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**Economic and Social Commission for Asia and the Pacific****Seventieth session**

Bangkok, 23 May 2014 (Phase I)

Bangkok, 4-8 August 2014 (Phase II)

**Account of proceedings****Introduction**

1. Pursuant to resolution 69/1, the Commission decided that the report of its annual session would be composed of the decisions and resolutions of the Commission.<sup>1</sup> Meanwhile, a draft account of proceedings of the session, prepared by the secretariat, would be circulated among members and associate members for comment within 15 days following the conclusion of the session.

2. Members and associate members were requested to provide comments within 15 days of receiving the draft account of proceedings. The secretariat's final account of proceedings of the Commission session would be issued within two months of the conclusion of the session, taking into account the relevant comments of members and associate members.

**I. Seventieth session of the Commission (Phase I)****Agenda item 1****Opening of the session**

3. Owing to special circumstances in Bangkok, the seventieth session of the Commission was held in two phases. Phase I was held at the United Nations Conference Centre in Bangkok on 23 May 2014, with Phase II scheduled to be held in the same location from 4 to 8 August 2014.

4. Phase I of the seventieth session of the Commission was opened by the Executive Secretary on 23 May 2014. The Executive Secretary delivered a welcoming statement.

**Agenda item 3****Review of issues pertinent to the subsidiary structure of the Commission, including the work of the regional institutions****Sub-item (a)****Macroeconomic policy, poverty reduction and inclusive development**

5. The Commission had before it the report of the Ministerial Conference on Regional Economic Cooperation and Integration in Asia and the Pacific (E/ESCAP/70/7).

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<sup>1</sup> See E/2014/39 - E/ESCAP/70/34.

6. Statements were made by representatives of the following country: Bangladesh.

7. The Commission was briefed on the outcome of the Ministerial Conference, and it was noted that the Bangkok Declaration on Regional Economic Cooperation and Integration in Asia and the Pacific, which had been adopted by the Conference, called for further work through working groups in the following four areas: (a) moving towards the formation of an integrated market; (b) developing seamless connectivity in transport, energy and information and communications technology (ICT); (c) enhancing financial cooperation for closing infrastructure gaps and exploring the possibility of providing liquidity support; and (d) increasing economic and technical cooperation to address shared vulnerabilities and risks. The results of the working groups would be submitted to intergovernmental open-ended preparatory meetings to be convened prior to the second Ministerial Conference on Regional Economic Cooperation and Integration in Asia and the Pacific in 2015.

8. The Commission adopted resolution 70/1 on the implementation of the Bangkok Declaration on Regional Economic Cooperation and Integration in Asia and the Pacific.

#### **Agenda item 4 Management issues**

9. The Executive Secretary highlighted the key priorities underpinning the strategic framework and programme of work. In noting the findings of recent evaluations, she said that priority would be placed on enhancing the secretariat's capacity to support member States in evidence-based policymaking across the full range of development sectors through refined focus and enhanced rigour of research and analytical work in order to provide sound evidence and policy options. Enhancing the unique intergovernmental platform offered by ESCAP would build consensus and lead to a stronger Asia-Pacific voice in global debates, as well as the adoption of regional norms, standards and agreements to accelerate the achievement of the internationally agreed development goals. Commitment to catalyse innovative and bold partnerships between government and civil society, including the private sector, could further support the region's development agenda. Alignment of the substantive priorities of ESCAP to deal with regional challenges would require placement of greater emphasis on: financing for development; science, technology and innovation; climate change, including climate finance and appropriate technological solutions; regional connectivity and integration; natural resource management; addressing growing inequalities; interregional policy cooperation; and strengthened strategic partnerships.

#### **Sub-item (a) Report on the evaluation activities of ESCAP during the biennium 2012-2013**

10. The Commission had before it the report on the evaluation activities of ESCAP during the biennium 2012-2013 (E/ESCAP/70/20), the programme performance report for the biennium 2012-2013 (E/ESCAP/70/29) and the summary of progress in the implementation of Commission resolutions (E/ESCAP/70/6).

11. The Executive Secretary expressed her commitment to transparency and external accountability by sharing some of the key preliminary findings of the recent evaluation of ESCAP by the United Nations Office of Internal

Oversight Services and outlining the envisaged strategy and action plan to address the recommendations. In referring to evaluations that were conducted by ESCAP during the biennium 2012-2013, the Executive Secretary mentioned the evaluation of the conference structure undertaken in 2013 as a clear example of an evaluation that provided evidence-based information for decision-making on organizational improvements. Furthermore, the Executive Secretary highlighted the value of the Regional Coordination Mechanism (RCM) and stated that, in her role as the RCM chair in the coming year, one of her priorities would be to strengthen its effectiveness in facilitating substantive cooperation and to better focus its efforts in areas where the “Delivering as one” initiative could best add value to regional development efforts.

12. In referring to the entire agenda item, one delegation expressed support for the Executive Secretary’s plans to reinvigorate the secretariat, taking note of the evaluation report on ESCAP activities during the biennium 2012-2013 and expressing its hope that the results would be used as a foundation for establishing the future direction of ESCAP programmes. That delegation also encouraged continued collaboration between the Asia-Pacific Regional Coordination Mechanism and the United Nations Development Group Asia-Pacific in supporting member States in formulating Asia-Pacific perspectives on the United Nations development agenda beyond 2015.

13. The Commission endorsed the report on the evaluation activities of ESCAP during the biennium 2012-2013.

#### **Sub-item (b)**

##### **Programme changes for the biennium 2014-2015**

14. The Commission had before it the programme changes for the biennium 2014-2015 (E/ESCAP/70/21).

15. The Executive Secretary noted that the proposed programme changes constituted a midterm adjustment to the work programme in the light of new directions proposed by the Commission at its sixty-ninth session; those changes contributed to the achievement of the expected accomplishments that had been previously agreed by member States and had no additional regular programme budget implications for the biennium 2014-2015.

16. The Commission endorsed the programme changes for the biennium 2014-2015.

#### **Sub-item (c)**

##### **Draft strategic framework for the biennium 2016-2017**

17. The Commission had before it the proposed strategic framework for the biennium 2016-2017, part two: biennial programme plan, economic and social development in Asia and the Pacific (A/69/6 (Prog.16)).

18. The Executive Secretary noted that the document set the direction on how ESCAP would: (a) provide a comprehensive platform for consultations, deliberations and policy dialogues for shaping sustainable development; (b) promote cooperation to address regional challenges and priorities; and (c) offer a vehicle for bringing the priorities of Asia and the Pacific to the global agenda. That strategic framework would cover the first biennium of the United Nations development agenda beyond 2015 and be focused on internationally agreed development mandates, including the outcomes of the United Nations Conference on Sustainable Development (Rio+20). The strategic framework also reinforced the mandate for ESCAP to promote

collaboration across the United Nations system at the regional level and highlighted the need to effectively address gender inequality across all subprogrammes and operations. The strategic framework also underlined the Commission's role as a platform to promote South-South cooperation and multisectoral approaches to address challenges that were facing the region, with the integration of subregional offices and regional institutes within the overall programme of work as a cornerstone.

19. The Commission revised the last sentence of paragraph 16.35 of document A/69/6 (Prog.16) to read:

... Regional mandates that guide the subprogramme include the Incheon Strategy, the Bangkok Statement on the Asia-Pacific Review of the Implementation of the Madrid International Plan of Action on Ageing, the Bangkok Declaration on Beijing+15, the outcome document of the Asia-Pacific High-level Intergovernmental Meeting on the Assessment of Progress against Commitments in the Political Declaration on HIV/AIDS and the Millennium Development Goals and the Asian and Pacific Ministerial Declaration on Population and Development of the Sixth Asian and Pacific Population Conference, which was adopted by a vote.

20. One delegation expressed its support for the emphasis placed on efforts to assist member States to make evidence-based policy decisions; strengthen public-private partnerships, including with civil society organizations; and promote the role of science, technology and innovation.

21. The Commission endorsed the draft strategic framework for the biennium 2016-2017 as set out in document A/69/6 (Prog.16), with the text in paragraph 16.35 amended as previously mentioned.

#### **Agenda item 5**

#### **Evaluation pursuant to resolution 67/4: Establishment of the Asian and Pacific centre for the development of disaster information management**

22. The Commission had before it document E/ESCAP/70/23.

23. The Executive Secretary informed the Commission that the secretariat had received a request from the Government of the Islamic Republic of Iran, via a note verbale dated 12 November 2013, to postpone the evaluation of the activities under paragraph 4 of the resolution and to recognize the need for, and benefit of, establishing the Asia and Pacific centre for the development of disaster information management as a subsidiary body of the Commission.

24. Representatives of the following countries made statements: Iran (Islamic Republic of); and Pakistan.

25. The Commission was informed of the various activities that had been undertaken towards the establishment of the proposed centre, including the organization of a side event on disaster information management on 24 October 2012 during the Fifth Asian Ministerial Conference on Disaster Risk Reduction, held in Indonesia; the development of the programme of work of the proposed centre; the establishment of an advisory group of eminent experts in the region to provide technical advice for implementing the resolution; and the holding of two subregional expert group meetings in Almaty, Kazakhstan, and in New Delhi to discuss the centre's programme of work with representatives of vulnerable ESCAP States.

26. The Commission was further informed that there were plans for the centre to undertake, in close cooperation with the secretariat, two more activities, namely a regional capacity development group training on seismic microzonation and an expert group meeting on the development of disaster information management, thereby providing a platform for the evaluation of the centre, which would lead to its full operation.

27. The Commission noted the great importance of establishing the centre and, in considering the vulnerability of the region to natural disasters, took note of the request of the Government of the Islamic Republic of Iran to postpone the evaluation. It was decided that the matter would be reviewed at the seventy-first session of the Commission.

#### **Agenda item 6**

##### **Activities of the Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission**

28. The Commission had before it the report of the Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission (E/ESCAP/70/24).

29. The Chair presented the highlights of the activities of the Advisory Committee since the sixty-ninth session of the Commission, noting in particular the role of the Advisory Committee as an important channel for member States to cooperate with each other and with the secretariat.

30. The Commission took note of the report of the Advisory Committee.

#### **Agenda item 7**

##### **Dates, venue and theme topic for the seventy-first session of the Commission (2015)**

31. The Commission had before it document E/ESCAP/70/25/Rev.1.

32. The Commission was informed by the host Government that it stood ready to facilitate logistical arrangements with the secretariat for Phase II of the seventieth session, as well as preparations for the seventy-first session of the Commission in 2015.

33. The Commission decided to hold its seventy-first session in April or May 2015. The exact dates would be determined in consultation with the Advisory Committee of Representatives and Other Representatives Designated by Members of the Commission.

34. The Commission also decided that the theme topic for its seventy-first session would be “Balancing the three dimensions of sustainable development: from integration to implementation”.

#### **Agenda item 10**

##### **Other matters**

##### **Sub-item (a)**

##### **Disaster risk reduction**

35. The Commission had before it document E/ESCAP/70/5 on the subprogramme overview: issues and challenges related to inclusive and sustainable economic and social development in Asia and the Pacific, section V of which was on information and communications technology and disaster risk reduction, and document E/ESCAP/70/14 on the report of the Committee

on Disaster Risk Reduction on its third session. The Commission focused its deliberations on disaster-related statistics in Asia and the Pacific.

36. Statements were made by representatives of the following countries: Australia; Bhutan; Indonesia; Iran (Islamic Republic of); Japan; Pakistan; and Philippines.

37. The Commission, in noting with concern the increase in the occurrence and intensity of disasters in the region, affirmed the importance of reliable disaster statistics for improving the capacities of member States to effectively address disaster risks and improve resilience to disasters. The Commission recognized that statistics on disasters, particularly the incidence of disasters, the evaluation of damage and losses and the related measurement of resilience to disasters needed further methodological development to improve coherence and comparability across countries. In that respect, the Commission expressed strong support for the development of a basic range of disaster-related statistics in Asia and the Pacific. Such an initiative from the Asian-Pacific region would pave the way towards the development of global standards for disaster statistics.

38. The Commission adopted resolution 70/2 on disaster-related statistics in Asia and the Pacific.

#### **Sub-item (b)**

#### **Election of the members of the Governing Council of the Asian and Pacific Centre for Transfer of Technology**

39. The Commission elected, in addition to the host country, India, the following 13 countries to the Governing Council of the Asian and Pacific Centre for Transfer of Technology for the period 2014-2017: Bangladesh; China; Fiji; Indonesia; Iran (Islamic Republic of); Malaysia; Pakistan; Philippines; Republic of Korea; Samoa; Sri Lanka; Thailand; and Viet Nam.

## **II. Seventieth session of the Commission (Phase II)**

### **Agenda item 1**

#### **Opening of the session**

#### **Senior officials segment**

40. The senior officials segment was opened by the Executive Secretary on 4 August 2014. The Executive Secretary delivered a welcoming statement.

#### **Ministerial segment**

41. The Chair of the sixty-ninth session, H.E. Mr. Kay Rala Xanana Gusmão (Timor-Leste), presided over the opening session of the ministerial segment of the seventieth session on 7 August 2014. The Executive Secretary delivered the message of the Secretary-General as well as her welcoming and policy statements. H.E. Mr. Manasvi Srisodapol (Thailand) delivered the inaugural address on behalf of the Government of Thailand.

42. Keynote addresses were made by H.E. Mr. Tshering Tobgay, Prime Minister of Bhutan; H.E. Mr. Kay Rala Xanana Gusmão, Prime Minister of Timor-Leste; and H.E. Lord Tu'ivakano, Prime Minister of Tonga.

**Agenda item 2**  
**Special Body on Least Developed, Landlocked Developing and Pacific Island Developing Countries**

43. The Commission had before it the summary of preparations for the Pacific for the Third International Conference on Small Island Developing States (E/ESCAP/70/1), the document on sustainable management of oceans and seas for sustainable development and poverty eradication in Pacific small island developing States (E/ESCAP/70/2), the summary of the status of implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 in the Asia-Pacific Region (E/ESCAP/70/3), the summary of the status of implementation of the Vientiane Consensus (E/ESCAP/70/4) and the perspectives of Asia-Pacific least developed, landlocked developing and Pacific island developing countries in the context of the development agenda beyond 2015 (E/ESCAP/70/30) as background documents.

44. The Commission noted the key recommendations of the Preparatory Meeting of the Special Body on Least Developed, Landlocked Developing and Pacific Island Developing Countries, held in Bangkok on 3 August 2014, as contained in document E/ESCAP/70/CRP.2.

**Summary of messages from the high-level exchange on development cooperation in the post 2015 era: perspectives from Asia-Pacific least developed, landlocked developing and Pacific island developing countries**

45. The high-level exchange was focused on the perspectives from the Asia-Pacific region on financing for sustainable development needs of countries and on ways to preserve and increase the level of resources available to them beyond 2015. The panellists were:

(a) Mr. Ly Thuch, Senior Minister, Chairman of the National Committee for ESCAP and Vice-President of the National Committee for Disaster Management (Cambodia);

(b) Mr. Aisake Valu Eke, Minister of Finance and National Planning (Tonga);

(c) Mr. Govind Raj Pokharel, Vice-Chair of the National Planning Commission (Nepal);

(d) Mr. Saleumxay Kommasith, Vice-Minister of Foreign Affairs (Lao People's Democratic Republic);

(e) Mr. Gyan Chandra Acharya, United Nations High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.

46. The Executive Secretary served as moderator of the panel. In her introductory remarks, she outlined the main issues on development cooperation for countries with special needs. She noted that, although official development assistance (ODA) had risen by about 6 per cent in 2013, the decline in the flows to least developed countries in the preceding years had raised concern regarding the achievements and limited scope of the international development cooperation framework. The economic vulnerability of recipient countries had not been taken into account in ODA allocations, which had been concentrated on social sectors, with low priority accorded to infrastructure and the productive sectors. In the light of the experience related to Millennium Development Goal 8, she emphasized that retaining an emphasis on meeting ODA targets was critical. She noted that the higher development financing requirements for implementing sustainable

development goals would be enormous and emphasized the need for broadening global partnerships to examine proper policy and institutional mechanisms for better tapping of alternative funding sources. She noted that in the emerging ambitious development agenda there would inevitably be calls for leveraging high-risk finance and long-term funding requirements; she underscored that the use of domestic resources and ODA to support credit enhancements for investments should be factored as critical elements of the debate on development cooperation frameworks. In noting that continued duty-free quota-free access was critical for the least developed countries, she emphasized that any opportunities for opening market access or reducing the cost of trade transactions needed to be accompanied by continued knowledge and technology transfer in order to build the competitiveness of those countries. She also highlighted the need to examine the implications of the emerging Regional Comprehensive Economic Partnerships and the Trans-Pacific Partnership Agreement for countries with special needs.

47. Mr. Thuch emphasized the role of development cooperation in promoting peace, security and stability. He noted that development cooperation had been critical for his country to overcome the legacy of conflict and build the country's future. It had also been critical for enabling economic growth and strengthening the contribution of the private sector in the economy.

48. Mr. Eke noted that development cooperation had been very important for his country, particularly after the global financial crisis when remittances contracted by 10-15 per cent. In highlighting the importance of aligning development cooperation with national priorities, he mentioned the establishment, with support from development partners, of a national committee to ensure aid effectiveness. He underscored the benefits of budget support, including a reduction in transaction costs, better predictability of funding, increasing government accountability, improvements in the recipient country's public finance management and a greater focus on national development objectives rather than on donor-driven priorities.

49. Mr. Pokharel highlighted the need to utilize development cooperation to increase regional connectivity and build productive capacities in least developed countries. He emphasized the importance of increasing private sector productivity and competitiveness, including through promoting economic reforms to reduce transaction and production costs. He noted that enough jobs could be created if existing small and medium-sized enterprises (SMEs) were scaled up by creating the correct incentive mechanisms. He underscored the need to utilize development cooperation to develop public-private partnership mechanisms as well as more inclusive finance mechanisms that could reach the poor and the most vulnerable groups. He also emphasized the need to sensitize and support Governments in mountainous countries to follow a green path of development.

50. Mr. Kommasith highlighted the importance of development cooperation for infrastructure development. He emphasized the support required from the international community and noted that many landlocked developing countries and their transit neighbours were also least developed countries with limited resources and capacities for infrastructure development. He also emphasized the importance of effectively implementing the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries and noted that transforming landlocked countries into land-linked countries would benefit the region as a whole. In underscoring the need for increasing private and



public sector investment in infrastructure development, he suggested the establishment of a special fund for infrastructure development for landlocked developing countries to sensitize investors to invest in those countries.

51. Mr. Acharya emphasized that the requirements to implement the development agenda beyond 2015 were going to be much higher than had previously been the case. Although ODA would remain critical for countries with special needs, it would not be sufficient; therefore new sources of finance would be required. He underscored that the key for the success of the development agenda beyond 2015 was to strengthen and increase the coherence of the global stakeholder partnership on technology, investment and trade issues. He emphasized that access to new technologies was critical in delivering the environmental goals of the development agenda beyond 2015. He noted that it was important to minimize risk, to strengthen the enabling business environment and to devise mechanisms to use ODA to create incentives for private sector investment in the development of countries with special needs. He also emphasized the challenges of low productive capacity and market access, and the need for a strong monitoring and accountability system.

52. After the first round of discussions, questions were asked and statements made by participants joining a live webcast through Twitter, which involved national delegations, including those from Bangladesh, Bhutan, India, Kazakhstan and Kiribati. Among the questions asked through Twitter were those concerned with ways to attract increased aid flows to least developed countries in the Asia-Pacific region, the benefits of the proposal to establish a special fund for infrastructure development in landlocked developing countries, regional integration to promote the growth of least developed and landlocked developing countries, and ways to bring the severe challenges faced by those countries to the forefront of the development agenda beyond 2015. Comments and questions from national delegations touched in particular upon the criticality of ODA and the importance of fair allocation to countries with special needs and the need to explore other sources of finance. Other comments concerned the emphasis on channelling development cooperation to infrastructure development and increasing productive capacities, building the economic base of countries with special needs and promoting trade as well as global prosperity.

53. The moderator concluded the high-level exchange by summarizing the key messages that emerged from the discussions:

(a) It was critical to integrate considerations for least developed, landlocked developing and Pacific island developing countries into the development cooperation framework;

(b) ODA remained critical for least developed, landlocked developing and Pacific island developing countries. With the broad scope of the development agenda beyond 2015, the importance of ODA became much greater. Therefore, ODA should be enhanced in the era beyond 2015, with higher priority given in its allocation to countries with special needs;

(c) It was also necessary to look at alternative sources of financing for development, including those that would tap into the private sector. In that connection, ODA and fiscal resources could be used to provide the risk mitigation strategy and credit enhancement necessary to leverage private sector investment. There was a consensus that the business environment was critical for those countries to be able to attract foreign direct investment and private investment from domestic sources in order to strengthen development financing;

(d) Just as important as the level of resources available was their effective use in areas that had a direct impact on sustainable development in countries with special needs. As countries were moving up the income ladder, development cooperation had to evolve to meet their changing needs;

(e) While emphasis on development effectiveness was important, it was also important to look at more innovative and holistic mechanisms for development effectiveness as that would attract aid flows and give donors confidence concerning the use of resources.

### **Agenda item 3**

#### **Review of issues pertinent to the subsidiary structure of the Commission, including the work of the regional institutions**

54. The Commission had before it the subprogramme overview: issues and challenges related to inclusive and sustainable economic and social development in Asia and the Pacific (E/ESCAP/70/5) and the summary of progress in the implementation of Commission resolutions (E/ESCAP/70/6).

#### **Sub-item (a)**

##### **Macroeconomic policy, poverty reduction and inclusive development**

55. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Ministerial Conference on Regional Economic Cooperation and Integration in Asia and the Pacific (E/ESCAP/70/7) and the report of the Governing Council of the Centre for Alleviation of Poverty through Sustainable Agriculture on its tenth session (E/ESCAP/70/8).

56. Statements were made by representatives of the following countries: Bangladesh; Bhutan; China; India; Marshall Islands; Russian Federation; and Thailand.

57. The Commission was briefed on the macroeconomic and structural challenges facing member States, including countries with special needs, and the ongoing work of ESCAP in the areas of domestic resources mobilization, regional financial cooperation, the Millennium Development Goals and the development agenda beyond 2015, and sustainable agriculture.

58. The Commission reaffirmed the importance of continued and further progress in poverty reduction, while taking note of such emerging challenges as inequality. In recognizing the critical role of high economic growth in reducing poverty, the Commission emphasized the importance of scaling up investments in good-quality education and productive employment, including for women and youth, as well as improving infrastructure and connectivity in accelerating progress.

59. The Commission noted the adverse impact of climate change; it also noted that the national development plans of some member States emphasized green development, in particular carbon-neutral development.

60. The Commission highlighted the developmental role of macroeconomic policies in promoting inclusive growth and channelling resources to areas and communities that were lagging behind. It noted that, while stability was a necessary condition for growth, it was not a sufficient condition; thus, macroeconomic frameworks should look beyond aggregate fiscal deficits and narrowly defined inflation targets, as recommended in recent issues of the *Economic and Social Survey of Asia and the Pacific*.

61. In that regard, the Commission recognized the importance of domestic resource mobilization in creating adequate fiscal space for development expenditures, and took note of the recent initiatives undertaken by member States, including strengthening and modernizing tax revenue administration, broadening the tax base and instituting tax law reforms.
62. The Commission also recognized financial inclusion as a key pillar for poverty reduction and inclusive growth, and took note of innovative policy measures, such as new bank accounts for small farmers, credit for SMEs and women entrepreneurs, mobile banking services and credit incentives for green technology.
63. The Commission stressed the importance of development policies and programmes that reflected the country's distinct characteristics and challenges, such as those unique to small island developing States, and emphasized that the "one size fits all" approach did not produce useful results.
64. In taking note of the Third International Conference on Small Island Developing States to be hosted by Samoa in September 2014, the Commission recognized the need to focus on the unique treatment of small island developing States while at the same time strengthening their linkages with the wider Asia-Pacific region and addressing their challenges in the larger regional context.
65. The Commission took note of the progress in implementation of its resolution 69/2 on the final review of the implementation of the Almaty Programme of Action in the Asia-Pacific region.
66. In taking note of the progress in implementing resolution 68/10 and with reference to resolution 70/1, which had been adopted during the first phase of the seventieth session, the Commission reaffirmed its support for the implementation of the Bangkok Declaration of the Ministerial Conference on Regional Economic Cooperation and Integration in Asia and the Pacific. The Commission requested that the secretariat provide more details on the four working groups mentioned in the Declaration, including a timeline and plan of action.
67. The Commission took note of the treaty on the formation of the Eurasian Economic Union, which had been signed in May 2014 by Belarus, Kazakhstan and the Russian Federation and opened to new membership. The Commission also took note of the outcomes of the Group of 20 Summit held in St. Petersburg, Russian Federation, in September 2013, including the extension of the standstill commitment on protectionist measures and endorsement of the development of a new global tax standard.
68. The Commission observed that sustainable and inclusive growth was a necessary condition for continued and further poverty reduction, especially in rural areas. The role of financial inclusion in rural areas, and the need for increased agricultural productivity and sustainability to scale up food availability, were noted in that respect.
69. The Commission expressed appreciation for the work of the Centre for Alleviation of Poverty through Sustainable Agriculture (CAPSA) and highlighted the ongoing need to build analytical capacity for policy analysis on poverty reduction and food security through sustainable agriculture. It noted that the level of engagement and financing of those regional institutions should be on a voluntary basis.

70. The Commission endorsed the report of the Governing Council of the Centre for Alleviation of Poverty through Sustainable Agriculture on its tenth session and the recommendations contained therein.

71. The Commission adopted resolution 70/3 on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 in Asia and the Pacific.

**Sub-item (b)**

**Trade and investment**

72. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Committee on Trade and Investment on its third session (E/ESCAP/70/9), the report of the Governing Council of the Asian and Pacific Centre for Transfer of Technology on its ninth session (E/ESCAP/70/10), the report of the Governing Council of the Centre for Sustainable Agricultural Mechanization on its ninth session (E/ESCAP/70/11/Rev.1), the report of the Ad Hoc Intergovernmental Meeting on a Regional Arrangement for the Facilitation of Cross-border Paperless Trade (E/ESCAP/70/31) and the report of the Asia-Pacific Business Forum on its tenth session (E/ESCAP/70/INF/7).

73. Statements were made by representatives of the following countries: Bangladesh; Bhutan; China; India; Iran (Islamic Republic of); Nepal; and Russian Federation. Representatives of the ESCAP Business Advisory Council and the World Association for Small and Medium Enterprises also made statements.

74. The Commission noted the importance of trade and investment and their liberalization in the development success of the Asia-Pacific region and the measures that various countries in the region had taken to strengthen their domestic trade and investment climate. However, the Commission observed that least developed countries, landlocked developing countries and other countries with special needs continued to suffer supply-side and/or geographical constraints which hindered their full and effective participation in global and regional trade and investment.

75. In that regard, the Commission called on the secretariat to implement a needs-based trade and investment capacity-building programme for countries in the region, with a focus on least developed countries, landlocked developing countries and other countries with special needs that would (a) respond adequately to the development agenda beyond 2015 and (b) help those countries to mainstream trade into development strategies, diversify exports and achieve their development goals. One delegation requested that the secretariat analyse the potential benefits of intraregional trade which remained as yet unexploited.

76. One delegation emphasized the need for all relevant stakeholders to undertake, fully and timely in a coherent and holistic manner, all commitments and actions called for under the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action).

77. The Commission noted the importance of the World Trade Organization (WTO) in overseeing and negotiating the rules of international trade, with the purpose of establishing a transparent and predictable multilateral trading system and, in that regard, welcomed the decisions of the Ninth WTO Ministerial Conference which was held in Bali, Indonesia, in 2013.

78. The Commission further noted that countries were making efforts to address challenges to maintaining a liberal trade regime and were reducing barriers that unnecessarily raised the cost of trade.

79. The Commission, while noting the high costs of trade transactions in the region, recognized the importance of trade facilitation in promoting trade and investment and welcomed the progress made in the implementation of its resolution 68/3, including the convening of the Ad Hoc Intergovernmental Meeting on a Regional Arrangement for the Facilitation of Cross-border Paperless Trade, held in Bangkok from 22 to 24 April 2014, and the decision of that meeting to establish an interim intergovernmental steering group on cross-border paperless trade facilitation which would continue negotiations with a view to finalizing the text of the regional arrangement.

80. In that context, the Commission heard the view that achieving cross-border paperless trade involved several steps and that the level of preparedness of ESCAP members varied widely. It noted that such issues should be carefully considered in forthcoming deliberations on the regional arrangement.

81. The Commission noted the need for the secretariat to provide member States with timely information on the activities of the proposed steering group on cross-border paperless trade facilitation as well as of all other proposed seminars and trainings organized by ESCAP in the area of trade and investment, including meetings of the ESCAP Business Advisory Council and of the Asia-Pacific Business Forum.

82. The Commission emphasized the critical importance of science, technology and innovation in economic and social development at the regional and national levels and noted the important work of the Asian and Pacific Centre for Transfer of Technology (APCTT) and the Centre for Sustainable Agricultural Mechanization (CSAM). In that context, one delegation called for a strengthening of relations between APCTT and national science, technology and innovation institutions and between APCTT and relevant divisions of the ESCAP secretariat.

83. The Commission heard the view that the establishment of a committee on science, technology and innovation within the conference structure of ESCAP could contribute to the further analytical and normative work of ESCAP in related areas; such a committee could also enhance the work of ESCAP in the diffusion and transfer of technology in the various areas of its mandate and strengthen cooperation and networking in those areas among member States, while putting the issues of technology transfer into perspective in the overall development process in the region. In that regard, ESCAP could play an important role in promoting the voluntary technology transfer from developed countries in the area of environment and agriculture.

84. The Commission noted a statement by a representative of the ESCAP Business Advisory Council on the activities and results of the Council and its six task forces in the context of the Sustainable Business Network and of the Asia-Pacific Business Forum.

85. The Commission endorsed the report of the Governing Council of the Asian and Pacific Centre for Transfer of Technology on its ninth session.

86. The Commission endorsed the report of the Governing Council of the Centre for Sustainable Agricultural Mechanization on its ninth session.

87. The Commission adopted resolutions 70/4 on promoting sustainable agricultural development in Asia and the Pacific through technology transfer; 70/5 on strengthening regional cooperation and capacity for enhanced trade and investment in support of sustainable development; and 70/6 on the implementation of the decision of the Ad Hoc Intergovernmental Meeting on a Regional Arrangement for the Facilitation of Cross-border Paperless Trade.

**Sub-item 3 (c)**

**Transport**

88. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Forum of Asian Ministers of Transport on its second session (E/ESCAP/70/12).

89. Statements were made by representatives of the following countries: Bangladesh; Bhutan; China; India; Iran (Islamic Republic of); Republic of Korea; Russian Federation; and Thailand.

90. The Commission highlighted the important role of regional connectivity in facilitating regional cooperation and economic integration, fostering international trade and investment, and supporting inclusive and sustainable development.

91. In that regard, the Commission expressed its continued support for the work of the secretariat in the implementation of the Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016), including development of the regional networks of the Asian Highway, the Trans-Asian Railway and dry ports, as well as promotion of international carriage along Euro-Asian transport linkages. It also stressed the value of cooperation within the framework of subregional organizations and initiatives, such as the Association of Southeast Asian Nations (ASEAN), Bangladesh-China-India-Myanmar Forum for economic cooperation, Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, Greater Mekong Subregion (GMS), Indonesia-Malaysia-Thailand Growth Triangle, South Asian Association for Regional Cooperation (SAARC) and South Asia Subregional Economic Cooperation.

92. The Commission expressed appreciation for the secretariat's work on the Intergovernmental Agreement on the Asian Highway Network and the Intergovernmental Agreement on the Trans-Asian Railway Network, and member countries expressed their readiness to further implement the two agreements. The Commission also welcomed the recent opening for signature of the Intergovernmental Agreement on Dry Ports and stressed that the agreement provided a regional cooperation framework for the integration of transport modes and facilitation of border crossing and transit transport. In that regard, the Commission noted that some countries were in the process domestically of preparing to sign the Intergovernmental Agreement on Dry Ports and called on Governments in the region to become a party to the agreement to ensure its early entry into force.

93. The Commission was apprised of the progress made by members States to improve the quality of the transport infrastructure and intermodal facility along the routes of the Asian Highway and Trans-Asian Railway networks and observed with satisfaction that a number of projects had cross-border implications and effects.

94. The Commission was informed of the twenty-fifth World Road Congress scheduled to take place in Seoul in November 2015.

95. The Commission stressed the importance to regional cooperation of cross-border and transit transport and noted that the way to achieve the facilitation of transport was through bilateral, multilateral or subregional agreements among member countries.

96. The Commission noted with satisfaction the establishment of the Regional Network of Legal and Technical Experts on Transport Facilitation with the financial support of the Government of the Russian Federation. It also noted the progress in the formulation of the regional strategic framework for the facilitation of international rail transport, similar to the Regional Strategic Framework for the Facilitation of International Road Transport, which was adopted by the Ministerial Conference on Transport at its second session, held in Bangkok in March 2012.

97. The Commission welcomed the secretariat's work with member countries to promote sustainable transport policies and strategies that would enhance environmentally friendly and cost-effective transport systems, and was informed of various policy measures taken by member States to promote sustainable transport development.

98. The Commission noted that member States should consider increased investments in environment, energy and sustainable agriculture as part of regional corridors in their transport development initiatives.

99. The Commission noted the request for the secretariat to provide technical assistance in the area of sustainable transport development and integrated transport planning, including civil aviation.

100. The Commission recognized that the maintenance of transport infrastructure assets was a major development issue contributing to sustainable development and noted the request that had been made for the secretariat to support member States in road maintenance, including establishment of dedicated road maintenance funds.

101. The Commission stressed the importance of improving road safety in line with the Decade of Action for Road Safety 2011-2020, and noted that it was an overarching development objective. The Commission expressed its support for the secretariat's work in the area of road safety. It also took note of various road safety initiatives taken at the national level to promote safer roads, safer vehicles and safer road users, as well as to improve road safety management and post-crash response in accordance with the five pillars of the Global Plan for the Decade of Action for Road Safety.

102. The Commission recognized the growing needs of funding for transport infrastructure development, including through public-private partnerships, and expressed its support for the secretariat's work in that area.

103. The Commission noted with appreciation the financial assistance provided by the Governments of China, the Republic of Korea and the Russian Federation for the various activities of the secretariat in the area of transport.

104. The Commission adopted resolution 70/7 on the implementation of the Suva Declaration on Improving Maritime Transport and Related Services in the Pacific and resolution 70/8 on the implementation of the Ministerial Declaration on Transport as a Key to Sustainable Development and Regional Integration.

**Sub-item (d)**  
**Environment and development**

105. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Committee on Environment and Development on its third session (E/ESCAP/70/13), the report of the Asian and Pacific Energy Forum (E/ESCAP/70/28), the report of the Coordinating Committee for Geoscience Programmes in East and Southeast Asia (E/ESCAP/70/INF/3) and the report of the Mekong River Commission (E/ESACP/INF/4).

106. Statements were made by representative of the following countries: Bangladesh; Bhutan; India; Indonesia; Iran (Islamic Republic of); Russian Federation; Thailand; and Tonga.

107. With respect to the modality of carrying out the secretariat's work on sustainable development, including on the United Nations development agenda beyond 2015, the Commission recommended that regional cooperation proposals should be in line with the conclusions of the Open Working Group of the General Assembly on Sustainable Development Goals. The Commission also agreed to postpone the seventh Ministerial Conference on Environment and Development from 2015 to 2016 to ensure such alignment.

108. The Commission requested the secretariat to continue promoting sustainable development in the region and reiterated its commitment to ensuring that the region's voice was heard in global discussions on sustainable development goals. In observing that the provision of credible and predictable means of implementation was a critical challenge in achieving sustainable development, the Commission requested the secretariat to work on issues related to means of implementation, particularly on technology transfer, which it considered to be the most important such means. One delegation further noted that an effective and functional technology facilitation mechanism was an important element of a meaningful development agenda beyond 2015, and called for the secretariat to work towards establishing a formal mechanism for technology transfer and information-sharing among member and associate member States.

109. While welcoming the enhanced participation of civil society organizations in recent regional sustainable development dialogues and noting that their contributions to the work of the Commission had been useful, one delegation reminded the secretariat to maintain and take into account the intergovernmental status of decision-making pursuant to the rules and procedures of ESCAP in its future work.

110. The Commission highlighted the importance of regional cooperation in energy and expressed appreciation to the secretariat and to the Russian Federation for organizing and hosting the first Asian and Pacific Energy Forum (APEF) in Vladivostok in May 2013, as well as to those member States that participated. In noting the effectiveness of the preparatory process which laid the groundwork for successful negotiation, the Commission endorsed the outcome documents, namely the Ministerial Declaration on Regional Cooperation for Enhanced Energy Security and Sustainable Use of Energy in Asia and the Pacific: Shaping the Future of Sustainable Energy in Asia and the Pacific, and the Plan of Action on Regional Cooperation for Enhanced Energy Security and the Sustainable Use of Energy in Asia and the Pacific, 2014-2018.



111. On the implementation of the outcome of the first APEF, the Commission emphasized the need for periodic reviews and for strong, specific and practical support from the secretariat, such as funding mechanisms, knowledge-sharing and capacity development. The Commission welcomed the work of the secretariat in promoting continuous, annual dialogues as part of the system to review progress on the implementation of APEF outcomes.

112. The Commission took note of the potential benefits that the establishment of a committee on energy could contribute to the normative work of the secretariat in strengthening regional cooperation and further supporting the development of intergovernmental agreements.

113. The Commission also welcomed the offer by Tonga to host in 2018 the second Asian and Pacific Energy Forum and expressed support for the preparations for the Forum to further strengthen regional cooperation by bringing together the collective expertise and resources of the region to address common challenges by 2030.

114. The Commission emphasized the direct relationship between energy, poverty eradication and sustainable development goals. It noted that energy was an indispensable driver of sustainable development and expressed its satisfaction at the inclusion of energy in the work of the Open Working Group. It also noted that the cost of energy for many Pacific island states had a crippling effect, where a disproportionate amount of GDP was spent on energy vis-à-vis other development needs. Such cost burdens would undoubtedly affect implementation of sustainable development goals.

115. The Commission was informed of recent efforts undertaken by Pacific member States, the secretariat and partners to address the persistent challenge of lack of bankable energy data through the establishment of a Pacific Regional Data Repository for Sustainable Energy for All. It was emphasized that such an effort was important to the Pacific but would also contribute to the global Sustainable Energy for All initiative. It was also noted that such progress could not have been possible without the successful conclusion of the first Asian and Pacific Energy Forum, which provided a model for regional platforms.

116. The Commission noted the importance of energy connectivity and emphasized cooperation, such as the “Asian Energy Highway”, in the area of trade, infrastructure, market development and investment in electricity from both fossil fuels and renewable energy resources. Several delegations expressed interest in developing oil and gas pipelines. One delegation emphasized the importance of applying multiple policy measures, including demand-side management, energy efficiency and diversification in the energy mix, especially in view of the projected impacts of climate change. The delegation also noted that Bhutan was an example of a country where revenues from energy exports could be reinvested for national development purposes, such as in education, health, roads and clean drinking water.

117. The Commission noted the importance of including energy, water and urban development into the proposed sustainable development goals. The Commission additionally called for a regional cooperation strategy to be developed in line with new sustainable development goals.

118. In relation to urbanization and human settlements, the Commission’s attention was directed to the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), to be held in 2016, and the importance of the secretariat’s role in the regional preparatory process in

pursuance of General Assembly resolution 67/216 on implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme, and resolution 24/14 of the Board of Governors of the United Nations Human Settlements Programme on the inputs for and support to the preparatory process of Habitat III.

119. The Commission noted that the United Nations Conference on Sustainable Development held in Rio de Janeiro, Brazil, in 2012 had called for the international community, through its outcome document entitled “The future we want”, to support sustainable cities and human settlement as an integral commitment to sustainable development.

120. The Commission was informed of the offer by the Government of Indonesia to host in 2015 a high-level regional preparatory meeting as a regional input to Habitat III. It noted that the sixth Asia-Pacific Urban Forum would be utilized to provide inputs to the high-level regional preparatory meeting. In that regard, a request was made for ESCAP to play an active role and closely collaborate with the Government of Indonesia and UN-Habitat in preparing for the event. The Commission noted that regional inputs should also be prepared on the basis of national reviews and the analytical and statistical data that ESCAP already had at its disposal.

121. The Commission endorsed the report of the Committee on Environment and Development on its third session.

122. The Commission decided to postpone to 2016 the seventh Ministerial Conference on Environment and Development.

123. The Commission took note of the reports of the Coordinating Committee for Geoscience Programmes in East and Southeast Asia, and the Mekong River Commission.

124. The Commission adopted resolution 70/9 on the implementation of the outcomes of the first Asian and Pacific Energy Forum, resolution 70/10 on the implementation of the Bangkok Declaration of the Asia-Pacific region on the United Nations Development Agenda beyond 2015, resolution 70/11 on implementing the outcome of the Asia-Pacific Forum on Sustainable Development and resolution 70/12 on strengthening efforts on human settlements and sustainable urban development for the Asia-Pacific region.

**Sub-item (e)**  
**Information and communications technology**

125. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Governing Council of the Asian and Pacific Training Centre for Information and Communication Technology for Development on its eighth session (E/ESCAP/70/15).

126. Statements were made by representatives of the following countries: Bangladesh; Bhutan; China; India; Indonesia; Iran (Islamic Republic of); Japan; Philippines; Republic of Korea; Russian Federation; and Thailand.

127. The Commission recognized information and communications technology (ICT) as a valuable source of innovation across all sectors of the economy and acknowledged its role in achieving cross-sectoral development goals for inclusive and sustainable development in Asia and the Pacific. At the same time, the Commission noted that a persistent digital divide had contributed to economic disparities across the region.

128. The Commission recognized the important role of the “Asia-Pacific Information Superhighway” in developing a seamless information and communications space that would reduce broadband costs, enhance regional resilience and improve the quality of Internet access. In that context, the Commission also recognized the importance of the terrestrial backbone maps developed by the ESCAP secretariat in collaboration with the International Telecommunication Union (ITU) as a policy-planning tool and guide on investment opportunities, and supported deepening the existing partnership with ITU to further develop cross-sectoral maps. The Commission noted such maps were a key resource that would aid investment decisions for optimizing Internet traffic, particularly in the least developed countries, landlocked developing countries and small island developing States in the region.

129. The Commission recognized the importance of improving ICT connectivity in underserved rural areas as the region transitioned towards a people-centred information society. In that regard, the Commission noted the efforts of several members in improving connectivity through the development of information centres offering e-governance services, capacity-building for civil servants and efforts to enhance fibre-optic and wireless infrastructure. The importance of equipping women and girls with ICT tools and skills was also recognized by the Commission. In that regard, the activities of the Asian and Pacific Training Centre for Information and Communication Technology for Development (APCICT) were particularly helpful in improving the integration of ICT-related skills in educational institutions throughout the region.

130. The Commission noted the importance of a diverse and resilient communications infrastructure. Because several developing countries in the region were at high risk of natural disasters combined with elevated risks of infrastructure disruption, it was important to proactively address those issues. In that regard, innovative approaches, such as the use of so-called white space spectrum technology as a component of a national approach to infrastructure planning and disaster preparedness, should be carefully considered.

131. The Commission recognized the important role of capacity-building activities on information and communications technology for development (ICTD) in narrowing the digital divide and addressing the needs of rural communities, persons with disabilities, women, out-of-school youth and the elderly. In that regard, the Commission expressed appreciation for the activities of APCICT, which had established itself as a regional hub for ICTD capacity-building. It also expressed appreciation for the relevance of the Centre's programmes and the impact those programmes brought to the region and beyond. The Commission also expressed appreciation for the Centre's efforts to address the needs of marginalized groups.

132. The Commission endorsed the report of the Governing Council of the Asian and Pacific Training Centre for Information and Communication Technology for Development on its eighth session.

**Sub-item (f)**  
**Disaster risk reduction**

133. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Committee on Disaster Risk Reduction on its third session (E/ESCAP/70/14), the report of the Typhoon Committee (E/ESCAP/70/INF/5) and the report of the Panel on Tropical Cyclones (E/ESCAP/70/INF/6).

134. Statements were made by representatives of the following countries: Bangladesh; Bhutan; China; India; Iran (Islamic Republic of); Japan; Russian Federation; and Thailand. Representatives of the ESCAP/WMO Typhoon Committee and the WMO/ESCAP Panel on Tropical Cyclones also made statements.

135. The Commission expressed its appreciation for the role of ESCAP in disaster risk reduction and the efforts of the secretariat in enhancing regional cooperation in disaster risk reduction and building resilience to natural disasters. The Commission highlighted the importance of mainstreaming disaster risk reduction plans for sustainable development and poverty reduction, as emphasized in the Hyogo Framework for Action 2005-2015: Building the Resilience of Nations and Communities to Disasters.

136. The Commission expressed its appreciation for the outcomes of the third session of the Committee on Disaster Risk Reduction, which brought together policymakers from diverse sectoral ministries and agencies to: share information on good practices and strategies for building resilience to natural disasters; discuss ways to integrate disaster risk reduction into development planning, and budgeting and poverty reduction strategies; and outline collective priorities for enhancing regional cooperation.

137. The Commission took note of the successful outcome of the Sixth Asian Ministerial Conference on Disaster Risk Reduction, hosted by the Government of Thailand, and called on the secretariat to support implementing the outcomes of the Conference, especially in the areas of risk mapping, early warning, public-private partnerships and space applications.

138. The Commission noted that some member States had effectively integrated disaster risk reduction and management into national development planning and budgets, which resulted in stronger disaster preparedness and emergency response at national and local levels. In that respect, the Islamic Republic of Iran shared its experience and noted that 2 per cent of the country's annual budget was set aside for disaster risk reduction and management, while India said that it earmarked 10 per cent of funds in all its development schemes for innovation, disaster mitigation and restoration.

139. The Commission emphasized the importance of utilizing space technology and geographic information systems (GIS) for disaster risk reduction and sustainable development. In that regard, the Commission expressed its appreciation to the secretariat for its ongoing efforts in supporting member States to utilize those innovative technologies and for leading the pursuance of its resolution 69/11 on implementation of the Asia-Pacific Plan of Action for Applications of Space Technology and Geographic Information Systems for Disaster Risk Reduction and Sustainable Development, 2012-2017.

140. The Commission recognized that regional cooperation mechanisms were important for member States to access and utilize space technology and GIS for disaster risk reduction and sustainable development. It expressed appreciation for the Regional Space Applications Programme for Sustainable Development (RESAP) and its education and training networks, such as the Centre for Space Science and Technology Education in Asia and the Pacific.

141. The Commission expressed its appreciation to the secretariat and RESAP for the provision of near real-time satellite imagery for disaster relief and damage assessment. Likewise, the work of the secretariat and regional cooperation networks in building the capacity of member States to use space technology and GIS was noted as valuable for disaster management. The

Commission also recognized that space-derived data and training could be effective for drought monitoring, forecasting and early warning and in that regard commended the operationalization of the Regional Cooperative Mechanism for Drought Monitoring and Early Warning in Asia and the Pacific.

142. Some delegations supported promoting regional cooperative mechanisms and resource-sharing arrangements for disaster and climate risk management, including support in obtaining appropriate software and hardware, and the improvement of national, regional and global measures to reliably forecast natural hazards. The work with regional cooperation networks, such as Sentinel Asia, was also noted.

143. The Commission was informed of several activities of member States and their plans for developing programmes on space technology and GIS applications for disaster risk reduction and sustainable development.

144. The Islamic Republic of Iran expressed its appreciation for the collaboration afforded by the secretariat to implement the initial steps called for in Commission resolution 67/4 on the establishment of the Asian and Pacific centre for the development of disaster information management.

145. The Commission was informed that the Asian and Pacific Centre for the Development of Disaster Information Management had held subregional expert group meetings on disaster information management in Almaty, Kazakhstan, and in New Delhi and, in response to the needs of participating member States, planned to organize a group training programme on seismic microzonation in Tehran in August 2014. The Commission was informed that the Centre would hold a regional expert group meeting in Bangkok in October 2014.

146. The Commission was also informed that the Russian Federation would organize an international conference on global and national strategies for disaster risk management in May 2015.

147. The ESCAP/WMO Typhoon Committee and the WMO/ESCAP Panel on Tropical Cyclones highlighted the need for close regional cooperation, particularly in early warning systems, and expressed their gratitude for the support given by the ESCAP Multi-Donor Trust Fund for Tsunami, Disaster and Climate Preparedness in Indian Ocean and Southeast Asian Countries for the joint development of synergized standard operating procedures for coastal multi-hazard early warning systems. In that respect, the Commission noted that the Typhoon Committee and the Panel on Tropical Cyclones would hold a joint session in Bangkok in February 2015 to work towards the goal of developing early warning systems in the region.

148. The Commission endorsed the report of the Committee on Disaster Risk Reduction on its third session.

149. The Commission took note of the reports of the Typhoon Committee and the Panel on Tropical Cyclones.

150. The Commission adopted resolution 70/13 on regional cooperation for building resilience to disasters in Asia and the Pacific.

**Sub-item (g)**  
**Social development**

151. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Sixth Asian and Pacific Population Conference (E/ESCAP/70/16) and the road map

for the implementation of the Incheon Strategy to “Make the Right Real” for Persons with Disabilities in Asia and the Pacific (E/ESCAP/70/17).

152. Statements were made by representatives of the following countries: Bangladesh; Bhutan; India; Japan; and Russian Federation.

153. The Commission recognized the important role and contribution that ESCAP had played in promoting social development in the Asian and Pacific region, particularly in the context of supporting countries in the achievement of the Millennium Development Goals.

154. The Commission noted the progress achieved in the region in strengthening legislative frameworks, policies and programmes to promote social development in a range of areas. Those included strengthening social protection systems, gender equality, responding to the challenges of population ageing, promoting disability-inclusive development, and education.

155. The Commission welcomed the thematic focus on gender equality and women's empowerment, particularly in the light of the forthcoming twentieth anniversary of the Beijing Declaration and Platform for Action adopted in 1995 by the Fourth World Conference on Women. It attached significance to the “Beijing+20” regional and national review processes. At the regional level, that process would include the convening by ESCAP in November 2014, in cooperation with the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), of the Asian and Pacific Conference on Gender Equality and Women's Empowerment: Beijing+20 Review.

156. The Commission noted the central role of gender equality and women's empowerment for sustainable development. It stressed the importance of including a stand-alone goal on gender equality, as well as cross-cutting gender across all other goals in the development agenda beyond 2015. The Commission also noted the importance of mainstreaming gender across the range of government sectors, including gender-based budgeting, eliminating all forms of discrimination against women, and ending violence against women and children.

157. The Commission noted the affirmation by countries to implement the Asian and Pacific Ministerial Declaration on Population and Development, which had been adopted at the Sixth Asian and Pacific Population Conference in September 2013.

158. The Commission expressed support for the secretariat's efforts to promote disability-inclusive development in the region. It noted that the majority of persons with disabilities in the region were disproportionately poorer, more disadvantaged and suffered greater discrimination than others. To address those challenges, it called for full support for the implementation of the goals in the Incheon Strategy to “Make the Right Real” for Persons with Disabilities in Asia and the Pacific.

159. The Commission further stressed the importance of disability-inclusive development and the need to prioritize policies to enhance employment opportunities, educational attainment, accessibility of the physical environment and participation in decision-making for persons with disabilities. In that respect, it was also noted that women and girls with disabilities should be provided with equitable access to mainstream development opportunities.

160. The Commission was informed of countries' policies and programmes to harmonize national legislation with the United Nations Convention on the

Rights of Persons with Disabilities, the formulation of laws and policies for the empowerment of persons with disabilities and the increase in budgetary allocations for programmes targeted at helping persons with disabilities.

161. The Commission noted the importance of strengthening social protection as a core strategy for sustainable development by extending coverage to women, children, persons with disabilities, older persons, the unemployed and other key population groups.

162. The Commission noted the report of the Sixth Asian and Pacific Population Conference, which had been adopted by consensus.

163. The Commission endorsed the road map for the Implementation of the Incheon Strategy to “Make the Rights Real” for Persons with Disabilities in Asia and the Pacific.

164. The Commission endorsed the regional process to review and appraise the regional implementation of the Beijing Declaration and Platform for Action and the outcomes of the twenty-third special session of the General Assembly, as outlined in section VI of document E/ESCAP/70/5.

165. The Commission adopted resolution 70/14 on enhancing participation of youth in sustainable development in Asia and the Pacific.

**Sub-item (h)**  
**Statistics**

166. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Governing Council of the Statistical Institute for Asia and the Pacific on its ninth session (E/ESCAP/70/18).

167. Statements were made by representatives of the following countries: India; Japan; Mongolia; and Russian Federation.

168. The Commission noted the critical importance of statistics to economic, social and environmental development and in achieving the goals of the emerging development agenda beyond 2015. In that regard, the Commission appreciated the contribution of the secretariat at the 45th session of the United Nations Statistical Commission to positioning statistics as a development objective in its own right and as an integral component of the development agenda beyond 2015.

169. In stressing the importance of statistics capacity development, the Commission reaffirmed its commitment to the two strategic goals of the Committee on Statistics and expressed its continuous support to the work of the expert groups established by the Committee to design and implement capacity development programmes to achieve those goals. The Commission expressed its appreciation to the Russian Federation for its continued financial support for the work of the Committee. The Commission also expressed its appreciation to the secretariat for its excellent work, including the monitoring of regional progress towards the Millennium Development Goals.

170. The Commission was informed of the progress made in the North and Central Asian subregion to align national accounts with 2008 standards and looked forward to further progress towards integrated economic statistics at a meeting of high-level representatives from central banks, ministries of finance and national statistics offices that would take place in Vladivostok, Russian Federation, in September 2014.

171. The Commission took note of the progress that was being made by member States in developing their civil registration and vital statistics systems, and underlined the importance to the region of further capacity building in that area. In that regard the Commission expressed support for the three goals of the draft regional action framework that will be considered for endorsement at the Ministerial Conference on Civil Registration and Vital Statistics, to be held in Bangkok from 24 to 28 November 2014.

172. The Commission noted the importance and effectiveness of the training provided by the Statistical Institute for Asia and the Pacific (SIAP). It noted the request for SIAP to develop training courses on the green economy and environmental economic accounting, and deliver joint SIAP and International Monetary Fund (IMF) training courses on economic statistics for statisticians from central banks, ministries of finance and national statistics offices.

173. The Commission expressed its appreciation for the support provided by Japan as the host Government of SIAP. It noted with appreciation that Japan had secured a cash contribution for SIAP at the same level as the previous fiscal year and would continue to provide in-kind contributions, such as those in support of the Institute's strategy to expand and improve e-learning courses. Further, the Commission noted the importance of cash and in-kind contributions from ESCAP members, associate members and international organizations to sustain SIAP training programmes.

174. The Commission endorsed the report of the Governing Council of the Statistical Institute for Asia and the Pacific at its ninth session.

**Sub-item (i)**  
**Subregional activities for development**

175. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Governing Council of the United Nations Special Programme for the Economies of Central Asia on its eighth session (E/ESCAP/70/19).

176. Statements were made by representatives of the following countries: Bangladesh; China; Cook Islands; Fiji; India; Iran (Islamic Republic of); Japan; Kazakhstan; Kiribati; Mongolia; Nepal; Pakistan; Republic of Korea; and Russian Federation.

177. In noting the situation and challenges of the subregions and the activities of each office, the Commission expressed appreciation for the effectiveness of the secretariat in pursuing its development activities through subregional offices.

178. The Commission welcomed the examples of activities that involved the collaboration of two or more subregional offices, including the successful organization of the Subregional Youth Forum on the Implementation of Rio+20 by the subregional offices for North and Central Asia and for East and North-East Asia, the organization of two future expert group meetings on disaster risk reduction information management in the subregional offices for North and Central Asia and for South and South-West Asia, especially in the area of disaster risk reduction, and further strengthening partnerships with international organizations.



## **The Pacific**

179. The Commission noted that Pacific island economies continued to face significant challenges in their efforts to build resilience and progress towards sustainable development, with the leaders of those economies acknowledging that climate change was the greatest threat to the livelihoods, security and well-being of the people of the subregion.

180. The Commission noted that progress in achieving the Millennium Development Goals had been uneven, with only two to three Pacific island economies likely to be in a position to achieve all of the Goals by 2015. Development challenges included a high prevalence of non-communicable diseases, social exclusion and inequality.

181. The Commission expressed appreciation for the support provided by the ESCAP secretariat for the Pacific regional preparatory process for the Third International Conference on Small Island Developing States, and requested its support in the implementation of the Conference's outcome, the Small Island Developing States Accelerated Modalities of Action (S.A.M.O.A. Pathways), particularly in promoting mutual accountability through monitoring frameworks. The Commission noted the priority accorded by Pacific small island developing States to a transformational strategy to provide a bridge between national sustainable development priorities and the support channelled internationally through the global development agenda, and a data revolution for effective monitoring and evaluation of implementation.

182. The Commission expressed its appreciation for the work undertaken by the ESCAP secretariat on climate change and migration through a financial contribution from the European Union. The Commission also expressed support for the work of the secretariat in building the resilience of Pacific small island developing States in the face of climate change, including through sustainable resource management, social inclusion and integrated planning for sustainable development. The Commission called upon the secretariat to support connectivity in the Pacific subregion through transport linkages, including inter-island shipping, energy security and investment in ICT.

## **East and North-East Asia**

183. The Commission expressed its appreciation for the work of the secretariat in the areas of trade facilitation, environmental cooperation, disaster risk reduction, promotion of subregional cooperation and its work in support of the North East Asian Subregional Programme for Environmental Cooperation (NEASPEC). The Commission noted that the 19th Senior Officials Meeting of the North East Asian Subregional Programme for Environmental Cooperation would be hosted by the Russian Federation and the country's offer to strengthen NEASPEC to develop projects on endangered species of animals and transboundary pollution.

184. The Commission noted the request by Mongolia that the ESCAP secretariat provide capacity-building activities in the area of the green economy.

185. The Commission encouraged the secretariat to facilitate sharing the experience of East Asia with South Asia.

## **North and Central Asia**

186. The Commission noted that the future focus of the activities of the secretariat to better address the needs of member States in the subregion

would include transport facilitation, energy efficiency and strengthening cooperation within the United Nations Special Programme for the Economies of Central Asia (SPECA).

187. The Commission noted the work of the secretariat in policy advocacy, technical assistance and capacity-building to promote inclusive growth and achievement of the Millennium Development Goals, regional economic cooperation and integration, transport, trade and ICT connectivity, disaster risk reduction, integrated water resources management and implementation of the Almaty Programme of Action.

188. The Commission noted the decisions of the SPECA Economic Forum and eighth session of the SPECA Governing Council, held in Almaty, Kazakhstan, in November 2013, and the willingness of some members to provide further support, including financial, for the activities of the secretariat. It also noted the importance of closer cooperation and synergy between ESCAP and the Economic Commission for Europe in the SPECA framework and activities under the Green Bridge Partnership Programme.

189. One delegation noted the need for resource mobilization to achieve the objectives and priority projects identified in the new work plan of SPECA, as well as other activities related to water resources management, energy and food security.

#### **South and South-West Asia**

190. The Commission noted that the work programme of the secretariat was focused on analytical work, policy advocacy, technical assistance and capacity-building on regional cooperation and transport connectivity. There was special focus on least developed countries and landlocked developing countries in the subregion in the thematic priority areas of inclusive growth and achievement of the Millennium Development Goals; transport connectivity and regional economic integration; regional cooperation in food and energy security and disaster risk reduction; and implementation of the Istanbul Programme of Action and Almaty Programme of Action.

191. The Commission expressed its appreciation for the work and support of the secretariat, including in the preparation of analytical outputs on various priority issues for socioeconomic development in the subregion.

192. The Commission noted the strategic partnerships established by ESCAP with regional entities, such as the South Asian Association for Regional Cooperation (SAARC) and the Economic Cooperation Organization (ECO), and requested that those partnerships be further strengthened through joint work with their secretariats.

193. The Commission welcomed the proposal of a master plan on strengthening transport connectivity in South and South-West Asia, which had been endorsed at the transport connectivity policy dialogues organized in Dhaka and Lahore, Pakistan, and requested the secretariat to follow up preparations for the master plan.

194. The Commission noted with appreciation the commitment of the Government of India to continue to support the secretariat's work in the subregion.

195. The Commission took note of the report of the Governing Council of the Special Programme for the Economies of Central Asia on its eighth session.

**Agenda item 4**  
**Management issues**

**Sub-item (b)**  
**Programme changes for the biennium 2014-2015**

196. The Commission had before it the programme changes for the biennium 2014-2015 (E/ESCAP/70/21/Add.1).

197. The Executive Secretary noted that the proposed programme changes responded to Commission resolution 70/1, which had been adopted at Phase I of the seventieth session, as well as to the need to prioritize the secretariat's work in the light of available resources and to achieve meaningful results. In line with resolution 70/1, the work programme under macroeconomic policy and inclusive development would reflect the convening, in 2015, of the second Ministerial Conference on Regional Economic Cooperation and Integration in Asia and the Pacific. That and other proposed changes would contribute towards the attainment of expected accomplishments that had been previously agreed by member States and would have no additional regular programme budget implications.

198. The Commission endorsed the programme changes for the biennium 2014-2015 as set out in the document.

**Sub-item (d)**  
**Technical cooperation activities of ESCAP and announcement of intended contributions**

199. The Commission had before it document E/ESCAP/70/22/Rev.1, which provided an overview of the secretariat's technical cooperation activities and extrabudgetary contributions in 2013.

200. Statements were made by representatives of the following countries: China; India; Indonesia; Iran (Islamic Republic of); Japan; Republic of Korea; and Thailand.

201. In her introductory remarks, the Executive Secretary highlighted a number of initiatives to strengthen the strategic alignment of the secretariat in the context of the development agenda beyond 2015 and to enhance its capacity to better serve the development priorities and needs of member States. The Executive Secretary informed the Commission that the resources for technical cooperation were applied to a diverse range of work, including analytical studies, training workshops and advisory services, communities of practice and networks to facilitate the exchange of knowledge and practice across the region. The Executive Secretary emphasized that she would be strengthening the positioning of the secretariat's technical cooperation work within long-term intergovernmental regional cooperation frameworks and commitments. In noting that the realignment of the work of ESCAP and the expansion of its global and regional mandates in the pursuit of serving member States better needed to be funded from extrabudgetary resources, the Executive Secretary expressed deep appreciation to the secretariat's donors and other development partners for their support.

202. The Commission noted that the total contributions received by the secretariat for technical cooperation activities in 2013 from the regular budget as well as voluntary sources amounted to approximately \$19.5 million, with the total value of technical cooperation delivery in 2013 having reached approximately \$15.9 million.

203. The delegation of China expressed appreciation for the technical cooperation work of the secretariat, to which its Government contributed and from which it benefited. The delegation noted that technical cooperation activities funded through the China-ESCAP Cooperation Programme had helped to galvanize support for larger development initiatives in the region. The delegation also noted that, in the light of the country's maturing economy, the Government of China was enhancing its support for ESCAP.

204. The delegation of the Republic of Korea noted that its Government had been the largest donor to ESCAP since 2007 and intended to continue its strong support for the work of ESCAP.

205. The delegation of India thanked the Executive Secretary for informing the Commission about the work on realigning the secretariat's institutional strategy and planning framework and noted that its Government intended to continue to support the ESCAP technical cooperation programme.

206. The Commission expressed its appreciation to: Cambodia; China; India; Indonesia; Iran (Islamic Republic of); Japan; Macao, China; Malaysia; Myanmar; Republic of Korea; Russian Federation; and Thailand for their pledges, which totalled \$10,801,997, for 2014.<sup>2</sup>

207. In concluding, the Executive Secretary thanked the Commission for its support of the secretariat's technical cooperation programme and thanked the members and associate members that had pledged financial support for 2014. The Executive Secretary indicated that the outcomes of the technical cooperation work of ESCAP had provided valuable inputs into the secretariat's normative and analytical work and were aimed at supporting Governments' efforts to strengthen national capacities in a range of key development sectors.

## **Agenda item 8**

### **Policy issues for the Asia-Pacific region**

#### **Sub-item (a)**

#### **Key challenges to inclusive and sustainable economic and social development in Asia and the Pacific**

#### **Policy statement by the Executive Secretary**

208. The Executive Secretary commenced her statement by noting that the seventieth session coincided with the commemoration of the seventieth anniversary of the founding of the United Nations itself. She was deeply honoured to lead the secretariat and pledged that under her tenure, the ESCAP team would redouble their efforts to deliver a more inclusive, sustainable and resilient future, although the Commission would only be as effective as member States enabled it to be in terms of resources and empowerment. As the next phase of global development began, and the rising Asia-Pacific region took centre stage, the time had come to invest even more in multilateralism and in ESCAP, which was one of the region's most valuable shared assets.

209. The Executive Secretary outlined the scope of the region's sustainable development challenges and opportunities. With the deadline for achieving the Millennium Development Goals set for the end of 2015, no region had done better than Asia and the Pacific. However, there was no room for

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<sup>2</sup> See E/ESCAP/70/34, part II, chap. I.B, decision 70/28.

complacency, with high absolute numbers of people still in poverty, many still without safe drinking water and basic sanitation, and many children still dying before reaching age 5. The Executive Secretary emphasized that the key to closing development gaps and achieving development goals was economic growth. However, the region could not afford growth at any cost; growth needed to be sustainable, inclusive and job-generating. Growth in the Asia-Pacific region was showing signs of strain, with 2014 representing the third year of annual growth below 6 per cent. The region's growth dynamics had been influenced by the anaemic recovery in the developed world, weak implementation of policy responses and the impact of monetary policy normalization. At the same time, growth potential was being held back by deep-rooted structural weaknesses, such as infrastructure shortages, large budget deficits, environmental degradation, high resource-intensity of production, and rising and high inequality. Current regional growth levels were insufficient to eradicate extreme poverty and simultaneously address emerging challenges, such as the impacts of global climate change. Therefore, it was necessary to focus on and nurture new drivers of economic growth.

210. In that context, the Executive Secretary noted that the theme of the session, regional connectivity, offered just such a new basis for higher and better-quality growth and shared prosperity. Advocated in the 2014 theme study on regional connectivity was a more integrated and transformed approach, exploiting the synergies of five networks that constituted the new drivers of regional growth: trade and transport networks; ICT networks; energy networks; people-to-people networks; and promotion of knowledge-based economies. Developing those networks would enable connectivity to be spread more evenly among countries, especially those that were most vulnerable. It was necessary to shift the focus from the quantitative to the qualitative aspects of connectivity and deepen the benefits by reaching those who had so far been excluded. Connectivity should be viewed as a shared regional public good. To develop, manage and maximize regional networks, countries would need to build consensus about the role of those networks, their modalities, financing and approaches in order to avoid potential negative impacts. The deliberations of the Commission would therefore be fundamental to ensure the right sequencing of policies and actions.

211. The Executive Secretary emphasized the importance of addressing the challenge of high and rising inequalities. Inequality in the region was rising and pervasive. Different dimensions of inequality reinforced each other, creating an "inequality trap" that disproportionately affected all vulnerable groups and risked intensifying social exclusion and creating a group called the "bottom billion" who would be left behind. Reducing inequality of outcome and opportunity required a combination of redistributive policies, enhancement of social protection and promotion of productive and decent work, especially for youth.

212. With regard to the development agenda beyond 2015, the Executive Secretary expressed her optimism that the region would lead the way, as it did with the delivery of the Millennium Development Goals. ESCAP would have an important role in the final negotiations on sustainable development goals, as well as on supportive financing and other means of implementation. The region's intergovernmental framework on those issues would be anchored around the Asia-Pacific Forum on Sustainable Development held in May 2014, as well as on the Secretary-General's synthesis report to be submitted to the General Assembly by the end of 2014. ESCAP would need to provide a more holistic view of delivering policy and normative advice in some of the key new emerging areas. Key considerations to be kept in perspective were that the agenda called for: working towards balanced

development of the economic, social and environmental pillars; supporting member States in terms of institutional development; deeper policy thinking and consultations on the means of implementation; broadening and deepening knowledge bases; developing statistical databases and capabilities; and forming new global partnerships with the private sector. With regard to consultations on means of implementation, ESCAP and the Government of Indonesia organized the Asia-Pacific Outreach Meeting on Sustainable Development Financing in Jakarta in June 2014. Similar consultations were required on science, technology and innovation. ESCAP was planning to set up an expert advisory group to define a pragmatic approach to fulfilling the Commission's mandate in that vital area.

213. The Executive Secretary expressed her desire to strengthen ESCAP, with the support of member States, to deliver on the three main imperatives: sustainable development, regional economic cooperation and integration, and regional connectivity. The first important focus area for the secretariat would be greater organizational efficiency through further streamlining of its programme delivery strategy, and integrating and synergizing the intergovernmental, analytical and knowledge-management functions of ESCAP. The second focus area would be renewed emphasis on countries with special needs. Primary support would be in terms of: assistance with integration of the sustainability agenda in planning; technical assistance and institutional strengthening; development partnership facilitation; improvement of statistical capacity; and ensuring greater voice in global deliberations. The third focus area would be better strategic partnerships. That included partnerships with ASEAN, as well as with other subregional institutions, such as SAARC, SPECA and the Pacific Islands Forum, as well as with multilateral development banks, the private sector, academia and civil society. The subregional offices would be critical in that regard and the regional institutions would be strategized to play a key role in the areas of technology transfer, sustainable agriculture and mechanization, as well as statistical and ICT capacity-building, and other hubs which may be created. The fourth focus would be on reinvigorating the intergovernmental process. That would be through a range of initiatives. Those included implementing the 2013 Bangkok Declaration on Regional Economic Cooperation and Integration in Asia and the Pacific through the establishment of four working groups to offer policy options to the second ministerial conference in 2015; the recommendation on the establishment of a regional tax forum to share best practices, avoid tax competition and stem illicit transfer of funds; and the establishment, as had been called for by member States at the Asia-Pacific Forum on Sustainable Development, of committees on: energy; science, technology and innovation; and financing for development.

214. The Executive Secretary concluded by calling for the support of the member States in providing the guidance and resources that would help ensure that ESCAP delivered on its potential to help them build the “future we want” for all the people in the Asian and Pacific region.

#### **Summary of messages from the Ministerial Panel on Asia-Pacific Perspectives on Sustainable Development and Development Financing**

215. The Ministerial Panel on Asia-Pacific Perspectives on Sustainable Development and Development Financing discussed the outcomes of and the key policy issues raised at recent key regional meetings, such as the Asia-Pacific Forum on Sustainable Development and the high-level Asia-Pacific Outreach Meeting on Sustainable Development Financing, as well as the policy issues and institutional architecture for sustainable development financing. The panel was divided into two segments: the first discussed

sustainable development challenges and priorities for the Asia-Pacific region; the second, sustainable development financing. After those two segments, the Executive Secretary presented recommendations on the way forward, including a vision of how ESCAP would assist members and associate members in achieving sustainable development, including financing.

216. The panellists for the first segment were:

- (a) Ms. Oyun Sanjaasuren, Minister of Environment and Green Development (Mongolia);
- (b) Mr. Aisake Eke, Minister of Finance and National Planning (Tonga);
- (c) Ms. Kathryn Elizabeth Lappin, Regional Coordinator of the Asia-Pacific Forum on Women, Law and Development.

217. The panellists for the second segment were:

- (a) Mr. Sarath Amunugama, Senior Minister of International Monetary Cooperation and Deputy Minister of Finance and Planning (Sri Lanka);
- (b) Mr. Bambang Brodjonegoro, Vice-Minister of Finance (Indonesia);
- (c) Mr. Gil S. Beltran, Undersecretary and Chief Economist of the Department of Finance (Philippines);
- (d) Mr. Vito Tanzi, former Director, Fiscal Affairs Department, International Monetary Fund and Undersecretary for Economy and Finance (Italy).

*Segment on sustainable development*

218. Mr. Tschering Tobgay, Prime Minister of Bhutan and Chair of the seventieth session, served as moderator. In his introductory remarks, he noted that the Open Working Group of the General Assembly on Sustainable Development Goals had released draft goals and targets and that discussions on sustainable development goals in the region had been discussed at the Asia-Pacific Forum on Sustainable Development, the high-level Asia-Pacific Outreach Meeting on Sustainable Development Financing and the Regional Consultation on Accountability for the Post-2015 Development Agenda. The discussions of the first segment were structured around the recommendations of those recent meetings to chart a way forward in Asia and the Pacific with regard to the development agenda beyond 2015 and sustainable development goals, including the means of implementation and the framework for accountability. The discussion also centred on regional and subregional perspectives on the 17 sustainable development goals suggested by the Open Working Group, the regional strategy on how to operationalize the means of implementation, and the Commission's own role, including articulating a framework for monitoring progress towards the goals. The moderator also recalled the remarks in the Executive Secretary's policy statement at the opening session about synergizing the intergovernmental and analytical roles of ESCAP as a knowledge platform in the region.

219. On the issue of accountability frameworks to support implementation of sustainable development goals, Ms. Sanjaasuren referred to the Regional Consultation on Accountability held on 5 and 6 August 2014, which was attended by 150 participants from Governments, civil society, major stakeholders and international organizations and United Nations agencies, and to her role as the Chair of the Consultation. She described the discussions as having been focused on national leadership, regional platforms and the role

of the Asia-Pacific Forum on Sustainable Development and renewed global partnerships, as well as the role of private sector philanthropy in accountability. The Consultation had emphasized learning from implementation of the Millennium Development Goals. There was overall agreement that the success of the development agenda beyond 2015 and sustainable development depended on an effective framework of accountability, monitoring and evaluation, which was to be developed while deliberations were ongoing. She underscored the recommendations of the Consultation, namely on: peer-reviews; platforms for sharing views, understanding and successful examples of accountability frameworks; the role of the United Nations — and its regional commissions in particular — as platforms for deliberation and agreement on a regional accountability framework, while linking national and global efforts; the Asia-Pacific Forum on Sustainable Development as an effective regional platform for monitoring and evaluating accountability; strengthening the Commission's Committee on Statistics in providing support for the statistical capacity of member States; and subregional mechanisms, consultations and processes to support regional deliberations on accountability mechanisms.

220. She went on to share the reasons and economic imperatives that compelled the Government of Mongolia to adopt its national green development strategy based on analysis of the impact of the current rapid and “brown” economic growth, and the projections for budget savings, increased profits in the medium- and long-term by greening particular sectors, such as construction and agriculture, as well as reducing energy dependency on coal through feed-in tariffs and purchase incentives for renewable energy, increased social benefits in terms of new jobs and the need for climate change adaptation, especially for animal breeding. She highlighted that it was an imperative for countries in the Asia-Pacific region to seek different development paths and to change the trajectory of growth from “brown” to “green”, and highlighted other initiatives in the region, including the Republic of Korea's green growth strategy, China's ecological civilization concept, Japan's “3Rs” (reduce, reuse and recycle), Viet Nam's green economy strategy, and Kazakhstan's adoption of the national green economy strategy and promoting the interregional green bridge partnership programme. She concluded by emphasizing that sustainable development required integration of the three dimensions, with the environmental dimension being integrated into the economic and social dimensions. In elaborating on the key outcomes of the Asia-Pacific Forum on Sustainable Development, Ms. Sanjaasuren highlighted the recommendation to the Commission that a regional sustainable development road map be developed, including a framework for tracking progress on sustainable development goals and its financing mechanisms, which would create elements of accountability in line with the discussions at the Regional Consultation on Accountability. She further highlighted the recommendation for ESCAP to establish a new knowledge platform on sustainable development. She highlighted that the platform would enable broader stakeholder involvement in the regional consultation process between sessions of the Asia-Pacific Forum on Sustainable Development and would enable sharing regional best practices and lessons learned. Other recommendations listed were the calls for the establishment of a committee on financing for development and a committee on science, technology and innovation. Finally, Ms. Sanjaasuren, who had been elected as the first Chair of the United Nations Environment Assembly held in June 2014, noted that sustainable consumption and production was underscored as the key tool for achieving sustainable development and was at the core of the deliberations. Other key issues included valuing of natural capital, such as oceans, mountains and forests, and respecting “planetary boundaries”, while providing jobs and furthering economic development and



resource efficiency, reducing waste, safely managing chemicals, sustainable agriculture, sustainable cities, and investing in renewable energy technologies and safe drinking water.

221. Ms. Lappin underscored the importance of accountability in establishing the development agenda beyond 2015. The current document of the Open Working Group had been welcomed by civil society, but it was felt that it needed to be strengthened, in particular in terms of accountability. For example, means of implementation should be spelled out for every target, including in terms of policies and financing mechanisms. She also stressed the need to allow enough policy space for countries to introduce the necessary reforms. Civil society welcomed the structure of the goals and targets with means of implementation within each goal to be identified, and looked forward to working with Governments on local implementation. She provided additional information about the concept of “development justice”, which had been developed by civil society groups in Asia and the Pacific. She emphasized that the concept provided a new vision for the region in terms of equitable and sustainable societies. The concept was aimed at capturing the aspirations of the region and reducing inequalities in wealth, resources and power between countries, between the rich and poor and between men and women. The development justice framework called for five transformative shifts, namely: (a) distributive justice; (b) economic justice; (c) environmental justice; (d) gender and social justice; and (e) accountability to the people. Those five shifts promoted by civil society had been correlated with the work of the Open Working Group. She noted that the issue of redistribution was essential and the inclusion of a seventeenth goal on inequality was welcomed. She called for stronger analysis on that topic and suggested that trends that would reduce or increase inequalities at all levels should be addressed. Some countries in the region already had policies to reduce inequalities but more should be done, for example, in the area of land distribution. Civil society groups appreciated the aspirations and commitments adopted by many Governments, but it was felt that the means of implementation and accountability measures had to be articulated more clearly.

222. Mr. Eke elaborated on the challenges for achieving sustainable development in the Pacific and how he saw Tonga meeting those challenges. He mentioned that distance posed one of the main challenges, but at the same time it provided great opportunities. Developing countries in the Pacific were endowed with a vast ocean, which was rich in resources, but the vastness of the area posed a challenge, as it involved increasing transport costs and adversely affected export opportunities. That was a challenge that Tonga was addressing through subregional cooperation. A second key challenge was related to non-communicable diseases, which the Government of Tonga was addressing through public campaigns to change lifestyles and promote exercise and healthier food in order to increase life expectancy. Lastly, he noted that natural disasters and external shocks, such as global financial crises, were key challenges for the sustainable development of the Pacific subregion. In addition to the issue of a rising sea level, the region was experiencing more frequent and severe weather events. He stressed the importance of regional and subregional cooperation in tackling those challenges and in that regard highlighted the outcomes of the 45th Pacific Islands Forum, held in Palau from 29 to 31 July 2014, as well as the preparations for the Third International Conference on Small Island Developing States that would be held in Samoa from 1 to 4 September 2014.

223. After the first round of discussions, questions were asked and statements made by participants in attendance, as well as by participants joining a live webcast through Twitter. Questions asked through Twitter

included those on the role of regional bodies and subregional dynamics in the development agenda beyond 2015, and how to bridge current infrastructure gaps in an environmentally friendly and socially inclusive manner. Comments and questions from national delegations touched in particular upon the importance of the means of implementation and the accountability framework for the development agenda beyond 2015 and sustainable development goals. The panel echoed some of the views previously expressed by emphasizing the role of a national framework for implementation and the need to involve Parliaments and the top levels of Government. In Mongolia, for example, a parliamentary act on the Millennium Development Goals was passed, which created the Committee on the Millennium Development Goals, with the Government required to report to Parliament every two years, and the Council for Sustainable Development under the Prime Minister. At the same time, the panel emphasized the importance of the reporting and review process at the regional level. The structure of goals and targets should be flexible enough to allow for inclusion of new goals after regular (annual) reviews. A global accountability mechanism would also be very important. The panel emphasized the need for regional and subregional perspectives to be reflected in global processes. ESCAP would have an important role to play in ensuring coherence between global and regional and subregional processes.

224. In a comment, the representative of Bangladesh emphasized the importance of the development agenda beyond 2015 and how the Asia-Pacific region positioned itself in the global agenda setting, and how it put forward priorities that should find their place in the final outcome document. In that regard, he highlighted the relevance of the Asia-Pacific Forum on Sustainable Development and the high-level Asia-Pacific Outreach Meeting on Sustainable Development Financing and recalled one of the recommendations of the Forum, namely for ESCAP to create a platform for closer and continuous engagement and dialogue. He emphasized the need for a clear understanding of the means of implementation and the accountability framework. The representative of Nepal highlighted the funding deficit and capacity gap in relation to the implementation of the development agenda beyond 2015, especially for landlocked least developed mountainous countries such as Nepal, and called on ESCAP and other international organizations to support Nepal in its goal to graduate from least developed country status by 2022. The representative of Pakistan emphasized the challenge of the energy deficit faced by his country, similar to that of other countries in the region, and the need to integrate environmental sustainability into the strategies for addressing such a deficit in order to avoid long-term costs and consequences. He also noted the challenges faced by landlocked mountainous countries, such as Afghanistan, and the need to take them into account in the discussions, in particular in relation to regional connectivity. The delegate from Viet Nam expressed the great interest of his country in the regional road map for sustainable development in line with the development agenda beyond 2015, as recommended by the Forum. The road map should be focused on three aspects: first, putting people at the core of development, and integrating social, economic and environmental dimensions into national strategies; second, strengthening regional cooperation; and, third, enhancing effective financing for development and facilitating the access of developing countries to new financial resources in order to enable them to realize sustainable development goals.

*Segment on sustainable development financing*

225. In his introductory remarks to the second segment of the panel discussion, Mr. Tobgay, highlighted key messages from the outcome of the

high-level Asia-Pacific Outreach Meeting on Sustainable Development Financing that had taken place in Jakarta in June 2014. In particular, he emphasized the need for policymakers and regulators of countries in the region to work collaboratively and in cooperation with the private sector to build strong and stable financial systems, and the need to enhance the effectiveness of taxation policies to mobilize domestic resources. He also referred to the need for policies to support the development of domestic institutional investors, such as pension funds and asset management firms, in order to support the development of domestic capital markets by enhancing the demand for financial products and providing liquidity. Finally, he noted that the focus of the *Economic and Social Survey of Asia and the Pacific 2014* was on domestic resource mobilization, particularly on options for expanding fiscal space.

226. Mr. Amunugama said that domestic savings were insufficient in most Asia-Pacific countries wishing to fund their investment requirements, but that new regional sources of funding, including countries, such as China, with excess savings, were emerging. In that context, he highlighted the need for countries “to get their monetary and fiscal fundamentals right” as a prerequisite for attracting investors. Although offering investors an attractive return on their investments was important, he said that implementing measures to sustain economic growth, maintain exchange rate stability and keep debt-to-GDP ratios low were even more important to reassure investors about the safety of their investments.

227. Mr. Bambang said that there were two ways to increase fiscal space: optimizing revenues and streamlining spending. For those purposes, it was necessary to increase tax collection without creating disincentives and to target public expenditures more effectively. He indicated that public borrowing was an option in Indonesia because the country’s public debt-to-GDP ratio was low (below 25 per cent). However, he mentioned that caution was needed concerning the risks of increasing public borrowing in the light of the experience of European countries in the aftermath of the global financial crisis. He said that there was a need for more institutions to be engaged in long-term financing as banks tended to focus more on short-term lending. In that respect, he commended the establishment of the New Development Bank of the so-called BRICS States (Brazil, Russian Federation, India, China and South Africa) and the initiative of China to set up an Asian infrastructure investment bank. He also commented on the emphasis that the Group of 20 (G20) had put on long-term financing for infrastructure. With regard to public-private partnerships, he emphasized the need for countries to prepare “pipelines” of projects that were good in terms of feasibility studies and offered attractive returns to the private sector. He also mentioned the need for government support for those projects to be clear and represent less than 50 per cent of the cost; to reduce “red tape” by facilitating the issuance of licences and permits; and to ensure that government officials supported the use of public-private partnerships to fund projects.

228. Mr. Beltran said that the major challenge that the region faced in funding its sustainable development was how to mobilize investable funds, which were held by the private sector, for priority areas. One way to do that was by encouraging the development of alternative financial institutions, such as cooperatives. In the case of the Philippines, such institutions had helped the poor gain access to finance and had recently started to receive wholesale funding from traditional banks. He also referred to a proposal made at the Outreach Meeting by his country’s Secretary of the Department of Finance concerning the idea of establishing an international tax identification number for capital flowing across countries. Such a number would not only help tax

authorities identify the origin of funds but also provide protection across national jurisdictions for investors. He concluded his remarks by mentioning two important ASEAN initiatives: the ASEAN Trading Link project, which is aimed at connecting stock and bond markets of ASEAN countries, and the ASEAN Forum on Taxation, which had recently discussed ways to enhance the effectiveness of excise taxes.

229. Mr. Tanzi said that the lower tax burden in developing Asia-Pacific countries compared with that of developed countries and countries from other regions, such as in Latin America, could be explained by differences in economic structures or in taxation systems. While the former could not be changed in the short run, policymakers could make changes in their taxation systems to increase the collection of taxes. For instance, the introduction of value added tax had the potential to increase tax collection significantly provided that it did not exempt too many sectors. Personal income tax could also increase tax revenues while reducing income inequalities. Excise taxes on such items as tobacco or petrol could result in the collection of significant volumes of revenue while contributing beneficially to policies aimed at improving such areas as health or the environment. He advocated independence from the political authorities of countries' tax collection agencies and avoiding excessively complex tax systems. Finally, he highlighted the importance of taxpayers being convinced that they were getting some valuable service from their Government in order to minimize tax avoidance and evasion.

230. One important issue that was raised during the question-and-answer period after the second segment concerned how to avoid leakages from tax collection arising as a result of capital flight and the existence of tax havens. In that respect, Mr. Bambang emphasized the need for international cooperation in the area of transfer pricing regulation, for which he believed that the work of the G20 on base erosion and profit-shifting was promising. He also referred to the potential for sovereign wealth funds to finance infrastructure investment projects in the region, for which he reiterated his view about the importance of countries preparing lists of good/attractive investment projects.

#### *Way forward and concluding remarks*

231. In her presentation, the Executive Secretary remarked that an important recommendation arising from the panel's deliberations was the need to undertake effective monitoring, evaluation and reporting, for better accountability on the progress that was being made in implementation of sustainable development goals. For that purpose, she said that countries should agree and establish measurable goals and targets that could capture the multidimensional nature of sustainable development, and create a framework for the implementation of those objectives with stable sources of financing. She announced that, in order to facilitate discussions in the region on the accountability framework, ESCAP planned to undertake a survey of its member States to seek information about their planned national sustainable development frameworks, the goals that they planned to adopt and their evolving institutional frameworks for monitoring and accountability. As an initial contribution to future discussions on the accountability and monitoring system, she suggested that it should be universal; supportive of the implementation of the development agenda beyond 2015; flexible, allowing for continuous learning, adaptation and replication; and robust and transparent. It should also take into account the different capacities and responsibilities of its stakeholders and use sound and objective data, information and analyses to generate results that could be used by

policymakers and other stakeholders. Finally, it should be a tool not only for tracking progress but also and more importantly to guide and support the implementation of sustainable development policies.

232. The Executive Secretary stated that mainstreaming of sustainable development financing in national budgets would be very important for achieving sustainable development goals. In that respect, she noted that the work of ESCAP on regional cooperation and integration, which had been mandated by the Commission, would examine the role of existing and new regional financial cooperative arrangements in financing cross-border regional infrastructure projects. She highlighted the need for the region to work collectively to ensure that it nurtures strong, stable, diversified and balanced financial systems that will be able to extend finance to meet the people's needs and the region's sustainable development aspirations. She noted, however, that currently there were considerable differences across countries in terms of their level and depth of financial markets and their capacities to address the challenges of sustainable development. In that respect, she pointed out that the least developed countries, landlocked developing countries and small island developing States would require special attention. She also noted that regional development cooperation mechanisms needed to be strengthened so that major developing countries could take on greater responsibilities in support of those countries.

233. Regarding the future role of ESCAP in supporting sustainable development in the region, she mentioned plans to establish new committees on energy, on financing for development and on science, technology and innovation. She also mentioned plans to establish expert committees both on finance and on science and technology to help ESCAP lay out the contours of its forward-looking analytical work and shape its engagement with member States. Another area of focus for ESCAP that she mentioned was to strengthen its analytical support for countries with special needs with respect to the graduation from least developed status and the implementation of the sustainable development agenda. She also said that ESCAP was prepared to synergize its programmes, projects and capacity-building related to sustainable development with ongoing national and subregional initiatives.

234. With respect to the proposal contained in the *Survey* concerning the setting up of an Asia-Pacific tax forum, the Executive Secretary said that ESCAP would study the feasibility and operational modalities of such a forum, and would present the results for the consideration of member States. She remarked that, by fostering cooperation and capacity-building in the development of more effective tax systems, the proposed forum would contribute to the work of ESCAP on regional cooperation and integration, providing impetus for sharing best practices across countries and subregions.

235. The idea of setting up an Asia-Pacific tax forum was endorsed during the final remarks by Mr. Bambang and Mr. Tanzi, who commented on the potential importance of such a forum to help countries build capacities in areas such as tax administration and to help them coordinate tax policies aimed at attracting investment flows.

#### **Sub-item (b)**

#### **Economic and Social Survey of Asia and the Pacific 2014**

236. The Commission had before it a summary of the Economic and Social Survey of Asia and the Pacific 2014 (E/ESCAP/70/26).

237. Statements were made by representatives of the following members and associate members: Armenia; Australia; Bangladesh; Bhutan; Brunei

Darussalam; Cambodia; China; Fiji; India; Indonesia; Iran (Islamic Republic of); Japan; Kazakhstan; Lao People's Democratic Republic; Malaysia; Marshall Islands; Mongolia; Myanmar; Nepal; Pakistan; Papua New Guinea; Philippines; Republic of Korea; Russian Federation; Singapore; Solomon Islands; Sri Lanka; Thailand; Timor-Leste; Tonga; Tuvalu; United States of America; Vanuatu; and Viet Nam.

238. The Commission noted the challenges to growth and development that countries faced as a result of global economic shocks and uncertainties. While acknowledging dynamic growth in the region as a whole, the Commission noted the ongoing challenge of eradicating poverty in many countries. In that context, the Commission emphasized the importance of policies to ensure that growth was inclusive. The Commission also noted the risk some of the more advanced countries faced in becoming caught in a middle-income trap.

239. The Commission noted that rapid economic growth in recent years had been accompanied by a manageable level of inflation. The Commission emphasized that high and volatile food and fuel prices had constrained the ability of least developed countries and landlocked economies to sustain economic growth and stable macroeconomic conditions.

240. The Commission highlighted the importance of sound fiscal management and budget transparency to foster tax revenues. In that regard it was particularly important to improve institutional capacity and governance at the national and subnational levels in order to ensure that public services could be efficiently and effectively provided.

241. The Commission noted that non-tax revenues were important in several countries to foster more inclusive development. Moreover, tax reforms would enable countries to strengthen revenue collection. Several countries already had embarked on tax reform, primarily by simplifying rates and improving tax administration. The Commission also pointed to the importance of regional and subregional cooperation to tackle tax competition and to mobilize tax revenues that could support economic development.

242. The Commission emphasized the role of regional cooperation and integration in promoting social and economic progress, closing development gaps and raising the welfare of all the people in Asia and the Pacific. It noted that the region's diversity should enable it to benefit from each country's strengths and build a network of value-adding activities to draw upon its comparative advantages. The Commission emphasized that countries could not achieve development with their doors closed.

243. The Commission noted that, in order for regional cooperation to succeed in closing development gaps, assistance from economically developed countries and multilateral funding agencies would have to play a greater supportive role in helping the fragile and vulnerable low-income countries to overcome their challenges. In that respect and taking into account the limited financial resources of each country to fund required infrastructure projects, the Commission noted that the proposal for a new Asian infrastructure investment bank could provide a new and valuable channel for financing, particularly to low-income countries. The Commission commended the role of ESCAP as a platform to facilitate regional cooperation and integration among its member States.

244. The Commission noted the invitation extended by the Government of Cambodia to participate in the regional high-level policy dialogue on the Istanbul Programme of Action in March 2015. The meeting would serve as a midterm review of countries' efforts to graduate from least developed status.

245. In that regard, the Commission noted the strong commitment and preparations of countries to effective implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 by mainstreaming their objectives and priorities into national development plans for achieving the goal of graduating from least developed status in cooperation with United Nations organizations such as ESCAP.

246. The Commission emphasized the need for the international community to help the least developed countries in the Asia-Pacific region to improve their productive capacity in order to deepen integration across countries and subregions. To that end, it was essential to have an effective institutional coordination mechanism not only across borders and sectors but also among subregional, regional and international organizations, including the United Nations system, to involve financial institutions and the private sector and to renew commitments by development partners. The Commission noted that representatives of least developed countries participated in a ministerial meeting in Benin from 28 to 31 July 2014 to deliberate on the theme of new partnerships for productive capacity-building in least developed countries.

247. The Commission recognized the importance of more effectively translating the high growth of the region into employment generation. Better education, nurturing a vibrant manufacturing sector and the development of a creative economy through ICT progress could greatly contribute to job creation, especially job creation for youth. The Commission noted the challenges and opportunities of increased migration in the region in the context of deepening integration; acknowledged that managing migration within a framework of sustainable development required closer regional cooperation; and welcomed the role of ESCAP as a key regional platform for government and stakeholder dialogue on that issue.

248. The Commission heard a description of several policy measures that were focused on strengthening people-to-people connectivity and protecting the rights of migrants, including measures to regularize undocumented workers, initiatives to facilitate the issuance of visas, robust legal measures against human trafficking, scholarship programmes for foreign students and schemes of seasonal workers. Several delegations noted the development benefits of remittances for households and receiving countries, including protection against external shocks, such as financial crises, conflict, natural disasters and environmental change.

249. The Commission recognized that inequalities between countries in the region had the potential to undermine the benefits of connectivity and acknowledged the importance of ensuring that least developed countries, landlocked developing countries, and small island developing States had equal access to adequate financial resources, infrastructure, and science, technology and innovations in order to narrow development gaps.

250. The Commission noted with concern the multiple forms of inequality that persisted — and in some instances, had increased — within countries in the region, including inequality of income, wealth and assets, as well as unequal access to health care, good-quality education, transportation, energy resources and information technology, which disproportionately affected vulnerable and socially excluded key population groups.

251. The Commission was informed of progress in achieving the Millennium Development Goals, particularly in the areas of poverty reduction, health and education, and reiterated the commitment of countries to achieving universal health-care coverage and good-quality education under the framework for the development agenda beyond 2015. Several delegations

noted the challenges posed by rising levels of non-communicable diseases, including cardiovascular disease, cancer, chronic respiratory disease and diabetes. Those delegations also noted that uneven distribution of ODA allocated to the region placed some countries, particularly least developed countries, at a significant disadvantage in the achievement of international development goals.

252. The Commission stressed the relevance of achieving gender equality and promoting women's empowerment as essential for achieving sustainable development, and noted that there was a need for further efforts to mainstream gender equality across all government sectors and in decision-making.

253. The Commission acknowledged the key role of social protection and inclusive policies, including labour market programmes, pensions for older persons and access to basic social services, in ensuring that vulnerable populations, including older persons, persons with disabilities, widows, orphans and veterans, benefited from the gains in connectivity.

254. The Commission recognized the role of regional connectivity in regional economic integration and inclusive and sustainable development. It also recognized the need to strengthen regional cooperation to enhance trade, transport, ICT and energy networks, as well as people-to-people connectivity, particularly for countries with special needs so that they could be integrated into the global and regional economies.

255. The Commission noted the important contribution of the secretariat to the advancement of regional connectivity through its work in transport, in particular under the framework of the Asian Highway and Trans-Asian Railway programmes and agreed on continued cooperation with the secretariat to facilitate the development of regional transport infrastructure and the realization of interregional and transit transport.

256. The Commission welcomed the signing of the Intergovernmental Agreement on Dry Ports, which would usefully supplement the Asian Highway and Trans-Asian Railway networks, contribute to economic prosperity and enhance the future environmental sustainability of transport. It observed that the intergovernmental agreements on the Asian Highway, Trans-Asian Railway and dry ports had laid the groundwork for cooperation in regional connectivity and that, in general, related transport activities had spearheaded infrastructure development in the region.

257. In that respect, the Commission was apprised of the initiatives and projects that were being implemented by member States to establish physical connectivity with neighbouring countries, as well as upgrade and develop the Asian Highway and Trans-Asian Railway on their territories. The Government of Cambodia stressed the importance of investment in infrastructure links to China, the Lao People's Democratic Republic, Thailand and Viet Nam, while the Governments of Bangladesh and India informed the Commission of projects that were being implemented to improve connectivity between their two countries as well as to Bhutan and Nepal. Meanwhile, the Commission noted the investment approved by the Government of the Lao People's Democratic Republic for developing roads and railway lines to connect their country with the Asian Highway and Trans-Asian Railway networks, as well as the earlier construction of friendship bridges for cross-border movements with Thailand and the ongoing construction of a similar bridge to/from Myanmar. The Commission also noted that the Government of Thailand had made a significant financial allocation towards the upgrading of its rail network with a view to linking it



with the networks of neighbouring countries as part of the Master Plan on ASEAN Connectivity and that, over the period 2011-2014, the Government of the Philippines had doubled its budget for infrastructure development projects, including the upgrading, repair and construction of more than 12,000 km of roads. In the Islamic Republic of Iran, the Government had launched projects to build a number of missing links on the Trans-Asian Railway network and expand the network through its territory.

258. The Commission further noted that a number of efforts by Governments in the region related to implementing transport infrastructure development projects fell within the wider framework of subregional transport and/or transit corridors, such as a corridor between western China and western Europe, the East-West Economic Corridor project and the Southern Economic Corridor Project of the Greater Mekong Subregion, the India-Myanmar-Thailand trilateral highway and the Eurasian initiative.

259. The Commission noted that, despite the progress that had been made in improving institutional connectivity, facilitation of cross-border transport remained a challenging task in the region; it underlined the importance of strengthening countries' partnerships for elimination or reduction of non-physical barriers for enhancing regional transport connectivity by increasing of cross-border road and rail transport operations.

260. The Commission also noted the efforts made by some member States to develop long-term strategic plans for the implementation of transport facilitation measures, such as elimination of transit barriers and enhancing efficiency of customs.

261. The Commission stressed the importance of the further development of comprehensive legal frameworks related to transport facilitation, including international legal instruments at the bilateral and multilateral levels for increasing efficiency of transport operations. In that respect, the Commission encouraged the secretariat to expand its assistance on the negotiations on a legal instrument on transit transport by road to other subregions involving China, Mongolia and the Russian Federation.

262. The Commission noted that the landlocked developing countries continued to suffer high transit transport costs due to their challenging geographical location, which prevented them from benefiting from the greater opportunities that would be offered by access to regional and global markets. It further noted that both landlocked and transit developing countries faced institutional challenges in facilitation of transit transport.

263. The Commission noted the strong commitment of Asia-Pacific landlocked developing countries to the effective implementation of the Almaty Programme of Action and their call to all member countries to participate in and contribute actively to the preparation process and organization of the second United Nations Conference on Landlocked Developing Countries, which was to be held in Vienna from 3 to 5 November 2014, and stressed the need to adopt a new, more comprehensive, common action-oriented development framework for the next decade.

264. The Commission was apprised of the high transport costs and limited transport infrastructure and services available to the Pacific small island developing countries due to their small size, remoteness, geographical isolation and scarcity of resources, all of which impeded the development of connectivity and their economies.

265. In that regard, the Commission noted the support expressed for its draft resolution<sup>3</sup> on implementation of the Suva Declaration on Improving Maritime Transport and Related Services in the Pacific and the inclusion of inter-island shipping in the Regional Action Programme for Transport Development in Asia and the Pacific, Phase II (2012-2016).

266. The Commission was informed of the efforts made by some member States in improving inter-island shipping for regional integration.

267. The Commission noted the willingness of Singapore and Thailand to provide assistance to the Pacific small island developing States, especially in sharing experience, know-how and provision of technical assistance.

268. The Commission noted the efforts of countries to improve operational efficiency, reduce energy consumption and enhance the sustainability and inclusiveness of regional transport connectivity. In that regard, it also noted the need to accelerate policy reforms, strengthen institutions and consider potential impacts of disasters in development planning so that resilient regional connectivity could be developed and the ensuing benefits shared more rationally.

269. The Commission noted the request of member States to extend technical cooperation in the area of sustainable and inclusive transport development and to work with the member States to deliver sustainable transport outcomes.

270. The Commission recognized that connectivity was a multi-stakeholder issue that required enhanced regional cooperation as well as the involvement of other regional or subregional groupings, such as Asia-Pacific Economic Cooperation (APEC), ASEAN, ECO, Economic Commission for Europe, Eurasian Economic Union, GMS, Greater Tumen Initiative, SAARC, South Asian Free Trade Area, Shanghai Cooperation Organisation, United Nations Conference on Trade and Development and WTO.

271. The Commission noted that achieving regional connectivity would require significant financial resources and that there was a need for actively involving the private sector in infrastructure development, notably through public-private partnerships. In that respect, developing a friendly environment for private investment was critical, and ESCAP had a role to play to coordinate and promote discussions on such partnerships, in close cooperation with APEC, ASEAN and G20.

272. The Commission noted the invitation that had been extended by the Government of Turkmenistan to other members and associate members to participate in the High-level International Conference on the Role of Transport and Transit Corridors in Ensuring International Cooperation, Stability and Sustainable Development, to be held in Turkmenistan on 3 and 4 September 2014.

273. The Commission noted that international trade and investment had been important drivers of the region's economic growth and connectivity. In that regard, the Commission was informed of policies and initiatives of various countries in the region to strengthen their private sector, trade infrastructure, export growth, investment climate and other measures to attract foreign direct investment.

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<sup>3</sup> When adopted, it became Commission resolution 70/7.

274. However, the Commission also noted that growth in intraregional trade was lagging behind. In that regard, the Commission called for regional cooperation to strengthen institutional connectivity in order to promote trade and investment and reduce at and behind-the-border barriers to intraregional trade and investment, with a focus on trade facilitation.

275. The Commission noted that ongoing initiatives involving the region aimed at liberalizing trade, such as the Trans-Pacific Partnership, the Regional Comprehensive Economic Partnership, the ASEAN Economic Community, the Free Trade Area of the Asia-Pacific, the Eurasian Economic Union and bilateral trade agreements, would provide fresh impetus to intraregional trade and economic development in the region. One delegation said that the discussions on further opening the market under the Asia-Pacific Trade Agreement and preparatory work towards the adoption of a regional arrangement for the facilitation of cross-border paperless trade would contribute to reducing trade barriers in the region.

276. The Commission agreed that the benefits of trade liberalization might not be reaped automatically and that assistance to developing countries was required to enable them to participate effectively in global value chains.

277. The Commission noted that the region's export-led development was facing threats as a result of rising protectionism, economic crises and the high incidence of disasters that disrupted global value chains. The Commission also noted the threat to multilateral trade that resulted from the use of trade sanctions for political purposes. In that regard, the Commission noted the need for the diversification of export markets and cooperation among countries to create new markets and facilitate trade.

278. The Commission was informed that India was actively seeking to reinvest in agriculture in order to catalyse another technology-driven green revolution through higher productivity for the purpose of food security. In that regard, the delegation of India said that it expected global regimes to address the needs and concerns of developing countries in the area of food security.

279. The Commission recognized the need to open more channels for investment and provide the private sector with support for infrastructure development.

280. The Commission underlined the importance of technology and financing, including funding for the private sector, in achieving the development agenda beyond 2015. In particular, the Commission agreed that least developed countries required greater access to international markets for their products and technology transfer to help them in their structural transformation.

281. The Commission expressed its strong support for the realization of sustainable development in the region, and was apprised of several national examples; it also emphasized the continued need for policy measures to promote not only economic growth but also reduce poverty and address pressing social, economic and environmental issues.

282. The Commission recognized that climate change was a critical challenge in the efforts of member States to achieve sustainable development, particularly in the case of its adverse impacts on low-lying islands and on livelihoods, including landlocked developing countries, and requested development partners to address those issues.

283. The Commission noted the special challenges facing small island States in sustainable development, including those resulting from their small size, remoteness from major markets and population centres, limited resources and environmental degradation, climate change and sea level rise, urbanization, small export base, exposure to global environmental challenges and external economic shocks, and limited infrastructure, transport and communication services. The Commission also noted the particular sustainability challenges that mountainous countries faced, specifically in the area of climate change, and called for increased regional efforts in addressing those challenges.

284. The Commission noted the importance of political commitment, leadership and accountability at all levels, particularly at the national level, to achieve the development agenda beyond 2015. In that connection, parliaments needed to play an oversight role in implementing the development agenda beyond 2015 at the national level.

285. The Commission was informed that the small island developing States advocated a stand-alone sustainable development goal on oceans in the context of the global discussions on the development agenda beyond 2015. One delegation called for clear targets on key environmental priorities related to agriculture, oceans and ecosystems.

286. The Commission was informed of national initiatives to promote environmental sustainability in member States, including those related to climate change. Kazakhstan informed the Commission that, as part of its efforts to enhance environmental performance, it was organizing Astana EXPO-2017, which would be focused on the theme of “Future Energy”. The Commission was further informed of the continuing implementation of the Green Bridge Partnership Programme, which was aimed at promoting public and private sector partnerships between Europe and the Asia-Pacific region.

287. The Commission was informed of various initiatives that had been undertaken to manage natural resources effectively. Those included compliance with the Extractive Industries Transparency Initiative to ensure transparency in the management of petroleum revenue, and adoption of policies that were environmentally friendly, socially inclusive and climate-change resilient in order to manage natural resources.

288. The Commission expressed its appreciation for the initiatives undertaken by the secretariat on sustainable development, including the Asia-Pacific Forum on Sustainable Development, as well as the secretariat’s role in serving as a regional knowledge platform. In that regard, the Commission indicated its intention to expand its areas of cooperation on sustainable development issues; that would be done through comprehensive and effective cooperation, greater exchange of information, best practices and lessons learned, including among cities.

289. The Commission emphasized the need to intensify different types of cooperation — North-South, triangular and South-South — and urged moving from expressions of solidarity towards pragmatic and concrete actions to deliver the development agenda beyond 2015. The Commission was reminded that the means of implementation were important, including additional financial resources, appropriate technology, and capacity to utilize such technology, particularly by least developed countries, landlocked developing countries and small island developing States.

290. The Commission was informed of the progress being made to establish local and subnational governments and of pre-decentralization

mechanisms for improving administrative and institutional capacities, which would raise the effectiveness and efficiency of public services. Country-level initiatives included integrating local development programmes to: create employment; provide public services; improve livelihoods; develop “smart cities” as part of sustainable urban development; and build resilience at the community level.

291. The Commission noted that significant challenges remained in the development of renewable energy, sustainable energy and energy connectivity, which acted as barriers to the ability of countries to reach their development goals, including the development agenda beyond 2015. It also noted the importance of the Sustainable Energy for All initiative and of investing in renewable energy.

292. The Commission noted the importance of promoting energy connectivity, such as gas pipelines and trans-border transmission infrastructure, and expressed support for the concept of an Asian energy highway, which would be aimed at building an integrated regional power grid and market. The Commission welcomed the hosting of the second Asian and Pacific Energy Forum to be held in Tonga, in 2018.

293. The Commission recognized the importance of timely statistics for accountability and transparency and the need to improve national statistical capacity. The Commission noted that the concept of “leaving nobody behind” would not be realized if capacity were not developed to produce appropriately disaggregated economic, social and environmental statistics. In that regard, the Commission recognized the particularly severe capacity constraints of least developed countries and the need for international organizations to continue to provide countries with special needs with capacity development assistance in statistics.

294. The Commission emphasized the vital role of statistics in economic, social and environmental development and in underpinning monitoring and accountability for the development agenda beyond 2015.

295. In that regard, the Commission expressed its support for the strategic goals of the Committee on Statistics to develop the capacity of countries to produce a basic range of economic, social, population and environment statistics. In noting that the first-ever ministerial conference on civil registration and vital statistics for the Asia and Pacific region would take place in November 2014, it emphasized that the issue of civil registration was fundamentally linked to a range of rights, the protection of which was crucial for the prosperity of people in the region.

296. The Commission recognized ICT connectivity as an engine of economic growth in its own right, as well as a valuable source of innovation across all sectors of the economy. Today and in the future, the creative economy will create jobs and add value by using technology to harness new ideas. In that regard, the Commission noted the secretariat’s finding that a 10 per cent increase in broadband penetration was associated with a 1.34 percentage point increase in per capita GDP growth. That finding would imply that the gap in Internet penetration rates, especially among youth, could lead to persistent disparities in economic development. In that regard, the Commission highly valued the secretariat’s efforts to implement, in cooperation with the International Telecommunication Union, the “Asian Information Superhighway” initiative, which was aimed at making broadband Internet more available and affordable across the region. The Commission also recognized the important role of e-governance in bringing empowerment,

equity and efficiency to the region, as well for improving service delivery and programme implementation.

297. The Commission recognized that disaster risk reduction was an important priority for the Asia-Pacific region and that it was essential to mainstream disaster risk reduction into development planning and policies towards building resilience across all sectors.

298. The Commission highlighted that climate change and the increasing frequency of natural disasters were key challenges that the region faced, and that there was an urgent need for collective action to address vulnerability and mitigate the impacts of climate risk that hamper development efforts and threaten economic and social progress.

299. The Commission noted that small island developing States were particularly vulnerable to natural disasters and faced a large range of impacts from climate change. Climate change impacts and potential sea level rise were issues of grave concern to low lying islands. In that respect, climate change adaptation initiatives and external support would continue to be critical to help small island developing States address the sustainable livelihood and development of small island communities.

300. The Commission stressed the importance of regional cooperation for enhancing early warning, preparedness and response to disasters and for developing a basic range of disaster-related statistics to support regional efforts in building resilience to and mitigation of the risks of natural disasters. The sharing of resources and capacity-building support in space applications for disaster risk management as part of the regional cooperative mechanisms promoted by ESCAP, including the Regional Cooperative Mechanism on Drought Monitoring and Early Warning, were good examples of how regional cooperation could support developing member States.

301. The Commission expressed its appreciation to the secretariat for promoting the utilization of space technology for disaster risk reduction, in particular for drought monitoring and early warning, through the Regional Space Applications Programme for Sustainable Development and its network. The Commission emphasized its continued support to the secretariat on capacity-building and using innovative space technologies for disaster risk reduction.

#### **Agenda item 9**

#### **Theme topic for the seventieth session of the Commission (2014): “Regional connectivity for shared prosperity”**

302. The Commission had before it a summary of the theme study for its seventieth session: regional connectivity for shared prosperity (E/ESCAP/70/27).

303. The Ministerial Round Table on Regional Connectivity for Shared Prosperity focused on the different aspects of connectivity, from the perspective of the various sectors — transport, ICT and energy — and how working together produced efficiency gains. It also considered the multifaceted nature of successful connectivity where infrastructure was supported by robust institutional frameworks and knowledge networks and where national investments had regional benefits as a regional public good.

304. The panellists provided insights into how policymakers, organizations, institutions and civil society could work together to build systems of connectivity based on their own experiences at the national and regional levels.

305. The panellists were:

(a) Mr. Louis Casambre, Undersecretary of the Department of Science and Technology and Executive Director of the Information and Communications Technology Office (Philippines);

(b) Mr. Zin Yaw, Deputy Minister of Transport (Myanmar);

(c) Mr. Connelly Sandakabatu, Minister of Development Planning and Aid Coordination (Solomon Islands);

(d) Mr. Ly Thuch, Senior Minister, Chairman of the National Committee for ESCAP and Vice-President of the National Committee for Disaster Management (Cambodia);

(e) Mr. Bektas Mukhamedzhanov, Vice-Minister of Environment and Water Resources (Kazakhstan) and Chairman of the Asia-Pacific Forum on Sustainable Development;

(f) Mr. Wencai Zhang, Vice-President (Operations 1), Asian Development Bank.

306. The Executive Secretary served as moderator for the panel. In introducing the theme study, the Executive Secretary said that regional connectivity was a priority imperative and emphasized that Asia and the Pacific had a strong tradition of promoting regional connectivity. She noted that its tradition was evident from the success of the Asian Highway and Trans-Asian Railway networks, and added that member States had turned to the ESCAP intergovernmental platform to reflect more deeply on how to nurture connectivity.

307. The Executive Secretary stated that the region's dynamism and success was rooted in the ability to look beyond national jurisdictions, and to reach out for larger potential markets for resource-sharing, business expansion and sustainability; she noted that there were good regional examples of rising above geographical and political differences to ease the cross-border movement of goods, services and people. Those efforts should be complemented with supporting the development of master plans, legal agreements and protocols, as well as working hand in hand with Governments, multilateral institutions and subregional platforms.

308. The Executive Secretary indicated that the study contained a call for establishing new corridors and hubs, based on an integrated model of regional connectivity that recognize the shared challenges of: growing demographic pressures; the need to more effectively exploit comparative advantages; promoting the development of connectivity sustainably; exploiting the innovations of ICT to enhance the efficiency of connectivity across continents and oceans; and dismantling "behind-the-border" barriers that had generated economic costs far exceeding tariff barriers. She noted that evidence suggested that trade facilitation, supported by improvement in customs and port efficiencies, could enhance regional trade by \$250 billion, in addition to reducing costs and time requirements. Regional connectivity needed to be spread more evenly across countries, particularly the least developed, landlocked and small island developing countries, and recognize the unique spatial contexts in which they were located. Domestic connectivity should also be well coordinated with regional networks, which exploited the interdependence and synergies of five specific elements: trade and transport networks; ICT networks; energy networks; people-to-people networks; and the promotion of knowledge-based economies.

309. The Executive Secretary stated that ESCAP recommended a variety of mechanisms that were used to advance the region's connectivity agenda at the regional level, those ranged from formal intergovernmental agreements and international conventions, to voluntary commitments by national Governments; however, success would depend on the strong political commitment and consensus of member States, and the buy-in and engagement of regional blocs, such as ASEAN, SAARC and the Central Asia Regional Economic Cooperation, to support holistic frameworks for regional connectivity. The Executive Secretary further suggested that, to implement connectivity, member States needed to leverage Asia's savings and reserves — regional solutions included proposals for the establishment of an Asian infrastructure investment bank, as well as the New Development Bank, or "BRICS Bank", in addition to the efforts of the multilateral development banks to augment their capital better to offer different avenues for the long-term funding required to support regional connectivity for shared prosperity.

310. Mr. Zin Yaw highlighted the ongoing priority and planned infrastructure projects in Myanmar that were contributing to regional connectivity, namely the Thilawa Special Economic Zone, including two terminals currently in operation and three more terminals to be built soon; the Kyauk Phyu Special Economic Zone, including a deep seaport with one gas terminal in operation and other different types of terminals to be built; the Dawei Special Economic Zone, including a deep seaport, shipyard, power plant, steel mills and petrochemical complex; upgrading of the Yangon International Airport to handle 3 million passengers per year; upgrading of the Mandalay International Airport to handle 2 million passengers per year until 2023; construction of the Hanthawaddy International Airport as a new gateway to Myanmar and a regional hub; and upgrading and modernization of the railway line between Yangon and Mandalay. In the study and implementation of that railway and the Mandalay to inland port linkage projects, the Government of Myanmar had organized a series of stakeholder consultations and public hearings with involvement of all relevant ministries, experts, the private sector and the public. They helped to achieve effective cooperation and coordination.

311. Mr. Casambre welcomed the strong opportunity to develop terrestrial fibre-optic networks along existing transport or energy infrastructure, such as highways, railways and power transmission networks, as recommended in the theme study. In that regard, he noted the potential of the Asia-Pacific information superhighway to reduce the deployment costs of future ICT infrastructure development, and to maximize the return on investment in existing ICT infrastructure, while also lowering overall costs for broadband Internet in the region. He shared information on good practices from the Philippines regarding the cohabitation of ICT and transport infrastructure, including the importance of utilizing the right of way of transport infrastructure to speed the deployment of ICT networks, for which he gave the example of the Manila Metro lines hosting ICT cables. He noted that doing so in a cross-border environment would bring important benefits to Governments and the private sector, and those benefits included increased revenue and wider financing options. He also shared technological solutions for tackling the rural-urban digital divide in geographically challenged countries. For example, in the Philippines the utilization of television white space had extended broadband and Internet services to rural areas, connecting schools, hospitals and local government units, and saving lives in the aftermath of Typhoon Haiyan. He requested that the ESCAP secretariat continue its leadership on the Asia-Pacific information superhighway initiative, including efforts to establish common principles and norms for enhancing ICT infrastructure across the region. In that regard, he noted the importance of



partnerships and collaboration in the financing, operation and maintenance of pan-Asian terrestrial networks, especially for cross-border links.

312. Mr. Ly Thuch provided a brief overview of recent economic progress in Cambodia and shared his view that the ESCAP region might learn from the experiences of ASEAN, the overriding goals of which were improving linkages and removing barriers among member States, as well as promoting intraregional cooperation and enhancing linkages with external partners. The rebalance in the global economic landscape had made increased connectivity and cooperation among ASEAN member countries more important than ever. Intra-ASEAN trade had grown remarkably, making it less trade-dependent on other regions and more resilient. As a result, great emphasis had been put on removing trade barriers among member countries. ASEAN had been negotiating a number of free trade agreements as well as frameworks beyond the scope of free trade agreements to facilitate economic integration. The country also gave priority to strengthening “hard” as well as “soft” infrastructure. Progress had been made in the rehabilitation and modernization of the rail system, as well as in cross-border regulatory reform and capacity-building. He stressed that Cambodia was committed to the realization of the ASEAN Economic Community by 2015. The country aimed to move beyond that Community and to become part of a free trade and economic community encompassing all of East Asia. That would help narrow the development gap in the region, especially for smaller countries.

313. Mr. Sandakabatu said that the unique challenges of remoteness and vast distances, both between islands and other countries in the region, made the need for regional connectivity most pressing for Pacific island developing countries. In sharing experiences from the Solomon Islands, he noted that ICT created new opportunities in the region to address those challenges. He recounted that, in education, the Solomon Islands was one of the 12 Pacific island countries supporting the University of South Pacific based in Fiji, which enabled people to participate in distance-learning programmes and contributed to knowledge generation and knowledge-sharing in the region. He also drew attention to the impact of ICT in enabling greater access to financial services in remote locations through telephone and Internet banking. He emphasized that setting up ICT networks and laying fibre-optic cables had already led to an increase in the movement of people and goods between islands, thereby bridging physical distances, facilitating cultural exchange and fostering regional growth and socioeconomic development. He added that the Pacific island developing States should build on the progress made so far and urged countries to implement infrastructure projects that were aimed at improving connectivity in the region.

314. Mr. Mukhamedzhanov provided an overview of recent efforts and progress in the development of transport infrastructure in Kazakhstan aimed at strengthening connectivity both within the country and with neighbouring countries, and of Kazakhstan’s intention to undertake a set of measures to become a major logistics hub in Central Asia in order to facilitate trade between China and Europe. He emphasized that Kazakhstan’s membership in the customs union with Belarus and the Russian Federation could increase efficiency and reduce the cost of transporting goods from China to Europe through Kazakhstan and the Russian Federation. He reported on the ecological aspects of transport infrastructure development, which should be taken into consideration in order to exclude or minimize the related potential harm to the environment, and animal migration routes. He noted the Framework Convention for the Protection of the Marine Environment of the Caspian Sea, to which Kazakhstan was a party, as an example of addressing environmental protection issues related to the development of physical connectivity infrastructure.

315. Mr. Zhang outlined the challenges to and opportunities for implementing regional programmes, especially those involving regional connectivity. He stressed the importance of having strong political will and mutual trust as a basis for regional integration. That should enable progress on the regional connectivity agenda that was needed for sustaining growth in intraregional trade. Further opportunities would also arise by transforming transport corridors into economic corridors where people truly benefited from the infrastructure network built; those benefits were through job creation, increased trade and improved access to services. Among the challenges, he highlighted the need for more communication among the countries in the region. Building on existing institutional platforms, such as ESCAP as well as APEC, ASEAN, GMS and SAARC, should facilitate that closer dialogue. In implementing regional programmes, financing would remain a major challenge given the huge infrastructure demand in the region and the limited public budgets. Therefore, more resources should be mobilized from the private sector, notably via public-private partnership mechanisms, as well as from new development banks, such as the proposed Asian infrastructure investment bank. Beyond financial resources, other elements such as building capacity, improving the investment climate and addressing tariff and non-tariff barriers would also be required to achieve regional connectivity for shared prosperity.

316. The delegate from Timor-Leste stressed the need for assistance from the Asian Development Bank in developing regional integrated plans that would reduce inequality and help smaller countries.

317. The delegate from China stressed the prominent role of transport networks, such as the Asian Highway, the Trans-Asian Railway and dry ports, in promoting regional connectivity along with the overwhelming importance of strong political consensus on enhancing connectivity. He indicated that four key issues were needed to enhance regional connectivity: openness of mind to develop free flow of goods and services; mutual benefits to share prosperity; comprehensiveness to include all relevant issues; and interactivity at various levels, with the involvement of Governments, the private sector and academia. China had been exerting concerted efforts to develop transport infrastructure, having recently initiated the development of the Silk Road Economic Belt and the Maritime Silk Road, and the establishment of an Asian infrastructure investment bank. It was expected that the bank would help to close the huge infrastructure investment gap in the region and complement the work of the existing development banks. An intergovernmental framework memorandum of understanding on the establishment of the bank was scheduled to be signed in the autumn of 2014, and members and associate members of ESCAP were welcome to join in signing that instrument.

318. The delegate of Bangladesh noted the importance and priority of energy connectivity for his country, as well as people-to-people connectivity in the region through the freer movement of people across borders with eased visa policies on the basis of political consensus between the countries. He also elaborated on the growing need to have access to funding for infrastructure and social development and how the “BRICS Bank” and the Asian infrastructure investment bank could positively change the current landscape of development financing.

319. The delegate from the Islamic Republic of Iran pointed out that his country was well known for its connectivity as a transit country for landlocked countries in Central, South and West Asia and had been extending rail links to its neighbours as well as expanding energy connectivity through

power gridlines and oil and gas pipelines. The Islamic Republic of Iran considered ESCAP as the most appropriate platform to put into place the necessary arrangements for strengthening regional connectivity.

320. The delegation of India found that the topic of the theme study was appropriate, timely and strongly supported, as it was focused on furthering regional connectivity in the transport, energy, fuel transmission and ICT sectors. Some regional and subregional connectivity initiatives were named along with trilateral programmes for rail, road, intermodal and maritime connectivity with ASEAN, as well as with Bhutan, Cambodia, the Lao People's Democratic Republic, Maldives, Myanmar, Nepal, Sri Lanka, Thailand and Viet Nam, in addition to the initiative under the Bangladesh-China-India-Myanmar Economic Corridor. The importance of people-to-people connectivity and financing was recognized. India noted the role of ESCAP in steering the regional connectivity efforts in the correct direction and expressed support for ESCAP in its efforts to promote regional connectivity.

321. The delegation of Tuvalu noted that connectivity was technology driven, and it came at a high cost for such small island States as Tuvalu. The delegation also raised the issue of the unreliability of ICT and transport provision for the Pacific and welcomed any support towards better infrastructure including fibre-optic cabling and transport services.

322. The delegation of Tonga reported that Pacific small island developing States were strengthening their data on energy through an energy data repository, which helped in identifying opportunities for greater connectivity and providing information on access to clean and affordable energy in the Pacific.

323. Mr. Zhang emphasized the role and work of the Asian Development Bank in poverty reduction and prioritizing inclusive growth, indicating that regional connectivity, where it was integral to domestic connectivity, was a major contributor to that aim. He said that good planning, institutional coordination and country assistance strategies, including short- and long-term plans, would help in that regard. He welcomed new financial institutions where they were able to assist and complement sustainable development.

#### **Agenda item 10 Other matters**

324. No other matters were discussed.

#### **Agenda item 11 Adoption of the report of the Commission**

325. The report of the Commission on its seventieth session (Phase II) (E/ESCAP/70/34) was adopted unanimously at its seventh plenary meeting on 8 August 2014.