengthened the Bank's ability to integrate climate risks into its monetary policy. In addition, ESCAP has facilitated the first climate scenario analysis of Mongolia, with the participation of five major banks, positioning the Bank as a leader in incorporating climate risk management into its regulatory framework.
- 42. The development of green capital markets requires support from both policymakers and private sector sustainability bond issuers. In that regard, ESCAP has provided technical assistance for the drafting of the sustainable finance road map of the National Bank of Cambodia and has provided the Ministry of Economy and Finance of Cambodia with pre-issuance technical assistance with sovereign sustainability bond issuance. In Bhutan, ESCAP has supported the Ministry of

<sup>14</sup> See www.unescap.org/news/asia-pacific-policymakers-call-urgent-action-bridge-financing-gapssustainable-development.

<sup>&</sup>lt;sup>15</sup> Economic and Social Survey of Asia and the Pacific 2024: Boosting Affordable and Longer-term Financing for Governments (United Nations publication, 2024).

Finance in the drafting of its sovereign sustainability bond framework, which is currently under external review.

- 43. Furthermore, ESCAP organized a series of training events in Cambodia, Mongolia and Thailand to identify key policy and regulatory barriers to developing climate finance project pipelines. A critical component of the events was the importance of fostering dialogue among key stakeholders to create an enabling environment for the development of a sustainable pipeline of green deals.
- 44. In December 2024, ESCAP, in collaboration with the United Nations Conference on Trade and Development (UNCTAD), the Asian Development Bank (ADB) and the Asian Infrastructure Investment Bank, organized a high-level regional consultation on financing for development in Asia and the Pacific, ahead of the Fourth International Conference on Financing for Development. Policymakers, experts and stakeholders from multilateral development banks, the private sector and civil society discussed key policy areas. There was consensus on the need for tax reforms to enhance tax collection, improve the efficiency of fiscal expenditure and strengthen fiscal management. Capacity-building and technical assistance for both policymakers and the private sector were highlighted as essential to mobilize investments and improve policy implementation.

#### B. Trade, investment, enterprise and business innovation

- 45. Asia and the Pacific saw significant growth in trade and investment in 2024. Real exports and imports increased by 3.4 per cent and 3.6 per cent, respectively, with South-East Asia leading, with 5.8 per cent increase in trade. The region's share of global trade rose to 38.9 per cent for exports and 36.7 per cent for imports. Trade in commercial services also increased, with exports up by 8.6 per cent and imports by 6.2 per cent, driven by travel and digital services. <sup>16</sup> Foreign direct investment (FDI) surged, particularly in the communications sector, which saw a 69 per cent increase, to \$40 billion, and in renewable energy, reaching \$58 billion. India emerged as the top destination for FDI, attracting \$76 billion. <sup>17</sup> The region accounts for nearly 60 per cent of global preferential trade agreements, with 374 such agreements in force, increasingly including sustainable development and digital trade provisions. <sup>18</sup> Future projections indicate continued growth in merchandise exports and commercial services.
- 46. ESCAP and ASEAN launched the ASEAN Regional Investment Promotion Action Plan (2025–2030) at the ASEAN Investment Forum in Vientiane in October 2024. In the Action Plan, which was endorsed by ASEAN economic ministers, priority is given to sectors critical to the green transition and post-pandemic recovery, with the aim of attracting investments that enhance regional economic resilience and are aligned with global sustainability goals. Key strategies include targeting high-potential sectors, promoting ASEAN as an integrated investment ecosystem and engaging strategically with investors through tailored outreach and events. With record FDI inflows of \$226 billion in 2023, the Action Plan is aimed at boosting the region's competitiveness in global value chains and driving inclusive, sustainable growth. The Forum brought together more than 300 high-level participants, including from governments, the private sector and international organizations.

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<sup>&</sup>lt;sup>16</sup> ESCAP, "Asia-Pacific trade and investment trends 2024/2025: trade in goods and commercial services", December 2024.

<sup>&</sup>lt;sup>17</sup> ESCAP, "Asia-Pacific trade and investment trends 2024/2025: foreign direct investment", December 2024.

<sup>&</sup>lt;sup>18</sup> ESCAP, "Asia-Pacific trade and investment trends 2024/2025: preferential trade agreements", December 2024.

- 47. ESCAP and the Foreign, Commonwealth and Development Office of the United Kingdom of Great Britain and Northern Ireland have launched the ASEAN Green Investment Catalyst initiative to promote sustainable FDI in South-East Asia. Supported by £2.1 million in funding through the ASEAN-United Kingdom Green Transition Fund, ASEAN and its States members will be assisted in implementing the newly adopted ASEAN Regional Investment Promotion Action Plan (2025–2030). The initiative is intended to direct FDI into critical green sectors essential for the transition of ASEAN countries to low-carbon economies. Under the initiative, capacity-building support will be provided to ASEAN investment promotion agencies and contributions will be made to the ASEAN Investment Forum in 2025 and 2026.
- 48. ESCAP, in collaboration with the Ministry of Industry and Commerce of the Lao People's Democratic Republic, the Organisation for Economic Co-operation and Development and the ASEAN secretariat, organized the seventh ASEAN Inclusive Business Forum to advance the implementation of the Plan of Action for the Promotion of Inclusive Business in ASEAN (2023–2027). At the Forum, a formal accreditation system for inclusive businesses, based on the newly endorsed Model Framework for an Inclusive Business Accreditation System in ASEAN, was introduced, enabling governments to assess social impact, commercial viability and innovation, while offering targeted support. Approximately 150 stakeholders exchanged insights on national and regional initiatives, such as the inclusive business hub of Viet Nam and landscape studies in the Lao People's Democratic Republic and Thailand.
- 49. ESCAP supported trade digitalization through key regional events, including the eleventh Asia-Pacific Trade Facilitation Forum, co-hosted with ADB and the Government of Uzbekistan, and the first Paperless Trade Week event, held in Bangkok. The regional digital trade integration database was expanded to promote harmonized digital trade regulations. An online course on leveraging digital trade and investment for sustainable development, co-organized with UNCTAD and UNEP, engaged more than 400 participants. Progress was made on the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific, with the Paperless Trade Council welcoming two new member countries at its third session.

### C. Information and communications technology, science, technology and innovation

- 50. The Asia-Pacific region, which is responsible for over half of global greenhouse gas emissions, faces severe climate challenges, with annual losses approaching \$1 trillion. Digital technologies, such as smart grids, artificial intelligence-driven analytics and digital twins, are reducing carbon footprints, optimizing energy use and enhancing climate resilience. However, inadequate rural infrastructure, digital skill gaps and rising energy demands from data centres are barriers that are limiting progress. Governments could therefore invest in resilient digital infrastructure powered by renewable energy, promote open-source solutions and adopt interoperable systems to maximize benefits. <sup>19</sup>
- 51. In its resolution 80/1, ESCAP encourages all its members and associate members to promote digital inclusion by ensuring safe, equitable and meaningful digital access for all, and also encourages them to strengthen regional and multi-stakeholder cooperation for the promotion of research and development in digital technologies.
- 52. The critical role of digital technologies in addressing climate mitigation and adaptation was also a central theme of the Asia-Pacific Digital Transformation Report

Asia-Pacific Digital Transformation Report 2024: Digital Innovation for Smarter Climate Action (United Nations publication, 2024).

2024.<sup>20</sup> The report, in which the interplay between digital transformation and the climate crisis is explored, was a key highlight of the Asia-Pacific Ministerial Conference on Digital Inclusion and Transformation organized by ESCAP and hosted by the Government of Kazakhstan in September 2024. At the Conference, ministers and heads of digital technology agencies endorsed the Astana Ministerial Declaration on Digital Inclusion and Transformation in Asia and the Pacific.<sup>21</sup> The Declaration serves as a visionary blueprint for regional cooperation and is aimed at accelerating digital innovation and collaboration for sustainable development within the framework of the action plan for implementing the Asia-Pacific Information Superhighway initiative, 2022–2026.<sup>22</sup>

#### D. Statistics

- 53. While over half of the Sustainable Development Goal indicators have sufficient data points to establish a baseline for tracking progress, more than one third lack any data at all. This data gap is a major concern for countries in Asia and the Pacific that face challenges in gaining a comprehensive understanding of the region's progress towards achieving the Goals. This situation is further complicated by the limited availability of disaggregated data, which are crucial for accurately reflecting the realities of diverse communities, as disaggregated statistics are available for only five dimensions sex, age, urbanization, income and education level and apply to just 29 out of 231 Goal indicators. Overall, more than 40 per cent of countries in the region lack fully funded national statistical plans, further limiting their ability to close data gaps.<sup>23</sup>
- 54. The ninth session of the Committee on Statistics was held during the 2024 Asia-Pacific Statistics Week, organized on the theme "Power of data". The Statistics Week also featured the twentieth session of the Governing Council of the Statistical Institute for Asia and the Pacific, as well as side and associated events on multiple topics, such as agile statistical systems for the future and the use of big data, data science and artificial intelligence for official statistics. Reviewing the progress made in implementing the Declaration on Navigating Policy with Data to Leave No One Behind,<sup>24</sup> endorsed by 75/9, the Committee called for increased political and financial support for inclusive statistical systems and for a whole-of-society approach to decision-making for official statistics. It also agreed to advance national data partnerships and data user advisory groups and to prioritize building agile statistical systems in its future work.
- 55. ESCAP continues to strengthen national statistical systems in order to enhance the production of official statistics. In Mongolia, ESCAP supported improvements in statistical business processes, the development of an online training platform and enhancements to the waste statistics framework. In Tonga, efforts were focused on developing tourism and energy accounts, while, in Bhutan and Fiji, technical assistance was provided in creating indicators for climate change and disaster risk reduction.
- 56. ESCAP continued to coordinate the implementation of the Regional Action Framework on Civil Registration and Vital Statistics in Asia and the Pacific and provided technical support to national stakeholders in Bhutan, Cambodia, Fiji, India, Indonesia, Kiribati, the Lao People's Democratic Republic, Maldives and Samoa. ESCAP also supported networks of civil registrars and knowledge-sharing initiatives

20 Ibid.

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<sup>&</sup>lt;sup>21</sup> ESCAP/MCDIT/5/Add.1.

<sup>&</sup>lt;sup>22</sup> ESCAP/CICTSTI/2022/INF/1.

<sup>&</sup>lt;sup>23</sup> ESCAP/CST(9)/2 and ESCAP/CST(9)/2/Corr.1.

<sup>&</sup>lt;sup>24</sup> ESCAP/CST/2018/7.

aligned with the Ministerial Declaration on Building a More Resilient Future with Inclusive Civil Registration and Vital Statistics<sup>25</sup> and the Regional Action Framework. A review of progress during the Asia and Pacific Civil Registration and Vital Statistics Decade (2015–2024) will be presented at the third Ministerial Conference on Civil Registration and Vital Statistics in Asia and the Pacific, to be held in 2025.

### IV. Spotlight on digitalization

- 57. Innovations in cognitive digital technologies, digital finance, government technology and the Internet of things hold significant potential to advance progress towards the 2030 Agenda. Recognizing that potential, Governments from across the region convened at the eightieth session of ESCAP, held in April 2024, to explore ways to foster, replicate and scale up digital innovations. Informed by the findings contained in *Seizing the Opportunity: Digital Innovation for a Sustainable Future*, <sup>26</sup> the discussions served to highlight the role of regional cooperation in harnessing digital advancements. Countries reaffirmed their commitment to promoting policy and regulatory environments that support digital innovation as a key driver for achieving all 17 Sustainable Development Goals.
- 58. The Asia-Pacific region leads in digital innovation, yet it grapples with the world's widest digital divide, threatening to exacerbate existing inequalities. The Astana Ministerial Declaration on Digital Inclusion and Transformation is a visionary blueprint aimed at addressing that challenge, with a view to fostering high-level regional policy coordination and cooperation. Complementing the Ministerial Declaration, the Asia-Pacific Information Superhighway initiative and its action plan for 2022–2026 serve as a useful regional mechanism, driving the practical implementation of the Declaration's goals through enhanced connectivity, digital access and inclusive development.
- 59. At the eighth session of the Asia-Pacific Information Superhighway Steering Committee, held in September 2024, States members of ESCAP prioritized expanding digital public services for small and medium-sized enterprises and bolstering human capacity in artificial intelligence. To that end, the ESCAP secretariat has delivered targeted capacity-building assistance, supporting Cambodia and Pakistan in developing national policies on artificial intelligence. In addition, to improve connectivity and reduce costs in the Pacific, ESCAP has facilitated efforts aimed at the establishment of a Pacific Internet exchange point. With the support of ESCAP, Fiji, New Zealand and Samoa established the Pacific Islands Internet Exchange Incorporated in June 2024, with its operations launched in July 2024.
- 60. ESCAP also provides significant support to its States members in advancing trade digitalization, including through its role as secretariat to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific. Extensive efforts have been made to build the capacity of policymakers and other stakeholders to better understand and implement trade digitalization measures. Key events in 2024 included the inaugural Paperless Trade Week and the eleventh Asia-Pacific Trade Facilitation Forum, which was co-hosted with ADB and the Government of Uzbekistan and brought together government officials, industry practitioners and innovators, thereby fostering collaboration and the exchange of best practices.
- 61. The United Nations Trade Digitalization Index, a joint initiative of ESCAP, the other regional commissions and UNCTAD, was launched in 2024. The Index tracks

<sup>25</sup> ESCAP/MCCRVS/2021/8/Add.1.

<sup>&</sup>lt;sup>26</sup> Seizing the Opportunity: Digital Innovation for a Sustainable Future (United Nations publication, 2024).

global progress in digitalizing trade procedures and offers governments new means to assess their progress, pinpoint weaknesses and facilitate the work of international organizations in identifying areas that require additional support. Together with the Economic Commission for Africa and the Economic Commission for Latin America and the Caribbean, ESCAP published the *Digital Trade Regulatory Review for Asia-Pacific, Africa, and Latin America and the Caribbean 2024*, thereby supporting its States members in the development of digital trade regulations.

- 62. To support regional cooperation for the wider deployment of sustainable smart transport systems, States members of ESCAP developed the Regional Road Map to Support Regional Cooperation for the Wider Deployment of Sustainable Smart Transport Systems in Asia and the Pacific as a voluntary framework to guide the development of smart transport systems. The road map serves to reaffirm the region's commitment to enhancing connectivity, inclusiveness, affordability and resilience in transport development and provides strategic direction for digitalization, data-driven decision-making and sustainable infrastructure investment.
- 63. In the area of transport connectivity, to reduce costs, delays and carbon emissions in freight operations, States members of ESCAP that are Parties to the Intergovernmental Agreement on the Trans-Asian Railway Network adopted a new annex that contains general principles on electronic information exchange among railway companies and between such companies and control agencies. To further advance rail digitalization, the Working Group on the Trans-Asian Railway Network adopted the Strategy 2030 on Accelerating Rail Digital Transformation in the Asia-Pacific Region, which provides a framework to strengthen digitalization efforts and address emerging challenges, including railway-related information and communications technology security threats.

### V. Leveraging partnerships for sustainable development

- 64. ESCAP is advancing the ASEAN plans of action by partnering with Thailand to strengthen regional cooperation on sustainable development, aligning efforts with ASEAN priorities. For instance, the ASEAN Regional Investment Promotion Action Plan (2025–2030), developed with the support of ESCAP, is aimed at attracting sustainable FDI by promoting the region as a unified investment destination. The Action Plan targets sectors vital for the green transition and post-pandemic recovery of States members of ASEAN, such as renewable energy and sustainable infrastructure, with ESCAP providing capacity-building and technical assistance in order to ensure successful implementation. As the Plan of Action to Implement the Joint Declaration on Comprehensive Partnership between the Association of Southeast Asian Nations and the United Nations (2021–2025) concludes, ESCAP is already developing the next such plan of action, covering the period 2026–2030.
- 65. ESCAP actively supports the Complementarities Initiative, which is intended to align the ASEAN Community Vision 2025 with the 2030 Agenda. The role of ESCAP includes providing analytical support, facilitating high-level dialogue and promoting policy coherence among States members of ASEAN. A notable project under the initiative is the Mapping of Indicators project, conducted in partnership with the Government of Thailand, which involved technical workshops to align indicators, aiding States members of ASEAN in tracking progress and identifying areas for improvement. Currently, ESCAP and ASEAN are updating the Complementarities Initiative to align it with the ASEAN Community Vision 2045, reflecting emerging challenges and aspirations for an inclusive, sustainable and resilient future.
- 66. In response to its resolution 80/2, in which it requested the Executive Secretary to strengthen support to the least developed countries, landlocked developing countries and small island developing States in their efforts to accelerate the

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implementation of the 2030 Agenda, ESCAP is preparing the 2025 edition of the Asia-Pacific Countries with Special Needs Development Report. The report is aimed at establishing a baseline for measuring progress and at proposing strategic actions to enhance the effectiveness of the implementation of the programmes of action for the least developed countries, landlocked developing countries and small island developing States. To support those efforts, ESCAP organized an expert group meeting to facilitate discussions among policymakers and development partners on the new generation of programmes of action, including the Doha Programme of Action for the Least Developed Countries (2022–2031), the Programme of Action for Landlocked Developing Countries for the Decade 2024–2034, and the Antigua and Barbuda Agenda for Small Island Developing States: A Renewed Declaration for Resilient Prosperity (2024–2034), and their links to the Sustainable Development Goals. At the meeting, the current implementation status was assessed, common challenges were identified and strategic actions were explored to strengthen the implementation of programmes of action for sustainable development.

67. ESCAP works in partnership with subregional organizations in East and North-East Asia to advance the implementation of the 2030 Agenda. The Forum on Carbon Neutrality Goals of China, Japan and the Republic of Korea, an annual collaboration between ESCAP and the Trilateral Cooperation Secretariat, launched in 2021, has served as a pivotal platform for outlining strategic actions, identifying priorities and addressing challenges in the transition to carbon neutrality. The Trilateral Cooperation Secretariat oversees mechanisms for cooperation between China, Japan and the Republic of Korea, utilizing its "Trilateral + X" approach to expand cooperation to other countries to achieve common development objectives in areas such as sustainable economy, ecological and environmental conservation, disaster risk reduction, health and poverty alleviation. ESCAP also works with the Greater Tumen Initiative, in line with a memorandum of understanding on sustainable connectivity, covering trade, transport and energy and involving China, Mongolia, the Republic of Korea and the Russian Federation.

#### VI. Conclusions

- 68. Despite the many challenges faced by the Asia-Pacific region, including climate change, environmental crises, economic uncertainty, data scarcity, rising inequality, demographic shifts and geopolitical tensions, the region continues to make significant progress. Through targeted initiatives, countries are making progress in digital transformation, sustainable energy transitions and social protection systems, demonstrating resilience and commitment to sustainable development.
- 69. The dedication of countries to the 2030 Agenda is evident in efforts such as regional early warning systems, energy transition projects, tax cooperation, integrated investment ecosystems and inclusive digital economies. Initiatives are not only addressing immediate challenges, but also strengthening long-term regional cooperation and integration.
- 70. ESCAP has played a key role in fostering dialogue on critical development issues, providing integrated policy support and strengthening partnerships across governments, the United Nations system, international organizations, academia, the private sector and civil society. Continued efforts are crucial to address the region's pressing challenges by further advancing regional partnerships and coordination, refining policy frameworks, strengthening social protection systems and mobilizing resources for climate action and sustainable financing.