Economic and Social Survey of Asia and the Pacific 2019

Ambitions beyond growth

Washington, D. C.

Sweta C. Saxena

UNITED NATIONS ESCAP
Economic and Social Commission for Asia and the Pacific
Economic growth in the region has come at a cost of social inclusiveness and environmental degradation
MAIN MESSAGES

• Economic growth in the region has come at a cost of social inclusiveness and environmental degradation

• Time to raise our ambitions beyond economic growth
MAIN MESSAGES

• Economic growth in the region has come at a cost of social inclusiveness and environmental degradation

• Time to raise our ambitions beyond economic growth

• Need an annual additional investment of $1.5 trillion \( \approx \$1/\text{person/day} \approx 5\text{ per cent of GDP} \) to achieve 2030 Agenda for Sustainable Development
MAIN MESSAGES

• Economic growth in the region has come at a cost of social inclusiveness and environmental degradation

• Time to raise our ambitions beyond economic growth

• Need an annual additional investment of $1.5 trillion ≈ $1/person/day ≈ 5 per cent of GDP to achieve 2030 Agenda for Sustainable Development

• Requires a shift in mindset – putting the well-being of people and the planet first!
MAIN MESSAGES

• Economic growth in the region has come at a cost of social inclusiveness and environmental degradation

• Time to raise our ambitions beyond economic growth

• Need an annual additional investment of $1.5 trillion ≈ $1/person/day ≈ 5 per cent of GDP to achieve 2030 Agenda for Sustainable Development

• Requires a shift in mindset – putting the well-being of people and the planet first!

• These ambitions are largely affordable with strong development partnership
About Asia-Pacific region
ESCAP’s definition of the Asia-Pacific region

- North and Central Asia
- East and North-East Asia
- South and South-West Asia
- South-East Asia
- Pacific
ESCAP’s definition of the developing Asia-Pacific region

North and Central Asia

East and North-East Asia

South-East Asia

South and South-West Asia

Pacific
Asia-Pacific region has become the world’s economic powerhouse

The region accounts for about 40 per cent of the world total output (as of 2017)...

... and contributes to over 60 per cent of global economic growth


Source: ESCAP, 2017
Asia-Pacific region has continued to drive the world economic growth
4 out of 7 people in the world live in the Asia-Pacific region
4 out of 7 people in extreme poverty in the world live in the developing Asia Pacific region...
...1 of 10 people from the region lives in extreme poverty
5 out of the top 10 countries in the world that are most severely affected by climate change are located in the region.
Future economic policies **CANNOT** focus on growth alone
Focusing on growth alone has come at a cost to social inclusiveness ...

Source: World Inequality database (accessed on 31 January 2019)
Air Pollution

The region witnessed the sharpest increase in premature deaths as a result of ambient air pollution between 1990 and 2015.
In 2017, carbon emissions from Asia-Pacific consumption of oil, gas and coal alone rose to nearly 49 per cent of the world total.
Climate disasters

The Asia Pacific region lost assets worth $1.3 trillion as a result of floods, storms, droughts, earthquakes and tsunamis in 1970-2016.
For a future that we want: Investment in Sustainable Development Goals
From 17 Goals to 3 dimensions... spanning people, prosperity and the planet ... supported by good governance and strong partnerships.
Survey 2019 estimates an investment gap of $1.5 trillion per year or 5% of GDP for developing Asia-Pacific...
Survey 2019 estimates an investment gap of $1.5 trillion per year or 5% of GDP for developing Asia-Pacific ...
Survey 2019 estimates an investment gap of $1.5 trillion per year or 5% of GDP for developing Asia-Pacific...
Survey 2019 estimates an investment gap of $1.5 trillion per year or 5% of GDP for developing Asia-Pacific...
... or \( \approx \$1 \) per person per day

It’s within reach!

- **Clean Energy for All**: \( \approx 37\$ \)
- **Protection for Nature**: \( \approx 12\$ \)
- **No Poverty & Zero Hunger**: \( \approx 43\$ \)

**Sustainable Infrastructure for All**
Investing in **PEOPLE** to realize basic human rights and human capacities

- **Universal access to quality education**
- **Universal health coverage**
- **Agricultural productivity**
- **Nutrition-specific interventions**
- **Social protection floor**
- **Targeted cash transfer**
Investing in **PLANET** to secure our future through clean energy and climate action and living in harmony with nature

- **Biodiversity**
- **Energy efficiency**
- **Renewable energy**
- **Universal access to clean cooking**
- **Universal access to electricity**

![Chart showing additional investment in the PLANET per year](chart.png)
Investing in **PROSPERITY** to improve access to infrastructure

- Water and sanitation
- Information and communications technology
- Transport
Investment gap varies significantly across the region, rising to 16% of GDP in LDCs and 10% in South Asia.

Similarly, Pacific SIDS face steep challenges due to high vulnerability to climate change, but results are not shown given limited data availability.
However, achieving the Goals is **NOT JUST** about money.

Goals whose achievement depends heavily on other factors (e.g. laws and regulations) but nevertheless benefit from other SDG investments.
Can we work on a goal plan?
Prioritizing Goals: considering both progress and investment gaps
Prioritizing Goals: considering both progress and investment gaps
Prioritizing Goals: considering both progress and investment gaps
Prioritizing Goals: considering both progress and investment gaps
Can we afford the required investment?

...YES, WE CAN!

...with development partnerships
Most Asia-Pacific countries have the fiscal space to invest in the Goals

Tax revenue vs. investment gap

- Subregion:
  - East and North-East Asia
  - North and Central Asia
  - South-East Asia
  - South and South-West Asia

- Countries with Special Needs:
  - No
  - Yes
Investment needs can be reduced substantially through improved efficiency.
Governments could actively engage private sector to meet the required investment.

Source: UNCTAD (2014)
Takeaway messages
TAKEAWAY MESSAGES

• In the journey towards sustainable development, prioritize ambitions beyond economic growth and invest in people and the planet first.

• The ticket is affordable at an additional $1.5 trillion per year ≈ $1/person/day.

• ...if we harness synergies through integrated approaches...

... and strengthen development partnership to ensure NO ONE IS LEFT BEHIND!
For a future that we want!