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**EMERGING ISSUES AND DEVELOPMENTS AT THE REGIONAL LEVEL:
POVERTY ALLEVIATION THROUGH ECONOMIC GROWTH
AND SOCIAL DEVELOPMENT**

(Item 6 (c) of the provisional agenda)

**REPORT OF THE COMMITTEE ON POVERTY ALLEVIATION
THROUGH ECONOMIC GROWTH AND SOCIAL
DEVELOPMENT ON ITS THIRD SESSION**

Note by the secretariat

SUMMARY

The Committee on Poverty Alleviation through Economic Growth and Social Development held its third session at Bangkok from 16 to 18 October 1996. It was attended by 23 members and associate members of ESCAP. Representatives of 12 United Nations bodies and specialized agencies, 4 intergovernmental organizations and 10 non-governmental and other organizations were also in attendance.

The Committee reviewed various aspects of the poverty situation in the region and critical issues, including rural-urban migration and urbanization. It emphasized that policies should accommodate the reality that increasing urbanization and migration were related to national development strategies and that government policies should deal appropriately with migration and urbanization. It felt that relative poverty, particularly in urban areas and between rural and urban areas, was becoming a key issue in the region.

The Committee stressed that it was necessary to adopt a holistic approach which addressed issues of migration, urbanization and poverty alleviation. It also stressed the need to follow an integrated planning approach, involving all of the relevant actors including government, community-based organizations, non-governmental organizations and the private sector, with the role of government being that of a facilitator rather than a provider.

The Committee also considered the implementation of the programme of work, 1996 and proposed programme changes, 1996-1997, and endorsed programme directions for the biennium 1998-1999 in the context of the proposed medium-term plan for the period 1998-2001.

The Committee formulated a set of recommendations addressing the above issues and concerns.

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**I. MATTERS CALLING FOR ACTION BY THE COMMISSION OR
TO BE BROUGHT TO ITS ATTENTION**

(a) *Recommendations and decisions concerning the role of international organizations in poverty alleviation*

1. The Committee recognized that in international cooperation on poverty alleviation through international organizations, the needs and priorities of individual countries should be given due consideration, taking into account their different anti-poverty strategies at the national level.

2. It called upon the secretariat to continue its efforts to assist members and associate members to devise effective policies and programmes to alleviate poverty. It recommended that the secretariat should provide information that was of use in the policy framework for poverty alleviation and that it should continue to promote the exchange of information. It also recommended that the secretariat should consider taking the necessary steps to strengthen the regional information exchange and networking facility to promote the transfer of technology and management which could also benefit informal sector activities.

3. The Committee urged that comparative research should be undertaken on different approaches to poverty alleviation, including social welfare and social services. Such research should consider examples of both success and failure.

4. The Committee stressed that fast economic growth had significantly reduced absolute poverty in many developing countries. However, in some developing countries relative poverty had remained high or had increased over time. Therefore, the secretariat should strengthen its work on the alleviation of relative poverty.

5. The Committee recognized that the root causes of urban poverty were complicated and that they varied from country to country. One of those causes was the inefficiencies of urban markets. It recommended that the secretariat should undertake programmes to study policy options to increase the efficiencies of urban markets.

6. It was suggested that the secretariat should assist the countries concerned to analyse why growth centres had failed and whether an optimum size of urban areas and an optimum level of urbanization could be determined, as well as to analyse the efficiency of mega-cities and possible alternatives to the development of mega-cities.

7. The Committee recommended that, in order to avoid duplication, United Nations organizations should coordinate in assisting countries with economies in transition in the fields of employment, retraining, business management techniques, and social protection and security.

8. The Committee recommended that the ESCAP secretariat should seek extrabudgetary resources and take other steps to convene a high-level meeting in 1997 as a follow-up to the 1992 Fourth Asian and Pacific Population Conference, the 1994 International Conference on Population and Development, and the 1995 Fourth World Conference on Women, and that it should report to the Commission at its fifty-third session on the progress of preparations for that meeting.

9. The Committee recognized the important role that infrastructure development played in alleviating poverty in the region. It also recognized that the Ministerial Conference on Infrastructure, to be held from 23 to 29 October 1996 at New Delhi, would provide a unique opportunity to develop practical approaches in that regard. It requested the secretariat to inform the Ministerial Conference of the outcome of the current session of the Committee.

10. The Committee called upon the multilateral and bilateral funding institutions, such as the World Bank and the Asian Development Bank, to give priority to poverty alleviation programmes.

(b) Recommendations and decisions concerning policy approaches to poverty alleviation

11. The Committee reiterated the need to place more emphasis on human development, focusing on, *inter alia*, giving special attention to the needs of disadvantaged groups, including women, in society and the neglected regions and subregions in formulating national poverty alleviation strategies.

12. The Committee recommended that greater attention should be given to the expansion and improvement of social services and the empowerment and capability-building of the poor through improving their access to employment and income-generation, credit, technology and other production assets. In countries where it was felt that poverty and migration problems were exacerbated by high population growth, family planning should be provided as a social service.

13. The Committee further recommended that the secretariat should promote regional cooperation in support of national efforts in (a) strengthening governance, including improving the participation of all stakeholders and actors, such as communities and non-governmental organizations (NGOs) in poverty alleviation; and (b) decentralization and area development schemes for poverty alleviation.

14. The Committee stressed that the generation of productive and sustained employment was a major means of alleviating poverty and that programmes of human resources development should aim at enabling the poor to become qualified for employment opportunities.

(c) Recommendations and decisions concerning spatial aspects of poverty alleviation

15. The Committee urged that governments should take a holistic approach to poverty alleviation. Such an approach should emphasize and strengthen existing rural-urban linkages. Migration from less productive to more productive rural areas might not be entirely avoidable but efforts were required to enhance the opportunities in the less productive rural areas by improving the conditions therein. In

order to relieve the pressure on mega-cities it was also necessary to promote the development of small and medium-sized towns. In the planning of spatial development, the cost-effectiveness of promoting different areas would have to be taken into account along with the social impact that such an effort might involve or create.

(d) Recommendations and decisions concerning the policy aspects of rural-to-urban migration

16. In formulating policies concerning rural to urban migration it should be recognized that such migration could be expected to increase in most countries of the region. Policies concerning rural-urban migration should differentiate between various characteristics of such migration, for example, whether it was temporary or permanent, single or family, and male or female migration. Policies designed in that regard would, in certain countries or situations, seek to reduce migration from rural to urban areas while at the same time improving the access of the urban poor to employment and social services. In certain countries or situations, to be most effective in alleviating poverty, policies should aim at protecting rather than restricting migrants and their access to employment and social services.

17. Government policies concerning migration should also take into account the global dimensions of migration.

(e) Recommendations and decisions concerning policies towards the informal sector

18. In view of globalization and the liberalization of trade and the opening up of markets, the Committee recommended that studies should be undertaken to identify how the informal sector could be better integrated with the formal sector and how to facilitate the formalization of potential informal workers and activities.

19. It recommended that policies and programmes that provided extension programmes in training, skills development, management, access to market information and technology upgrading should be pursued more vigorously by governments, NGOs and the private sector.

(f) Others

20. The Committee welcomed the offer of the Government of the Philippines to host the Fifth Asian and Pacific Ministerial Conference on Social Development, in Manila, in 1997. The Conference would review and assess the progress achieved towards attaining the goals and targets of the Agenda for Action on Social Development in the ESCAP Region, and it would consider the means of enhancing regional cooperation in support of the Agenda.

II. PROCEEDINGS OF THE MEETING

A. Rural-urban migration and its implications for poverty alleviation

21. The Committee had before it document E/ESCAP/CPA(3)/1. It examined the phenomenon of rural-urban migration and its implications for poverty alleviation. It noted that although migration to urban centres could have negative consequences for the sending and receiving communities, migrants were likely to be guided by the perceived impact on their condition and circumstances. Urban areas had the potential to provide support to rural areas through remittances as well as the knowledge and skills transferred by migrants.

22. Migrants could make a contribution to urban areas in certain situations and circumstances. Females made up an increasing proportion of migrants to cities in most countries of the region and constituted a majority of such migrants in some countries. While women migrants were particularly vulnerable to exploitation and abuse, over the longer term the incorporation of women in the paid labour force should improve their status and bring about greater empowerment.

23. The Committee emphasized that policies should take note of increasing urbanization and migration and that government policies should deal appropriately with them.

24. The Committee noted that statistical concepts and definitions greatly affected the way in which poverty and urbanization were measured. Statistics in those areas should be reviewed and revised if necessary to reflect accurately the levels and trends of poverty, migration and urbanization.

25. The Committee stressed that it was necessary to adopt a holistic approach to issues of migration and poverty alleviation. While rural-to-urban migration was increasing in significance, there was considerable potential for further development of rural areas and small and medium-sized towns. Rural industrialization and infrastructure development could provide employment opportunities to some of the rural population, thereby decreasing the need for migration. The key to spatial planning was to base development projects on their cost-effectiveness and the social impact that they would involve or create.

26. Rural industrialization had become an important factor in restraining rural-urban migration in many countries of the region by providing employment and income to the rural poor and meeting their basic needs. There was a need to promote rural industrialization through the establishment of growth centres in rural areas, the facilitation of access to credit and technology and assistance in the development of managerial capabilities and skills.

27. While support for the informal sector was a valuable approach to poverty alleviation, governments should also promote the formal sector, especially in manufacturing and services because of the employment opportunities they provided.

28. While rural-to-urban migration had the potential to benefit both rural and urban areas, the costs of such migration must be taken into account. Migration to urban areas placed an additional burden on urban infrastructure and services. Moreover, migration entailed social costs both for the persons moving and for the family members remaining behind.

29. The Committee discussed in detail the degree to which further urbanization was inevitable and desirable. It noted that migration and urbanization depended upon a number of factors, among which could be the nature of the economic development being pursued by government. Different development approaches would have different impacts upon levels of migration and urbanization. Governments should define long-term goals for their societies in terms of the nature of development desired.

30. That issue raised the question of the appropriate role of government in dealing with migration, urbanization and the informal sector. Countries in the region had tried a number of approaches to influencing internal migration, especially to urban areas. Those approaches ranged from minimal involvement to attempts to control, manage or sponsor migration. The Committee agreed that Government had an important role to play at least in monitoring migration and providing information about it.

31. The Committee stressed that a holistic approach to issues of spatial development was required. Effective area planning needed to emphasize rural-urban linkages and to follow an integrated planning approach. Urbanization entailed more than the growth of mega-cities; it involved the balanced development of towns and cities of various sizes according to their comparative advantages.

32. Some decentralization of decision-making and the provision of services would benefit local areas and their residents. Area development should follow a stakeholder approach that involved all of the relevant actors in an area, for example, government, communities, NGOs and the private sector. In most circumstances, the appropriate role of government would be that of a facilitator rather than a provider of development programmes.

33. The Committee recalled that poverty alleviation, employment expansion and social integration were the three core goals of the Agenda for Action on Social Development for the ESCAP Region, as well as of the World Summit for Social Development held in Copenhagen in 1995. It also noted that poverty alleviation was an urgent issue of international concern, as reflected in the United Nations declarations on the International Year for the Eradication of Poverty (1996) and the proclamation by the General Assembly, in its resolution 50/107 of 20 December 1995, of the first United Nations Decade for the Eradication of Poverty (1997-2006). The Committee therefore stressed that issues of rural-urban migration should be considered in the overall context of poverty alleviation.

B. Urban informal sector: the living environment

34. The Committee had before it document E/ESCAP/CPA(3)/2. It noted that the region was urbanizing rapidly as a consequence of economic development. If the current demographic and economic trends continued, by the first half of the twenty-first century a majority of the population in Asia and the Pacific would reside in urban areas and the region would become the centre of the global economy. Countries of the region had made tremendous strides in alleviating poverty; however, while absolute poverty might be decreasing in percentage terms, it was increasing in absolute numbers. Relative poverty, particularly in urban areas and between rural and urban areas, was becoming a major issue in the region. If that issue was not addressed urgently, countries of the region would continue to have a persistent underclass of the poor who would be alienated from the mainstream of society.

35. Poverty alleviation policies and programmes should seek to understand the root causes of poverty and to address those through mechanisms which sought to empower the poor. The poor should not be viewed as unproductive members of society who needed to be taken care of, but rather as productive members of society who needed further opportunities for advancement. There was a need to view poverty from the perspective of households rather than individuals.

36. The urban economy did not comprise two streams: the formal economy catering for the rich and the informal economy catering for the poor. Rather the urban economy was made up of several interactive and interrelated markets. One cause of urban poverty was the inefficiencies of those urban markets. Programmes and policies should be designed to increase the efficiencies of urban markets.

37. Poverty resulted from a number of complex factors, including the lack of choices and security in the economic, social, political, environmental and physical habitat aspects of urban poor households. The key to poverty alleviation was to empower the poor to increase their security and their options.

38. Empowerment of the poor could be achieved by assisting them in building effective mechanisms, by providing technical and management skills training as well as access to credit and market information, and by upgrading technologies. Experience had shown that where integration between the formal and informal sector had been achieved successfully, the level of poverty had been reduced.

39. Investment in education, health, training and infrastructure would greatly facilitate the alleviation of urban and rural poverty.

40. The Committee recognized the importance of partnerships between the government and the civil society in poverty alleviation. Governments alone could not alleviate poverty. NGOs should also seek to empower the poor rather than allowing them to remain perpetually dependent.

41. Governments should play a major role in poverty alleviation, but at the same time devolution and decentralization of government functions and fiscal powers were a prerequisite to poverty alleviation and the empowerment of the poor. The role of government was to examine the coping mechanisms of the poor and understand those mechanisms, as well as to implement policies in which positive aspects were maximized and negative aspects minimized. In some instances direct government interventions were necessary to improve the conditions of the poorest of the poor, which included women-headed households, through direct and targeted subsidies.

C. Programme planning and implementation

1. Review and implementation of subprogramme 3, 1996-1997

42. The Committee expressed its satisfaction with the major accomplishments and progress achieved by the secretariat in implementing the programme of work for the biennium 1996-1997 under the subprogramme on poverty alleviation through economic growth and social development, as reported in E/ESCAP/CPA(3)/3. It suggested some improvements in the format of the document for the consideration of the secretariat.

43. The Committee recognized the importance of population issues in the context of poverty alleviation. Drawing attention to the fact that over four years had passed since the Fourth Asian and Pacific Population Conference had been held in Bali, Indonesia, and that the 1994 International Conference on Population and Development and the 1995 Fourth World Conference on Women had called for far-reaching adjustments in population and development programmes, the Committee proposed that a high-level meeting be convened in 1997 to review the implementation of the recommendations of those conferences and to examine the population and development implications of globalization. It further requested the secretariat to seek extrabudgetary resources for that purpose and to report to the Commission at its fifty-third session on the progress in that regard.

44. The Committee noted that in addition to the work undertaken under the subprogramme on poverty alleviation, activities aimed at poverty alleviation were also being implemented under the subprogramme on transport and communications. It recognized the important role that transport and communications infrastructure and services could play in alleviating poverty in the region. The Committee extended appreciation to the ESCAP secretariat and to the United Nations Development Programme (UNDP) for undertaking projects related to transport and communications infrastructure which were aimed at poverty alleviation, as well as for documenting best practice studies where those factors had played a catalytic role in alleviating poverty.

45. The Committee proposed that the secretariat should continue to undertake activities in the areas of transport and communications which were aimed at poverty alleviation and based on the broad concept of sustainable mobility and physical access to social facilities and services as well as to economic opportunities. It also requested the secretariat to undertake activities in the area of tourism development which could contribute to poverty alleviation in the region.

2. Proposed programme changes, 1996-1997

46. The Committee noted that there were no programme changes proposed by the secretariat for the period 1996-1997.

3. Proposed medium-term plan, 1998-2001

47. The Committee took note of the explanation by the secretariat regarding the revision of the medium-term plan 1998-2001, based on instructions from United Nations Headquarters. The Committee further noted that no changes had been made in the substance of the plan.

D. Other matters

48. The representative of the Philippines informed the Committee of the offer of the Government of the Philippines to host the Fifth Asian and Pacific Ministerial Conference on Social Development, at Manila, in 1997.

E. Adoption of the report

49. The Committee adopted its report on 18 October 1996.

III. ORGANIZATION OF THE MEETING

A. Opening, duration and organization of the session

50. The Committee on Poverty Alleviation through Economic Growth and Social Development held its third session at Bangkok from 16 to 18 October 1996. The meeting was opened by the Executive Secretary of ESCAP. He noted that the Commission had established the Committee to address the critical issues of poverty alleviation through an intersectoral approach, stressing both economic growth and social development.

51. The very nature of societies in the Asian and Pacific region was being rapidly transformed as those societies became more urbanized. Urban economies, living arrangements and social institutions differed greatly from those in rural areas, where the vast majority of people in the region had always lived. It was for that reason that the third session of the Committee was devoted primarily to issues of urban poverty.

52. The Executive Secretary stressed that rural-to-urban migration and informal sector activities,

though sometimes discouraged by government policies, could play an important role in alleviating poverty and improving the quality of life in both urban and rural areas. Appropriate government policies and full cooperation between the government and the people could provide the means to eradicate poverty from the region.

53. The secretariat prepared the following background documents to guide the Committee in its deliberations: "Rural-urban migration and its implications for poverty alleviation" (E/ESCAP/CPA(3)/1); "Urban informal sector: the living environment" (E/ESCAP/CPA(3)/2); "Programme planning and implementation: implementation of the programme of work, 1996 and proposed programme changes, 1996-1997; programme directions for the biennium 1998-1999 in the context of the proposed medium-term plan for the period 1998-2001" (E/ESCAP/CPA(3)/3); "Steps taken in the implementation of the Agenda for Action on Social Development in the ESCAP Region" (E/ESCAP/CPA(3)/INF.1); "Report on the Regional Workshop on Guidelines for the Implementation of the Agenda for Action on Social Development in the ESCAP Region, Bangkok, 25-29 March 1996" (E/ESCAP/CPA(3)/INF.2); "Report of the Meeting of Senior Officials on a Policy Framework for Lifelong Preparation for Old Age, Bangkok, 7-10 May 1996" (E/ESCAP/CPA(3)/INF.3); "Report of the Seminar on Poverty Alleviation through Technological Capacity-building, Beijing, 17-21 June 1996" (E/ESCAP/CPA(3)/INF.4); and "Report of the Regional Seminar on the Role of the Informal Service Sector in Poverty Alleviation, 14-17 May 1996" (E/ESCAP/CPA(3)/INF.5).

B. Attendance

54. The Committee was attended by representatives of 23 members and associate members of ESCAP: Cambodia, China, Democratic People's Republic of Korea, Russian Federation, Guam, India, Indonesia, Islamic Republic of Iran, Japan, Malaysia, Myanmar, Nepal, Netherlands, Pakistan, Philippines, Republic of Korea, Sri Lanka, Thailand, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America, Uzbekistan and Viet Nam.

55. In addition, 12 United Nations bodies and specialized agencies attended: United Nations Centre for Human Settlements (UNCHS), United Nations Children's Fund (UNICEF), United Nations Development Fund for Women (UNIFEM), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations International Drug Control Programme (UNDCP), United Nations Population Fund (UNFPA), International Labour Organization (ILO), Food and Agriculture Organization of the United Nations (FAO), United Nations Educational, Scientific and Cultural Organization (UNESCO) and World Health Organization (WHO), United Nations Industrial Development Organization (UNIDO).

56. Four intergovernmental organizations were represented: Asian and Pacific Development Centre (APDC), Asian-Pacific Postal Union (APPU), Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP) and International Organization for Migration (IOM).

57. The following non-governmental organizations in Category I were represented: International Council on Social Welfare (ICSW), International Federation of Red Cross and Red Crescent Societies (IFRC), International Planned Parenthood Federation (IPPF), International Union of Local Authorities (IULA), World Muslim Congress (WMC), World Veterans Federation (WVF) and Zonta International (ZI), and from the following organizations in Category II: Pan-Pacific and South-East Asia Women's Association (PPSEAWA).

58. Other organizations represented at the Meeting included: Asian and Pacific Association for Social Work Education (APASWE) and Regional Network of Local Authorities for the Management of Human Settlements (CITYNET).

C. Election of officers

59. The Meeting elected HE Mr Hong Sun Huot, chairperson, and HE Mrs Nguyen Thi Hang and the Hon. Nestor Mijares IV, vice-chairpersons. Mr K.B. Saxena was elected rapporteur.

D. Agenda

60. The Meeting adopted the following agenda:

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Rural-urban migration and its implications for poverty alleviation.
5. Urban informal sector: the living environment.
6. Programme planning and implementation:
 - (a) Implementation of the programme of work, 1996 and proposed programme changes, 1996-1997;
 - (b) Programme directions for the biennium 1998-1999 in the context of the proposed medium-term plan for the period 1998-2001.
7. Other matters.
8. Adoption of the report.