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**KEY DEVELOPMENTS AND ACTIVITIES AT THE REGIONAL LEVEL:
POVERTY REDUCTION**

(Item 3 (a) of the provisional agenda)

KEY ISSUES RELATING TO POVERTY REDUCTION

Note by the secretariat

SUMMARY

The present document provides an updated analysis of the poverty situation in the Asian and Pacific region. The impact of the recent tsunami disaster on poverty in the affected countries and some relevant issues are also discussed briefly.

The document provides a summary of key issues arising from the Subcommittee on Poverty Reduction Practices and the Subcommittee on Statistics. The first session of the Subcommittee on Poverty Reduction Practices was held from 30 June to 2 July 2004. The key issues discussed included the multidimensional nature of poverty, pro-poor growth, identification and promotion of good practices, sharing of experiences, strengthening the capacity of the poor at the community level, good governance, provision of basic services to the poor, housing for the poor and tourism for poverty reduction. The first session of the Subcommittee on Statistics was held from 18 to 20 February 2004. The key issues discussed included the use of information technology for the 2010 round census, the revision of international standards on consumer price indices and household income and expenditure surveys, the positive impact of the Millennium Development Goals and their associated indicators on statistics, measurement of disability, engendering statistics and various dimensions of the digital divide. Since the second session of the thematic Committee on Poverty Reduction will be held after the sixty-first session of the Commission, the latter may wish to consider and endorse the urgent issues and recommendations made by the Subcommittees.

The document also provides a summary of activities undertaken by the secretariat to implement the relevant resolutions. The Commission may wish to provide further guidance on future activities for implementing the resolutions.

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Introduction

1. The present document is in three main sections. Section I includes an updated analysis of the poverty situation in the Asian and Pacific region. It also looks at the impact of the tsunami disaster on poverty in the affected countries and analyses some relevant issues. Section II provides a summary of key issues arising from the Subcommittee on Poverty Reduction Practices and the Subcommittee on Statistics. The first sessions of the two Subcommittees were held from 30 June to 2 July 2004 and from 18 to 20 February 2004 respectively. Since the second session of the thematic Committee on Poverty Reduction will be held after the sixty-first session of the Commission, the latter may wish to consider and endorse the urgent issues and recommendations made by the Subcommittees. Section III provides a summary of poverty-related activities undertaken by the secretariat in implementation of resolution 60/1, the Shanghai Declaration. The activities carried out by the secretariat in implementation of the following resolutions are also summarized: resolution 60/5 on the Centre for Alleviation of Poverty through Secondary Crops Development in Asia and the Pacific, resolution 60/6 on revitalization of the United Nations ESCAP Pacific Operations Centre and resolution 60/7 on the Pacific Urban Agenda.

I. THE POVERTY SITUATION AND IMPACT OF THE TSUNAMI DISASTER

A. Poverty situation in the region

2. Despite the significant progress achieved over time, poverty continues to be the most serious problem being faced by many countries of the region. Based on the one dollar a day per capita poverty line, around two thirds (65 per cent) of the world's poor live in Asia and the Pacific.¹ The incidence of poverty in the region declined from 34 per cent in 1990 to 22 per cent in 2001.² As a result, 232 million people were taken out of poverty over the same period. However, around 700 million were still living on less than one dollar a day in 2001. The incidence of poverty fell more rapidly in East Asia, including South-East Asia, and the Pacific than in South Asia. The poverty level, at 30 per cent in East Asia and the Pacific in 1990, was halved in 2001. In South Asia, the number of people living below the poverty line fell from 41 per cent in 1990 to 31 per cent in 2001.

3. When the poverty line is doubled to two dollars a day, the Asian and Pacific region becomes home to 70 per cent of the world's poor. Around 2 billion people were living on less than 2 dollars a day in the region in 2001. While the incidence of poverty fell from 78 per cent in 1990 to 70 per cent in 2001, the absolute number of the poor decreased by 147 million over the same period. Interestingly, while the

¹ In fact, the poverty line is \$1.08 per capita a day at 1993 purchasing power parity. For limitations of the poverty line and poverty estimates based on it, see Angus Deaton, "Counting the world's poor: problems and possible solutions", *World Bank Research Observer*, vol. 16, No. 2 (fall 2001); see also the comments on the papers by Martin Ravallion and T.N. Srinivasan in the same issue.

² These poverty estimates have been derived from Shaohua Chen and Martin Ravallion, "How have the world's poor fared since the early 1980s?", *World Bank Research Observer*, vol. 19, No. 2 (fall 2004).

poverty line is doubled from one dollar to two dollars, the incidence of poverty in 2001 increases sharply as it more than triples (from 22 per cent for the one dollar poverty line to 70 per cent for the \$2 poverty line). There are more than 1.2 billion people in the region living on an income of between one and two dollars. This shows the seriousness of the problem of poverty as the vast majority of people are living on very low incomes.

4. The performance of the individual countries in reducing poverty has varied. Based on the one dollar a day poverty line, poverty has been virtually eliminated in Malaysia and the Republic of Korea (see table). Between 1990 and 2003, poverty was more than halved in China, Indonesia, Thailand and Viet Nam. As a result, these countries have already achieved the Millennium Development Goal of reducing poverty by half between 1990 and 2015. Poverty reduction in the Lao People's Democratic Republic and the Philippines between 1990 and 2003 brought those countries closer to achieving the Goal. Both Cambodia and Papua New Guinea witnessed a significant decrease in poverty during the first half of the 1990s but recorded an upward trend after that. Poverty data for other countries are patchy and not very up to date. There was a marked reduction in poverty in India between 1990 and 1999. In Pakistan, there was a major decrease in poverty between 1990 and 1996. While poverty levels remained virtually the same in Bangladesh between 1992 and 2000, Sri Lanka witnessed an upward trend in poverty between 1990 and 1995. Poverty levels increased in countries of Central Asia after they became independent in 1991 and began their transition to a market economy. Economic recovery in those countries in recent years helped to reduce poverty levels. Based on a two dollars per capita poverty line, the rates of poverty are understandably much higher and progress in reducing poverty has been relatively slower in most countries of the ESCAP region.

5. Poverty lines in terms of dollars (defined in purchasing power parity (PPP) terms) are usually referred to as "international poverty lines". Many countries have their own national poverty lines defined in domestic currencies. Therefore, poverty estimates based on these country-specific poverty lines are not strictly comparable between countries owing to differences in poverty lines and methodology. These country poverty estimates, however, can be used to study changes in poverty within countries over time. The levels of poverty decreased between the early 1990s and late 1990s in several countries, including Bangladesh, China, India, Indonesia, Malaysia, the Philippines, the Republic of Korea, Thailand and Viet Nam. The economic crisis in 1997 led to an increase in poverty in Indonesia, Malaysia, the Philippines and Thailand. There was an upward trend in poverty in Pakistan over the 1990s and a slight decrease in 2003. The available data indicate an increase in poverty in Sri Lanka between 1991 and 1996, whereas poverty in Nepal remained virtually unchanged. Several transitional economies, including Armenia, Azerbaijan, Kyrgyzstan and Tajikistan, saw an upsurge in poverty during the 1990s as compared with pre-transitional poverty levels. As those economies started to recover in the late 1990s, poverty levels started to come down.

Table . Percentage of the population below the one dollar a day poverty line in selected countries, 1990-2003

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Armenia	..	..	..	..	..	..	7.8	..	12.8	..	..	..	..	..
Azerbaijan	..	..	..	..	..	< 2.0	..	..	..	..	..	3.7	..	..
Bangladesh	..	..	35.9	..	..	..	29.1	..	..	..	36.0	..	..	..
Cambodia	48.3	..	..	..	..	..	36.7	38.4	39.4	41.5	43.4	43.0	45.5	42.2
China	31.5	..	..	29.0	..	..	16.4	..	16.1	17.4	15.4	14.3	12.9	11.7
Georgia	..	..	..	..	..	..	0.0	..	0.0	2.6	..	2.7	..	..
India	42.1	..	..	42.3	..	..	42.2	..	..	34.7	..	..	..	..
Indonesia	20.6	..	..	14.8	..	..	7.8	..	..	12.0	9.9	9.2	7.2	5.7
Kazakhstan	0.1 ^a	..	..	1.1	..	..	1.5	..	..	..	..	0.1	..	..
Kyrgyzstan	0.0 ^a	..	..	23.0	..	..	..	1.6	..	0.7	2.0	0.9	..	..
Lao People's Democratic Republic	53.0	..	48.8	..	..	..	41.3	38.4	39.6	36.7	33.9	31.3	29.0	26.9
Malaysia	2.0	..	1.5	..	..	1.0	0.8	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5
Mongolia	..	..	..	..	..	13.9	..	..	..	..	..	..	..	..
Nepal	..	..	..	..	..	37.7	..	..	..	..	..	..	..	..
Pakistan	47.8	..	..	33.9	..	..	31.0	..	..	..	..	..	..	..
Papua New Guinea	35.4	..	..	..	..	..	24.6	25.6	27.8	30.7	35.3	38.0	39.2	39.4
Philippines	18.3	19.1	..	..	19.8	..	18.4	14.8	12.1	13.7	13.5	13.5	11.9	11.1
Republic of Korea	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5	<0.5
Russian Federation	0.0 ^a	..	..	6.2	..	..	7.2	..	7.1	..	6.1	..	..	..
Sri Lanka	3.8	..	..	..	..	6.6	..	..	..	..	..	..	..	..
Tajikistan	..	..	..	..	..	..	..	..	10.3	..	..	..	..	..
Thailand	12.5	..	6.0	..	..	..	2.2	..	3.3	3.1	5.2	3.6	2.4	1.6
Turkmenistan	0.0 ^a	..	..	20.9	..	..	..	..	12.1	..	..	..	..	..
Uzbekistan	0.0 ^a	..	..	3.3	..	..	..	..	19.1	..	21.8	..	..	..
Viet Nam	50.8	..	..	39.9	..	..	23.6	..	16.4	16.9	15.2	14.6	13.6	10.9

Source : World Bank, *East Asia Update*, November 2004

<<http://siteresources.worldbank.org/INTEAPHALFYEARLYUPDATE/Resources/EAPupdatesfinalNov04.pdf>>, 17 February 2005; Global Poverty Monitoring Website <<http://www.worldbank.org/research/povmonitor/>>, 14 September 2004, and World Bank, *World Development Indicators 2004* (Washington DC, 2004).

^a Refers to data for 1988.

B. Impact of the tsunami disaster on poverty

6. While many Asian countries were affected by the tsunami disaster of 26 December 2004, India, Indonesia, Maldives, Sri Lanka and Thailand were the hardest hit. More than 280,000 people lost their lives or are missing. Millions became homeless or displaced. Infrastructure in the affected coastal areas was destroyed. The fishing and tourism industries sustained heavy losses and the people dependent on those industries lost their livelihood. Preliminary estimates of economic damage and losses in India, Indonesia, Maldives and Sri Lanka show an amount of more than US\$7 billion. Indonesia alone suffered damage and losses amounting to at least \$4.5 billion.³ The need for funds for relief, rehabilitation and reconstruction is much larger than the overall economic losses and damage.

7. While the macroeconomic impact in terms of gross domestic product (GDP) growth for most affected countries, especially the larger ones, may be small, the impact at the local and community levels in the affected areas is very substantial. Many people living in the affected coastal areas were

³ The Consultative Group on Indonesia, "Indonesia: Preliminary Damage and Loss Assessment – The December 26, 2004 Natural Disaster" (19-20 January 2005).

already poor and the tsunami pushed them deeper into poverty. As a result of the loss of their income and assets, it is estimated that around 2 million people have been added to the existing number of poor people.⁴ Initial estimates indicate that more than one million people became “new poor” in Indonesia alone. In India, the number of poor people could increase by 645,000. The devastation caused by the tsunami in Sri Lanka could add around 250,000 to the number of poor people. Because of its small population, the number of 24,000 additional poor people in Maldives will enhance the incidence of poverty there significantly.

8. The response to the disaster has been overwhelming and generous as many countries and organizations provided aid for relief, rehabilitation and reconstruction. As at 7 March 2005, more than \$6.3 billion had been pledged in terms of aid.⁵ In addition to official aid, private donations came from many countries and in some cases surpassed official contributions. Multilateral donors such as the World Bank and the Asian Development Bank (ADB) made large resources available for the affected countries. Combined pledges of aid from private sources and from government and donor agencies could reach more than \$8 billion. It is hoped that there are additional resources being provided by donors. There is a genuine concern that funds for the tsunami victims may be diverted from other poor and needy countries. Moreover, most of the aid to the affected countries should be in the form of grants so that it does not add to their debt burden.

9. While huge aid pledges have been made to help the victims of the tsunami, it is important that the donors fulfil all their pledges. The effective utilization of aid is also crucial to achieve the intended objectives. During the recovery and reconstruction phase, well-coordinated efforts are needed to rebuild the communities and infrastructure to restore the livelihoods and homes of the people. Reconstruction activities are expected to generate employment for some people in the affected areas. However, to help all the poor people, targeted programmes should be implemented. Poor people should be actively involved in the design and implementation of the recovery as well as targeted programmes. This recovery phase should be used to eradicate poverty from the affected areas.

II. SUMMARY OF KEY RECOMMENDATIONS AND ISSUES ARISING FROM THE SUBCOMMITTEES ON POVERTY REDUCTION PRACTICES AND STATISTICS

A. Subcommittee on Poverty Reduction Practices

10. The Subcommittee on Poverty Reduction Practices held its first session in Bangkok from 30 June to 2 July 2004. In addition to representatives of 19 members and associate members of ESCAP,

⁴ Asian Development Bank, “An initial assessment of the impact of the earthquake and tsunami of December 26, 2004 on South and Southeast Asia”, January 2005.

⁵ United Nations Office for the Coordination of Humanitarian Affairs, available at <<http://www.reliefweb.int/fts>>, 7 March 2005.

and those of United Nations bodies and specialized agencies, the session was attended by experts from 12 least developed country members of ESCAP. Their participation took place on a trial basis with the financial support of ESCAP. The objective was to explore means to increase least developed country participation in legislative meetings of ESCAP. The experts met for one day prior to the session of the Subcommittee and presented their recommendations.

11. The Subcommittee, recognizing the value of learning from each other and the important role that ESCAP could play in assisting countries in this process, recommended that the secretariat continue its work on the identification and transfer of good practices as part of a long-term strategy. It further proposed that the strategy be refined by defining specific roles for different actors in the process of dissemination and replication.

12. The Subcommittee, emphasizing the role of good governance in creating an enabling environment, recommended that the work of the secretariat on expanding the capabilities of regional and local governments also cover issues related to equity, efficiency and transparency in such areas as release of government information, establishment of the rule of law, protection of human rights and combating corruption.

13. The Subcommittee recognized the positive outcomes of the Human Dignity Initiative and indicated that the results of the project were a good example of a cost-effective intervention. It proposed that the secretariat undertake to replicate the experience to improve living conditions and strengthen the capacity of the poor at the community level. It indicated that a close link with the United Nations Human Settlements Programme (UN-HABITAT) in the implementation of that activity could be beneficial.

14. The Subcommittee recommended that the secretariat investigate the root causes of poverty in countries where poverty levels were high. It also recommended that changes in policies be tracked and their impact on poverty studied. Government budgets were highlighted as a major source to track policy changes over time.

15. The Subcommittee recommended that in its future work on the impact assessment of poverty interventions, the secretariat try to capture various non-income dimensions of poverty, such as social exclusion, poverty of opportunity, gender gaps and inequities, using the rights-based approach, participatory poverty assessment approaches and vulnerability indices.

16. The Subcommittee recommended that the *Manual for Evaluating the Impact of Targeted Poverty Reduction Programmes* be publicized to promote impact evaluation. National workshops organized by the secretariat in various countries could be a modality for promoting the use of the *Manual*.

17. The Subcommittee strongly supported the secretariat's work on tourism and urged the secretariat to further strengthen its activities on tourism and poverty reduction, including (a) capacity-

building, (b) promoting the sharing of experience and good practices, (c) conducting policy-oriented research, (d) promoting the long-term sustainability of tourism, giving due attention to ecotourism, agro-tourism and community-based tourism and (e) promoting regional cooperation in human resources development in tourism through the Network of Asia-Pacific Education and Training Institutes in Tourism.

18. The Subcommittee proposed seven key areas for ESCAP work pertaining to its partners for health project: (a) sharing experience and promoting good practices among countries on effective and sustainable measures against HIV/AIDS, (b) scaling up successful pilot projects in cooperation with Governments and international organizations, to strengthen impact and sustainability, (c) actively promoting similar initiatives by countries to create a sense of ownership, (d) generating research results on areas, levels and indicators of success (with definitions identified by target groups), critical success factors and the roles of partners and sectors, (e) expanding the project to cover indigenous peoples and support the education of children in families affected by HIV/AIDS, (f) strengthening the human rights approach to work on HIV/AIDS and (g) promoting effective utilization of global funds for work on HIV/AIDS.

19. The Subcommittee recommended that guidelines be formulated to clarify (a) the role of Governments in a rights-based approach to housing so as to not to discriminate against vulnerable groups and slum-dwellers and (b) the role of the private sector in the area of housing.

20. The Subcommittee recognized that small-scale interventions were the most effective means of reaching the poor. It further recognized that the sustainability and cost-effectiveness of poverty reduction efforts depended on nurturing a sense of ownership by the community and emphasized that it was necessary to provide human security by protecting and empowering each individual at the community level.

21. The Subcommittee indicated that an enabling environment, particularly in terms of the articulation of macropolicies with microinitiatives, was an important component of poverty reduction efforts. It was also recognized that, although economic growth was a precondition for poverty reduction, it was not sufficient and mechanisms were needed to make the benefits of economic growth reach the poor. In that context, it further acknowledged that market forces were not sufficient and special emphasis should be given to social-oriented macroeconomic policies.

22. The Subcommittee suggested that poverty should be examined from a number of different perspectives, such as the feminization of poverty and the urbanization of poverty. It was not enough to do a head count of the poor because it did not give an indication of the depth of poverty. The Subcommittee indicated that approaches based on household and individual expenditure reduction should receive special consideration in future programming.

23. The Subcommittee strongly supported the continuation of ESCAP's programme activities in the areas of participation and partnerships between local communities and governments, grass-roots economies and good governance as a mechanism to help the poor to improve their own situation.

24. The Subcommittee noted that inclusiveness, cost-effectiveness and affordability were important issues related to the role of the private sector in providing water and energy services to the poor. As circumstances varied among countries as well as between urban and rural areas, no one-size-fits-all approach should be taken. An enabling environment, including legal and regulatory frameworks and incentive mechanisms, was needed to increase the involvement of the private sector in the provision of basic services to the poor. The internalization of environmental externalities in pricing, market segmentation for different types of private sector incentives, quality and sustainability were key issues that needed to be considered.

25. The Subcommittee noted with appreciation the recommendations of the workshop on implementing partnerships for development in least developed countries of Asia and the Pacific, held in Bangkok in June 2004 and recognized that poverty in least developed countries was a multidimensional issue that could be addressed in line with the goals set in the Millennium Declaration if all partners, including central and local governments, the private sector, civil society and international organizations, addressed that concern jointly.

26. The Subcommittee recognized that improving the lives of slum-dwellers, as called for in target 11 under Millennium Development Goal 7, required a set of coordinated policies and actions related to slum upgrading, environmental management, infrastructure development, service delivery, savings-and-credit schemes and income and employment generation.

B. Subcommittee on Statistics

27. The first session of the Subcommittee on Statistics was held in Bangkok from 18 to 20 February 2004.

28. The Subcommittee warmly welcomed the endorsement by the United Nations Statistical Commission at its thirty-fourth session that the support programme for the 2010 round of censuses would include assistance related to making use of information technology, including the Internet, in census data collection, data capture and data dissemination. It emphasized that the seniormost management of the national statistical and census offices should be actively involved in census planning from the beginning.

29. The Subcommittee welcomed the outcome of the Seventeenth International Conference of Labour Statisticians, including the revision of the international standards on consumer price indices (CPIs) and household income and expenditure surveys (HIES). As HIES was the single most important collection vehicle for poverty statistics, the Subcommittee noted that the revision would facilitate better design and conduct of HIES, leading to better understanding of poverty. It further

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noted that the revision of CPI standards would contribute to more accurate measurement of the costs faced by different population groups, including the poor.

30. The Subcommittee welcomed the positive impact that the Millennium Development Goals and their associated indicators had had on international and national statistics. International agencies were demonstrating improved collaboration and coordination and paying higher attention to statistical capacity-building. While the availability of data had improved for some Goal indicators, the process had exposed shortcomings in many indicators, especially those related to poverty, gender and the environment. It was generally agreed that complementary indicators were needed to better analyse Goal-related progress. The Subcommittee noted that at the national level, the adjustment of monitoring of the Goals to suit local circumstances was another issue that required further attention. With regard to Goal 1, the Subcommittee discussed the use of the one dollar a day poverty measure versus national poverty lines. It advised countries to view the international poverty line as providing additional information on poverty in the country concerned.

31. In reviewing activities undertaken and progress made towards revising statistical reference classifications, the Subcommittee recommended that each national statistical office consider establishing a separate classifications and standards unit, or at least nominate a classifications focal point to ensure continuity of work and to maintain contacts in that area between the country and responsible international agencies.

32. The Subcommittee expressed strong support for the disability measurement efforts undertaken by the secretariat and by several international and regional organizations. It discussed some of the difficulties which were experienced in countries owing to the lack of a standard definition for disability, as a result of which data from different national sources could not be combined and used together. The fact that most countries in the region used an impairment concept as a basis for defining their disabled populations meant that often only the most severely disabled were counted and that disability caused by ageing or chronic illness was not included. An international classification of a functioning-based definition would help to ensure that all forms of disability were accounted for. The most common sources of disability information, such as censuses, disability surveys and registers, were also discussed. The Subcommittee recommended that countries consider using more than one source to meet their information needs and to check the reliability of data.

33. The Subcommittee was informed about the report of the “Friends of the Chair” of the Statistical Commission on health statistics. It took note of the report’s emphasis on the need for much closer collaboration at the international, regional and national levels in that area of statistics.

34. The Subcommittee took note of the statistical activities on gender implemented by ESCAP. It supported the secretariat’s view that presenting statistical data by women and men was only a small part of the engendering process. To engender statistics truly, the process needed to start at the early

stages of planning and go through the full review of data collection instruments from a gender perspective. In expressing appreciation of ESCAP's work on engendering statistics, the Subcommittee urged national statistical offices to support the publication by the secretariat of a regional gender profile on the occasion of Beijing+10.⁶

35. The Subcommittee noted that by adding the time dimension, the detailed and useful data at the individual level provided by panel surveys pushed poverty analysis to a broader and advanced frontier: analysing income and consumption dynamics, determining the causes of poverty and controlling for unobserved heterogeneity to obtain more accurate estimates. However, the Subcommittee recognized that panel surveys would be more costly and complex than cross-section surveys and would thus impose several challenges in their planning and design. Therefore, countries that intended to conduct panel surveys in the near future should try to request advice from others which had experience in that field.

36. The Subcommittee decided that the ESCAP secretariat should develop a revised Action Plan for Improving Poverty Statistics and Monitoring in the ESCAP Region. The Plan should clearly identify priority activities.

37. The Subcommittee invited the countries of the region to share good practices in the design and implementation of business surveys.

38. The Subcommittee noted that the Executive Board of the International Comparison Programme (ICP) had endorsed the inclusion of Pacific island countries in the ICP with a reduced consumption list. It observed with satisfaction that the ICP would lead to capacity-building in the areas of CPIs and national accounts.

39. The Subcommittee agreed that any framework of indicators designed to measure the information society should take into account policy issues so as to give higher country relevance to the selected indicators. It noted that the issue of the digital divide within a society applied not only to different socio-economic groups of the population but also to the business sector, where a small rural business might have fewer connectivity opportunities than a large urban business. The Subcommittee suggested that proposals for a framework might include appropriate indicators which could also capture that dimension of the divide.

40. The Subcommittee expressed appreciation of the fact that the Statistical Institute for Asia and the Pacific (SIAP) had embarked on its key statistical training coordination role in the region. It pointed to the need for the Institute to articulate more effectively its ongoing efforts for engendering statistics in its training activities. The Subcommittee expressed the view that building capacity for the

⁶ Review and appraisal of the Beijing Declaration and Platform for Action and the outcome document of the twenty-third special session of the General Assembly, held in 2000, conducted during the forty-ninth session of the Commission on the Status of Women, held in New York from 28 February to 11 March 2005.

Millennium Development Goals had to extend not only to the development of national statistical offices but also to the line ministries, such as health. It urged SIAP to be more active in pursuing the development of e-learning.

41. With respect to the annual training needs survey conducted by the Japan International Cooperation Agency, the Subcommittee urged countries to clearly express their demand for the Tokyo Metropolitan Area-based courses through their ministries of foreign affairs and other agencies involved in the process.

42. The Subcommittee was pleased to note that the current post occupancy in the Statistics Division was better than it had been for many years. However, it regretted the strategic funding decision of the United Nations Population Fund to withdraw the ESCAP advisory posts in demographic statistics and data processing. It hoped that a position covering those basic areas could be reconsidered as the 2010 round of censuses drew closer.

43. The Subcommittee welcomed the initiative of the secretariat in reviewing its information service function. It encouraged the secretariat to explore what other kinds of value-adding information services it could provide within its existing resources.

44. The Subcommittee endorsed a programme change for incorporation into the programme of work, 2004-2005, to accommodate the envisaged High-level Conference of Asia-Pacific Statisticians (APEX 1). In considering the proposed strategic framework for 2006-2007, the Subcommittee noted that the document was still at the preparatory stage. It was suggested that the envisaged Bureau of the Subcommittee provide comments on the overall objective, strategy and expected accomplishments as well as indicate possible priority areas of substantive work within the context of the overall strategic framework.

III. ACTIVITIES CARRIED OUT IN IMPLEMENTATION OF RESOLUTIONS OF THE COMMISSION

A. Resolution 60/1. Shanghai Declaration

45. The activities discussed in the present document under the Shanghai Declaration pertain broadly to the theme of poverty reduction.

46. ESCAP, the United Nations Development Programme (UNDP) and ADB have joined forces to promote the achievement of the Millennium Development Goals in Asia and the Pacific. Together they are implementing the second phase (2004-2006) of a project that was initiated by UNDP and ESCAP in 2002. The first phase culminated with the launch of the very first regional report on the Goals in mid-2003.

47. This tripartite partnership would help to pool considerable experiences and knowledge in achieving the Goals in the region. It would strengthen and unify the regional advocacy efforts

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surrounding the Goals and result in a common voice on the situation in the region and better analysis and strategy development for attainment of the Goals by countries in the region. It would also fill the gap between national initiatives on the Goals and the global strategy, putting a unique Asia-Pacific perspective on the campaign for achievement of the Goals.

48. An inter-agency working group made up of representatives of various United Nations agencies provides technical support and inputs to the project. An advisory panel of academics and members of civil society, including the United Nations Special Ambassador for the Millennium Development Goals in Asia and the Pacific, provides knowledge and advice on key issues.

49. One of the main outputs of the current project is the second regional report on the Goals, which is planned to be launched in August 2005 and will include an assessment of the progress made by countries in the region and a set of action-oriented policies towards meeting the Goals by 2015. It will also make proposals for strengthening institutions in the delivery of basic services to the poor, and how to make country environments more conducive to the achievement of the Goals.

50. In-depth technical papers on specific issues related to the Goals, such as the implications of the Doha Development Agenda, the linkages between the Goals and national poverty reduction strategies, good governance, micro-initiatives, water and sanitation, health, education, gender and hunger, will complement the main report on the Goals. The report will also benefit from improvements in the quality and availability of data in the region, an issue which is being addressed through a related ESCAP/UNDP project on statistical capacity-building.

51. In order to enhance the impact of the report, key messages from the report and the technical background papers will be disseminated with the help of partners at the regional and national levels. The project will also work towards developing partnerships between national policy-making, finance and planning entities, civil society organizations and United Nations agencies in order to optimize and sustain the impact of the critical messages.

52. The secretariat has implemented a number of projects aimed at the sharing of good practices in poverty reduction, including pilot projects on housing the urban poor in Cambodia, Mongolia, Nepal and Timor-Leste, documentation of successful community-based solid-waste management approaches from Bangladesh and their replication in Sri Lanka and Viet Nam, and replication of the Saemaul Undong approach in rural development in six communities in Cambodia, the Lao People's Democratic Republic and Nepal.

53. In order to support government efforts to combat poverty effectively, ESCAP organized, jointly with UN-HABITAT, the Training Workshop on Data and Indicators to Monitor Progress towards the Millennium Development Goals and the Habitat Agenda, which was held in Bangkok in November 2004. Official statisticians and Millennium Development Goal focal points from 14 countries in the Asian and Pacific region were trained in the development and monitoring of
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indicators. The Workshop also contributed to improving understanding of the Goals and the Habitat Agenda and to the strengthening of national capacity to produce more relevant statistics for monitoring the implementation at the national and city levels.

54. The secretariat has embarked on drawing up a regional census programme in support of the 2010 World Programme of Population and Housing Censuses. Census data are crucial for deriving reliable small area estimates on poverty, hunger and other Goal indicators and also serve as reliable benchmark information for monitoring selected indicators for which no other information is available. To determine the content of the census programme, the regional Expert Group Meeting on Population and Housing Censuses was convened in Bangkok on 9 and 10 December 2004, and attended by statisticians and census experts from 18 countries in the region.

55. The secretariat convened the regional Seminar on Emerging Issues of Health and Mortality in Bangkok in September 2004. Gathering participants from 14 countries in the region, including academics and representatives from leading population institutes and government departments, the Seminar addressed (a) the relationship between mortality, poverty and environment; (b) infant, child and maternal mortality, (c) changing mortality patterns and causes of death and (d) the health and health care of older persons. The Seminar adopted recommendations to support the objectives of achieving the Goals, in particular those related to health.

56. The secretariat is implementing a project on population, development and poverty: emerging challenges. The activities planned for 2005 will respond to a number of recommendations contained in the Plan of Action on Population and Poverty adopted at the Fifth Asian and Pacific Population Conference. Specifically, it will address those recommendations dealing with international migration, gender, capacity-building, interlinkages of population, poverty and development, and knowledge-sharing.

57. With regard to population ageing and old age requirements, the secretariat organized two training workshops in Colombo and Beijing to support member countries' reaffirmation in the Shanghai Declaration to improve the development and delivery of basic social services to vulnerable population groups. The objective of the training workshops was to familiarize government and NGO professionals and practitioners with the concept of, and methodologies related to, bottom-up participatory review and appraisal and their usefulness for assessing the impact of social development policies and programmes. Another objective of the workshops was to equip the participants with assessment tools and indicators to enable them to not only identify the needs and priorities of poor older persons, such as income, health and nutrition, but also to understand the nature, extent and trends of certain social problems in their respective countries and communities.

58. In October 2004, the secretariat organized the Field Study-cum-Regional Workshop on Poverty Alleviation among Persons with Disabilities, which was held in Lanzhou, Gansu Province, China. The event was organized jointly by ESCAP and the Chinese counterpart, the China Disabled

Persons' Federation. Some 40 participants from 8 countries in the region, including policy makers from leading disability institutes, government departments, NGOs, development banks, United Nations agencies and the private sector, attended the Workshop. The field activities included visits to innovative and successful income-generation projects for persons with disabilities in Gansu Province, including cooperatives, self-employment, sheltered workshops etc. The Workshop addressed the vital link and dynamics between poverty and disability.

59. The Workshop highlighted the necessity for Governments to generate multisectoral interventions and partnerships with various stakeholders, including the private sector and banks, and to link disability with generic initiatives for poverty alleviation and improving the living standards of poor rural disabled persons, who are the poorest of the poor. It was stressed that, while enhancing community-based rehabilitation services to prevent disability or to rehabilitate physically disabled individuals, a consolidated effort should be made to provide equal opportunities to persons with disabilities to enable their full participation in productive life.

60. Recognizing the importance of the social issues related to sustainable development, the secretariat focused a main part of its energy capacity-building initiatives on ensuring that energy development supports poverty reduction. A project on integrating energy and rural development policies and programme is designed to improve the access of rural populations to clean and affordable energy. National teams have been established in seven countries in South-East and South Asia to develop national strategies to identify priority steps that need to be undertaken by various stakeholders in integrating energy and rural development policies and programmes.

61. Under the rural electrification component of the project on pro-poor public-private partnerships, the secretariat, in partnership with a private sector firm, a community, an NGO, the State power company and the Ministry of Energy and Mineral Resources in Indonesia, implemented a demonstration project. The partnership resulted in developing a minihydro power plant, which provided the means for the community to access electricity and implement community development projects through the revenue generated by selling the electricity to the State power company. The model developed under this project is expected to be replicated in other parts of Indonesia and elsewhere in the region.

62. With regard to water, the secretariat has continued to advocate pro-poor policies as formulated in its publication entitled *Water Services for the Urban Poor: A Guide to the Planning and Provision of Water and Sanitation Services to the Urban Poor*.⁷ The water component of the pro-poor public-private-partnership project in Colombo contributed to improving and expanding the delivery of water services to poor people. This project was inaugurated in November 2004 and supplies water to a community of over 5,000 people in Halgahakumbura under the first such arrangement in Sri Lanka.

⁷ Water Resources Series No. 84 (United Nations publication, Sales No. E.04.II.F.33).

63. The secretariat collaborated with the United Nations Children's Fund, the United Nations University and the World Health Organization to convene the International Conference on Water Quality and Arsenic Mitigation in Taiyuan, Shanxi Province, China, in November 2004. Around 50 million people, mostly from poor rural communities in 12 countries in Asia, are facing an emerging severe public health problem caused by drinking arsenic-poisoned groundwater. The Conference called for immediate action at all levels for the prevention and mitigation of the arsenic crisis to ensure the provision of safe drinking water to the affected people.

64. Under the framework of the pro-poor public-private partnership project, the secretariat developed and opened the Morgah Biodiversity Park in the Potohar region of Rawalpindi in Pakistan in January 2005. This represents a unique model of private sector involvement in biodiversity conservation with the objective of creating opportunities for new jobs and income generation for the community of 40,000 people. The initiative is strongly supported by the Government of Pakistan, which is considering its replication in other regions of the country.

65. Other activities carried out in pursuance of the Shanghai Declaration include national seminars on strengthening income and employment generation for vulnerable groups of the population in Central Asia and national seminars on capacity-building for external debt management in an era of rapid globalization.

66. National seminars on strengthening income and employment generation have been held in Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. More than 200 policy makers of governmental and non-governmental organizations in those countries participated in the seminars. The participants identified and analysed opportunities and constraints relating to poverty reduction strategy papers and other programmes of income and employment generation being implemented by the Central Asian countries. A detailed assessment was made of a number of core areas of poverty reduction policies, including improvement of the quality of and equal access to basic health and education services and social protection system.

67. National workshops on external debt management in the era of rapid globalization were held in Indonesia, Kyrgyzstan and Mongolia to formulate and implement effective policies and programmes in managing external resources. The workshops explained the principles of external debt management to policy makers and officials in the public sector and raised awareness of the importance of careful and accurate management of external resources as a financing strategy for sustainable development and poverty reduction. The economic indicators and techniques for risk management and crisis prevention were introduced to policy makers, and the participants in the workshops actively discussed and exchanged views on the economic policies on external debt management and national development strategies, including the issues of financing for development.

B. Resolution 60/5. Centre for Alleviation of Poverty through Secondary Crops Development in Asia and the Pacific

68. Through this resolution, the Commission adopted a new Statute for the Centre, including the new name, and endorsed the realignment of the Centre's activities with the ESCAP programme of work and its alignment with the Millennium Development Goals. In December 2004, the new Director assumed his functions in Bogor, Indonesia, and started preparations for the first session of the Governing Council on 5 and 6 April 2005 and that of the Technical Advisory Committee on 4 and 7 April 2005. At the session of the Governing Council, the Director would report not only on the Centre's activities in the current biennium but also on the Centre's plans for resource mobilization and the realigned programme of work 2006-2007, with an emphasis on poverty reduction and pro-poor policies.

C. Resolution 60/6. Revitalization of the United Nations ESCAP Pacific Operations Centre

69. The main implementation activities of resolution 60/6 relate to relocating UN-EPOC to Suva by early 2005, and mobilizing resources to augment its Professional staff resources during the period 2006-2007 to enable it to meet the demands for services from Pacific island developing countries and territories. These initial implementation activities are aimed at strengthening the capacity of UN-EPOC to effect the key institutional changes critical for the Centre's revitalization. The institutional changes will involve adjusting the format of sessions of the Special Body on Pacific Island Developing Countries towards enhancing and improving its focus on priority poverty reduction and sustainable development issues facing those countries; convening regular sessions of the UN-EPOC Advisory Council to advise the secretariat on UN-EPOC programme priorities and developing administrative and professional capacity to assume substantive responsibility for the new ESCAP subprogramme 3 in 2006.

70. The following implementation activities have been undertaken by the ESCAP secretariat since May 2004 towards relocating the UN-EPOC Office and reassignment of its Professional staff to Suva by March 2005.

71. Formulation of a UN-EPOC relocation road map. This time-bound relocation activity schedule was formulated by the secretariat in May 2004. The road map identifies key relocation activities, assigns responsibilities for implementation of the activities concerned and sets indicators for a status report on activity implementation.

72. Headquarters Agreement between the United Nations and the Government of Fiji. Following consultation with the Office of Legal Affairs in New York in August 2004, a draft Headquarters Agreement was submitted by the secretariat in October 2004 to the Government of Fiji for signature. At the same time, negotiations were also undertaken by the secretariat on the concept of an agreement

to govern the terms of the administrative and financial contributions which the Government of Fiji was requested to consider making towards the establishment and operations of UN-EPOC in Suva. A formal response from the Government was expected early in March 2005.

73. Relocation preparatory missions to Suva. Two UN-EPOC relocation missions were planned and undertaken in August 2004 and January 2005 respectively, the main purpose of which was to undertake research on the Suva office location and assets procurement, in preparation for a joint UN-EPOC and Administrative Services Division mission scheduled for March 2005. The purpose of the joint mission was to discuss and finalize relocation arrangements, including conclusion of the Headquarters Agreement.

74. Review of duties of General Service staff. The duties of the current five UN-EPOC General Service posts were reviewed by the secretariat in August 2004, taking into account the skills available on the Fiji local market and the capacity needs of the Suva office for the efficient and effective delivery of programme outputs and services to members and associate members. To minimize disruptions in the smooth administration of the office during the relocation period, the secretariat has undertaken recruitment steps, with assistance from UNDP, to fill the new Administrative Assistant post from the first day of operation of the Suva office.

75. Among other activities, a P-4 regular budget Economic Affairs Officer post for UN-EPOC has been included in the draft programme budget for 2006-2007 to coordinate the design and implementation of UN-EPOC poverty reduction programme activities in line with ESCAP mandates and the Millennium Development Goals and targets for the Pacific subregion.

76. In February 2005, the Secretariat initiated discussions on ideas for organizing more regular sessions of the UN-EPOC Advisory Council, with a view to promoting greater ownership of UN-EPOC programme activities.

D. Resolution 60/7. Pacific Urban Agenda

77. UN-EPOC's main activities towards implementing resolution 60/7 on the Pacific Urban Agenda have been geared mainly to increasing the capacity of members and associate members of ESCAP to identify, analyse, document and implement programmes and best practices in the area of poverty reduction in both urban and rural areas. So far the following activities have been undertaken.

78. Half-day workshops were held in Fiji, Marshall Islands and Vanuatu in 2004. During the workshops, the Pacific Urban Agenda was introduced to help decision makers and leaders to understand the urbanization issues affecting their country. The workshops have assisted those countries in developing strategies to incorporate national urbanization plans into their national frameworks.

79. Towards the end of 2004, a project profile on Pacific urban management and poverty alleviation was prepared. It was endorsed by the Project Acceptance Committee for submission to selected donors for funding. The main objective of the project is to assist Pacific island developing countries and territories in developing a common plan of action to manage the transition from predominantly rural to urban societies. Project implementation activities scheduled for 2005-2008 are to involve the provision of technical assistance and the organization of national-level workshops to build planning and policy capacity support to implement the Agenda. A high-level workshop is scheduled for 2006 to review progress and discuss ways in which implementation activities for the Agenda can be further strengthened.

80. To promote Pacific subregional support for the Agenda, UN-EPOC participated in the Regional Symposium on Local Governance in the Pacific, held in Suva in December 2004, organized jointly by the Commonwealth Local Government Forum, the Pacific Islands Forum Secretariat and UN-HABITAT. The Symposium focused particularly on the roles and responsibilities of traditional leaders and the impacts of urbanization. Representing UN-EPOC, the regional adviser on social development and planning participated in a panel discussion on regional local governance issues and made a presentation on the Agenda. The Symposium gave its support to the Agenda and made a strong call for greater regional cooperation and coordination on urban development issues. It was agreed in principle that UN-EPOC, UN-HABITAT, the Commonwealth Local Government Forum, with the Pacific Islands Forum Secretariat, would coordinate on urban management issues particularly as UN-EPOC relocates to Suva. Given the endorsement of the Pacific Urban Agenda by the Forum Economic Ministers Meeting held in Rotorua, New Zealand, in June 2004, the Agenda will serve as a guiding framework for technical cooperation in urban poverty reduction and sustainable development for the Pacific subregion over the next few years. To this end, UN-EPOC will seek greater coordination with UN-HABITAT, ADB and the Pacific Islands Forum Secretariat on the Agenda, and will endeavor to undertake joint activities once funding has been secured for the Pacific urban management and poverty alleviation project.

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