



Economic and Social Council

Distr.: General
4 July 2016

Original: English

Economic and Social Commission for Asia and the Pacific

Seventy-second session

Bangkok, 15-19 May 2016

Account of proceedings

Agenda item 1

Opening of the session

Senior officials segment

1. The senior officials segment was opened by the Executive Secretary on 15 May 2016. The Executive Secretary delivered a welcoming statement.

Ministerial segment

2. The Chair of the seventy-first session, Mr. Josaia Voreqe Bainimarama (Fiji), presided over the opening session of the ministerial segment of the seventy-second session on 17 May 2016. The Executive Secretary read out the message of the Secretary-General and delivered her welcoming and policy address. General Anantaporn Kanjanarat, Minister of Energy of Thailand, delivered the inaugural address on behalf of the Government of Thailand.

Agenda item 2

Special Body on Least Developed, Landlocked Developing and Pacific Island Developing Countries

3. The Commission had before it the note by the secretariat on regional implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (E/ESCAP/72/1), the note by the secretariat on regional implementation of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024 (E/ESCAP/72/2), the note by the secretariat on the support of the Commission for the implementation of the Sustainable Development Goals in the Pacific (E/ESCAP/72/3) and the note by the secretariat on supporting the achievement of the Sustainable Development Goals by countries with special needs in Asia and the Pacific (E/ESCAP/72/4).

4. Statements were made by representatives of the following countries: Bangladesh; Bhutan; Indonesia; Iran (Islamic Republic of); Lao People's Democratic Republic; Nepal; Republic of Korea; Samoa; and Vanuatu.

5. The Commission expressed its appreciation to the secretariat for supporting countries with special needs, particularly the analytical work presented in the *Asia-Pacific Countries with Special Needs Development Report 2016*.

6. The Commission noted that the new analytical framework prepared by the secretariat offered insights on the interlinkages, synergies and trade-offs across different goals and targets of the 2030 Agenda for Sustainable Development for each country. The Commission also noted the importance of home-grown policies and strategies for the implementation of the 2030 Agenda and expressed the need to take into account the national circumstances, the levels of development and capacities.

7. The Commission recognized the progress made by the countries with special needs in the area of poverty alleviation, increased trade openness, enhanced transport connectivity, reduced transit times and meeting the criteria for graduation from the least developed country category. The Commission noted, however, that the majority of these countries continued to face serious challenges, especially in diversifying their economies, which was critically important to reduce economic vulnerability, raise gross domestic product (GDP) and secure competitive advantages. External shocks, including natural disasters and climate-related risks, had also impeded their development efforts and prolonged the process of graduation from least developed country status.

8. The Commission recognized that the implementation of the global programmes of action and the Sustainable Development Goals was an integral part of the national development plans in many of the region's countries with special needs.

9. The Commission noted that, although the region's least developed countries met or were close to meeting the target of the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020 of 7 per cent annual growth, their performance in meeting the Millennium Development Goals was uneven, indicating that the benefits of growth had been distributed unevenly among the least developed countries.

10. The Commission stressed the importance of effective regional transport connectivity with unhindered access to seaports through the removal of obstructions at border crossings and requested the secretariat to continue providing assistance on knowledge-sharing and capacity-building to promote the delivery of effective regional transport connectivity.

11. The Commission recognized the unique challenges faced by many landlocked developing countries, notably those that were also least developed countries. Inadequate infrastructure and lack of access to seaports lead to high transport costs. Weak transport connectivity impeded socioeconomic development and greater integration into the global economy. In that regard, the Commission noted the prominent contributions of the policy dialogues on the strengthening of transport connectivity in the subregion, organized by the secretariat, and strongly supported the development of a comprehensive master plan to strengthen transport connectivity in the subregion.

12. The Commission also acknowledged the importance of the Bangladesh, Bhutan, India, Nepal Motor Vehicles Agreement. The Commission welcomed the organization of the Ministerial Conference on Transport as an important platform to discuss relevant policies pertaining to

transport connectivity given that efficient and effective transport connectivity was crucial for achieving the Sustainable Development Goals.

13. The Commission reiterated the requirements of countries with special needs for technical assistance in fields such as physical infrastructure development; and institutional capacity-building to develop and implement strategies for water system conservation and rainwater harvesting, including recharge of groundwater, in urban areas.

14. The Commission recognized climate change as a challenge for many of the region's least developed countries, landlocked developing countries and small island developing States, and shared their current efforts to protect the natural environment from degradation through sustainable consumption and production as well as their urgent actions on climate change as called for in the 2030 Agenda. One delegation emphasized that climate financing should be additional to the existing level of official development assistance (ODA).

15. The Commission noted that Asia-Pacific countries with special needs required additional resources for financing sustainable development efforts. In that regard, development partners were called to meet their commitments and obligations and to enhance their development cooperation and support for the most vulnerable countries, such as least developed countries, landlocked developing countries and small island developing States in implementing the 2030 Agenda. In view of their current economic vulnerability, ODA could continue to play a critical role in reducing financing gaps to help achieve progress and sustainable development of least developed countries through North-South, South-South and triangular cooperation.

16. The Commission highlighted the need for sustainable and harmonized support of development partners and donors and requested the secretariat to synergize the needs and efforts of countries with special needs and development partners through facilitating mutual understanding of the Sustainable Development Goals, particularly of indicators to be used for their follow-up and review. One delegation highlighted the importance of follow-up and review of the progress made by development partners in supporting least developed countries.

17. Some delegations requested the secretariat to continue supporting countries with special needs, by, for instance, following up on the financing for development agenda and organizing forums to facilitate regional discussions in that area, standardizing and harmonizing activities towards meeting the Sustainable Development Goals, institutionalizing the know-how for implementing the 2030 Agenda, and facilitating technology transfer and the support from development partners to least developed countries for that purpose.

High-level exchange

18. The high-level exchange on the implementation of the Sustainable Development Goals in the Asia-Pacific least developed countries, landlocked developing countries and small island developing States focused on country-specific pathways for the implementation of the Goals. The discussion considered the relationship between the 2030 Agenda and the global programmes of action, and focused on strategies that the region's countries with special needs could pursue to address both challenging agendas.

19. The panel was moderated by Mr. Maatia Toafa, Deputy Prime Minister and Minister of Finance and Economic Development of Tuvalu. 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. Abdul Sattar Murad, Minister of Economy of Afghanistan;
- (c) Mr. Inia B. Seruiratu, Minister of Agriculture, Rural and Maritime Development and National Disaster Management, Fiji;
- (d) Mr. Kikeo Chanthabury, Vice-Minister of Planning and Investment, Lao People's Democratic Republic;
- (e) Mr. Sahib Mammadov, Deputy Minister of Economy, Azerbaijan;
- (f) Mr. Gankhuyag Damba, State Secretary of the Ministry of Foreign Affairs, Mongolia;
- (g) Mr. Bambang Susantono, Vice-President for Knowledge Management and Sustainable Development, Asian Development Bank.

20. In his opening remarks, Mr. Toafa provided an overview of the 2030 Agenda and highlighted the challenges faced by the region's countries with special needs, including those associated with their remoteness, geography, availability of resources, demography and vulnerability to natural disasters and external economic shocks. He emphasized the importance of localizing, sequencing and prioritizing the Sustainable Development Goals to ensure that they added value to national and regional inclusive and sustainable development efforts. To attain the Goals and their associated targets in the most effective manner, it was important to identify and understand interdependencies, including synergies and trade-offs, among Goals and targets at the country level. In that regard, he commended the secretariat for the information and analysis contained in the *Asia-Pacific Countries with Special Needs Development Report 2016*.

21. With regard to the implementation of the 2030 Agenda in Cambodia, Mr. Thuch informed the Commission that his country would release, in mid-2017, the Cambodian national Sustainable Development Goals framework, which would include mandates for relevant stakeholders and periodic reviews. He reviewed the socioeconomic transformation that Cambodia had undergone since the 1990s and highlighted the country's progress in meeting the Millennium Development Goals. Cambodia would adopt a goal related to demining as its eighteenth Sustainable Development Goal. With regards to graduation from the status of least developed country, he said that while Cambodia would be proud to do so, the country would lose some benefits. The graduation would be the result of the consolidated efforts of the Government, development partners, the private sector and civil society. Although Cambodia was making progress in the human assets index and economic vulnerability index criteria for graduation, progress on the ground was greater than those indicators would suggest. He highlighted some concerns and potential bottlenecks for Cambodia in its efforts to achieve a smooth and sustainable graduation process, however, including the need for more financial resources and institutional capacity, particularly at the subnational level.

22. Mr. Murad said that his country had made progress towards achieving development goals in areas such as reducing extreme poverty and

improving health and reducing child and maternal mortality rates. With regard to the localization of the 2030 Agenda in Afghanistan, he said that a steering committee had been established under the Ministry of Economy to oversee its implementation, and that the Sustainable Development Goals would be aligned with national policies and budgets through incorporation into the annual plans of each ministry. The main priorities of Afghanistan within the 2030 Agenda were agriculture, trade, regional connectivity and small and medium enterprises. His country was looking forward at connectivity initiatives that generated trade, created jobs and supported economic growth, and he cited the examples of the Turkmenistan-Afghanistan-Pakistan-India gas pipeline, along with other connectivity initiatives, such as the Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000), a railroad to the Indian Ocean and a highway to China. Those projects were bringing the region together in the fight against poverty and fulfilment of the aspirations of the Sustainable Development Goals. He also said that fighting corruption and promoting transparency were two very important priorities for the country.

23. Mr. Seruiratu said that Fiji was committed to the 2030 Agenda as poverty alleviation, food security, education, health and gender empowerment were matters of importance along with the emerging issue of climate change, which was threatening the livelihood of many communities. In that regard, he added that rising seas levels as a result of climate change demanded urgent attention to ensure the safety of people and their property. A special climate change division had been established within the Strategic Planning Office under the Ministry of Finance to mainstream the issue into the existing government programmes. He underscored the linkages between the national development plan and global development agendas, such as the Paris Agreement, the Sendai Framework for Disaster Risk Reduction 2015-2030, the 2030 Agenda and the SIDS Accelerated Modalities of Action (SAMOA) Pathway. He stressed that small island developing States would need support from the global community to be able to progress in their commitments to the 2030 Agenda and build the resilience of their communities. Guided by the Sendai Framework's "Building Back Better" principle, Fiji was committed to promoting a culture of prevention as opposed to a culture of reaction. Better communication links would help in disaster response and recovery efforts. In closing, he emphasized that advocacy and training were important tools in raising the level of resilience of communities to enable them to plan better and respond efficiently to disastrous situations.

24. In response to a question on priorities and plans for the implementation of the 2030 Agenda, Mr. Chanthabury stressed that the localization of the 2030 Agenda and Sustainable Development Goals into national programmes, plans and strategies was particularly vital for countries with special needs. The 2030 Agenda was people-centred, universal, transformative and integrated, and some goals and targets were more applicable than others to the national circumstances of the Lao People's Democratic Republic, meaning that proper focus and prioritization were required. He highlighted that his country had mainstreamed the Sustainable Development Goals into its latest socioeconomic development plan. He emphasized that ending poverty went hand-in-hand with economic growth and reaffirmed that his country would continue to maintain its unwavering political will to fight poverty, lift the country from the status of least developed country and pursue sustainable development. The Lao People's Democratic Republic considered regional integration and connectivity a key driver for prosperity and development and thus attached importance to the enhancement of cooperation with other

countries and with regional and international organizations to transform itself into a “land-linked” country. He also highlighted the importance of regional groupings in contributing to the sustainable development of individual member States and noted that 2016 was the first year not only for the Association of Southeast Asian Nations (ASEAN), but also for the implementation of the ASEAN Community Vision 2025. Sustainable Development Goal 17 held the key to successful implementation of the Goals and the international community must pursue policy coherence. Countries with special needs required special attention and support from the international community to support their development process, including with regard to diversification of economies, building of productive capacities and strengthening of resilience to cope with external shocks, climate change and natural disasters.

25. Mr. Mammadov, briefly referring to the 20 years following the independence of Azerbaijan and the country’s transition from a central planned economy to a market economy through economic reforms, emphasized that human capital development was one of the main priorities of Azerbaijan, with a particular focus on high-quality education and science. Ensuring food security along with increasing food quality and exports were also important considerations. Taking into account the impact of recent challenges posed by developments in the global economy, Azerbaijan had implemented a number of reforms to maintain macroeconomic stability and economic growth. He emphasized the need to further develop the country’s human capital and to transition to a diversified, competitive and innovative economy. In that regard, he highlighted the importance of creating favourable conditions for investment, protecting small and medium-sized enterprises and entrepreneurship, promoting gender equality, protecting the environment and encouraging the green economy. He also highlighted vocational training as a specific policy to improve the country’s human capital and create a knowledge-based society.

26. Mr. Damba said that Mongolia attached great importance to the implementation of the Sustainable Development Goals, as well as to overcoming the challenges of landlocked developing countries through collective and coordinated efforts. He informed the Commission that the country had adopted a sustainable development plan in February 2016 with the objective of successfully implementing the Sustainable Development Goals. The plan had four major components: sustainable economic development, sustainable social development, sustainable environmental development and sustainable development governance. Mongolia and several other landlocked developing countries faced serious constraints to their socioeconomic development owing to lack of territorial access to the seas and high cost of access to major markets and to regional transportation networks. He noted that, for instance, Mongolia faced 30 to 50 per cent higher transport costs compared to coastal economies. Mongolia had set up the International Think Tank for Landlocked Developing Countries in order to enhance the analytical capacities of those countries and to mobilize resources to implement the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024 and achieve goals of the 2030 Agenda. Implementation of the Vienna Programme of Action went hand in hand with the implementation of the Sustainable Development Goals and the Addis Ababa Action Agenda of the Third International Conference on Financing for Development. He also highlighted the importance of monitoring progress towards reaching the goals of those global agendas in a harmonized manner in all the landlocked developing countries.

27. Mr. Susantono outlined four relevant areas for the implementation of the Sustainable Development Goals in the Asia-Pacific countries with special needs: mega trends, challenges, financing and knowledge. Among the mega trends that were impacting disadvantaged countries, he mentioned ageing populations and the youth bulge, rapid urbanization, interconnectedness, changing economic structures and shifts to knowledge-based economies. Achieving the Sustainable Development Goals would require a significant amount of financing and the role of ODA would be negligible. In that vein, he emphasized the need for alternative sources of financing, including innovative sources such as climate, pension and insurance funds. He acknowledged that countries faced constraints in terms of their capacities to efficiently use additional financing sources, the effectiveness of institutions and the availability of capital and skills. The size of the private sector in many countries of the region was very small and financial markets were underdeveloped. Although there were significant savings in Asia and the Pacific, those savings tended to seek safety, returns and liquidity, which resulted in investors from Asian developing countries preferring to invest in developed countries, including those outside the region. He also noted with concern the narrowness of tax bases, the weaknesses of tax administrations and the leakages of revenues to tax heavens. In closing, he informed the Commission that the Asian Development Bank offered a combined package of finance and knowledge products to advance the implementation of the Sustainable Development Goals. The latter included a long-standing collaboration with the Economic and Social Commission for Asia and the Pacific (ESCAP) and the United Nations Development Programme for the monitoring of the Millennium Development Goals, which would continue with the Sustainable Development Goals.

28. At its 6th plenary meeting, on 19 May 2016, the Commission took note of the note by the secretariat on regional implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020, the note by the secretariat on regional implementation of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, the note by the secretariat on support of the Commission for the implementation of the Sustainable Development Goals in the Pacific, and the note by the secretariat on supporting the achievement of the Sustainable Development Goals by countries with special needs in Asia and the Pacific.

Agenda item 3

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

29. The Commission had before it the note by the secretariat on enhancing regional economic cooperation and integration in Asia and the Pacific (E/ESCAP/72/5 and Corr.1), the note by the secretariat on a summary of progress in the implementation of Commission resolutions (E/ESCAP/72/6) and the note by the secretariat on the programme performance report for the biennium 2014-2015 (E/ESCAP/72/7).

30. At its 6th plenary meeting, on 19 May, the Commission took note of the note by the secretariat on the summary of progress in the implementation of Commission resolutions and the note by the secretariat on the programme performance report for the biennium 2014-2015.

Sub-item (a)**Macroeconomic policy, poverty reduction and inclusive development**

31. 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 Macroeconomic Policy, Poverty Reduction and Inclusive Development on its third session (E/ESCAP/72/8); a note verbale dated 19 April 2016 from the Embassy of the Republic of Korea in Thailand addressed to the secretariat of the Economic and Social Commission for Asia and the Pacific containing the Chair's summary of the First High-level Follow-up Dialogue on Financing for Development in Asia and the Pacific (E/ESCAP/72/9); the report of the Governing Council of the Centre for Alleviation of Poverty through Sustainable Agriculture on its twelfth session (E/ESCAP/72/10); and a summary of the outcomes of the Workshop on Macroeconomic Modelling in Asia and the Pacific (E/ESCAP/72/INF/5).

32. Statements were made by representatives of the following countries: Bangladesh; China; India; Indonesia; Japan; Pakistan; and Republic of Korea.

33. Representatives expressed their appreciation to ESCAP for supporting member countries in enhancing their capacity to implement macroeconomic policies that promoted sustainable development and for its analytical work in that regard.

34. The Commission noted that the adoption of the 2030 Agenda and implementation of the Sustainable Development Goals would bring new opportunities and challenges to Asia-Pacific countries. It highlighted the Commission's important role to support member States in balancing the economic, social and environmental pillars of sustainable development. In that regard, it emphasized the close consultations with member States on strategies to achieve the Sustainable Development Goals that took into account country-specific challenges.

35. The Commission highlighted that, despite the overall success of Asia and the Pacific in meeting the Millennium Development Goals, hundreds of millions still lived in poverty, and there was a need for growth to be more inclusive in order to benefit the poor and those without access to decent basic public services. In that regard, the Commission emphasized the importance of agricultural and rural development to foster inclusive growth. Policies should be devised to increase agricultural productivity, enhance water management and strengthen farmer linkages with markets. To promote further social development, the Commission noted the importance of gender equality and social mobility.

36. In order to sustain economic growth, the Commission noted the importance of prudent macroeconomic management, including the balanced implementation of fiscal and monetary policy tools, as well as the need to enhance fiscal resources to support economic and social development in many Asia-Pacific economies. In that regard, the Commission noted the efforts by member States in broadening the tax base, reducing tax loopholes and making government spending more effective.

37. While noting measures to boost domestic resource mobilization, some delegations emphasized that ODA remained an important source of development finance for many Asia-Pacific countries. For example, it was noted that ODA would help to enhance the capacity of least developed countries in the region in the implementation of the 2030 Agenda.

38. Some delegations expressed the view that an enabling environment for the effective implementation of the 2030 Agenda required adequate resources and financing for development, as stated in the Addis Ababa Action Agenda agreed upon at the Third International Conference on Financing for Development. Some delegations also emphasized that efforts regarding financing for development should be enhanced in order to achieve the goals of the Addis Ababa Action Agenda in a cooperative manner. In that regard, the Commission noted the deliberations of the First High-level Follow-up Dialogue on Financing for Development in Asia and the Pacific organized by ESCAP and the Government of the Republic of Korea, and some delegations highlighted the importance of capital market development and domestic resource mobilization, including through increasing tax revenues.

39. One delegation cautioned against the proposal by the secretariat for an Asia-Pacific tax and financial forum, which could duplicate the work of other existing regional and global forums dealing with such issues.

40. The Commission commended the Centre for Alleviation of Poverty through Sustainable Agriculture for its knowledge-sharing and capacity-building activities in the areas of poverty, food security and sustainable agriculture, noting that its work was especially relevant to the Sustainable Development Goal that aimed to end hunger and promote sustainable agriculture.

41. The members of the Commission who were also members of the Governing Council of the Centre reaffirmed their commitment to continue and, in the case of some members, increase yearly voluntary contributions to the Centre and to continue working with the Centre in knowledge-sharing and other activities beneficial to the region. The Commission was reminded of the call for the timely implementation of the recommendations of the Governing Council for strengthening the Centre's operations.

42. At its 6th plenary meeting, on 19 May, the Commission took note of the note verbale dated 19 April 2016 from the Embassy of the Republic of Korea in Thailand addressed to the secretariat of the Economic and Social Commission for Asia and the Pacific, and the summary of the outcomes of the Workshop on Macroeconomic Modelling in Asia and the Pacific, and endorsed the report of the Committee on Macroeconomic Policy, Poverty Reduction and Inclusive Development on its third session.

43. Also at its 6th plenary meeting, the Commission adopted resolution 72/1 on the statute of the Centre for Alleviation of Poverty through Sustainable Agriculture.

Sub-item (b)
Trade and investment

44. 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 fourth session (E/ESCAP/72/11), the report of the 2nd meeting of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation (E/ESCAP/72/12), the report of the Governing Council of the Asian and Pacific Centre for Transfer of Technology on its eleventh session (E/ESCAP/72/13 and Corr.1), the report of the Governing Council of the Centre for Sustainable Agricultural Mechanization on its eleventh session (E/ESCAP/72/14 and Corr.1), and a review of recent trends and developments in trade, investment and participation in value chains of Asia and the Pacific economies (E/ESCAP/72/CRP.1).

45. Statements were made by representatives of the following countries: Bangladesh; China; India; Japan; Republic of Korea; and Thailand. The representative of the World Association of Small and Medium Enterprises also made a statement.

46. The Commission noted that trade and investment remained an important part of countries' development and efforts to reduce poverty and achieve the Sustainable Development Goals. In that regard, the Commission recognized the importance of a free, open and non-discriminatory multilateral trading system, the role of that system in harnessing trade for implementation of the Sustainable Development Goals and addressing the distortions caused by agricultural subsidies and the role of regional trade agreements in supporting the system. In that context, some delegations called on the secretariat to expand capacity-building activities in those areas and promote trade policy analysis, trade integration and facilitation, with a focus on least developed countries.

47. The delegation of Bangladesh noted the importance of concluding the Doha Development Agenda with a focus on development issues and special and differential treatment for least developed countries. In particular, the delegation called for the implementation of commitments made at various World Trade Organization (WTO) conferences, in particular the so-called "Bali Package" adopted at the Ninth Ministerial Conference of the World Trade Organization, held in Bali, Indonesia, from 3 to 6 December 2013, duty free and quota free access of all exports originating from least developed countries (as adopted at the Fifth Ministerial Conference of the World Trade Organization, held in Hong Kong, China, in 2005), preferential rules of origin (agreement adopted at the Tenth Ministerial Conference of the World Trade Organization, held in Nairobi from 10 to 15 December 2015), and operationalization of the services waiver and the trade facilitation agreement. In that context, the delegation of India also emphasized its commitment to negotiations on a special agricultural safeguard mechanism for developing countries and a permanent solution on the issue of public stockholding for food security purposes, as reaffirmed at the Nairobi ministerial conference.

48. With respect to paragraph 45 of document E/ESCAP/72/CRP.1, the delegation of India informed the Commission that India had already introduced a unilateral tariff concession scheme for least developed countries called the "Duty Free Tariff Preference Scheme for LDCs", which provided for duty free access on 96.2 per cent of lines and preferential duty access for 1.8 per cent of lines to 48 least developed countries. It further called for a listing of Asia-Pacific economies in paragraph 46 that had provided services waivers for least developed countries. The delegation observed that India had already provided a services waiver for least developed countries and had offered preferential treatment to least developed countries in terms of waivers of visa fees for least developed country applicants seeking Indian business and employment visas. India was providing various other schemes and technical assistance to least developed countries.

49. The Commission noted the importance of cross-border paperless trade for facilitating regional and intraregional trade and reducing trade costs and the need for regional cooperation in that area. The Commission also noted that the text of a regional framework agreement on paperless trade facilitation had been finalized and was ready for adoption and expressed its appreciation to the secretariat for its support and substantive work in that area. One delegation called for early implementation and entry into force of

that agreement. The delegation of Japan informed the Commission that it would not be able to become a party to the agreement as it was not able to accept parts of the current text, in particular articles 5, 6 and 8, as expressed during the 2nd meeting of the Interim Intergovernmental Steering Group on Cross-border Paperless Trade Facilitation.

50. The Commission was informed that India was in the process of implementing its national single window project called SWIFT (Single Window Interface for Facilitating Trade), which would enable importers to file a “common electronic integration declaration” on a single platform, while China had hosted the Seventh Asia-Pacific Trade Facilitation Forum in Wuhan, China, in October 2015, given the importance of trade facilitation.

51. Two delegations recognized the importance of transfer of technology for development and the role of the Asian and Pacific Centre for Transfer of Technology in that area. In particular, the Centre could offer significant capacity-building workshops on strengthening national innovation systems and undertaking knowledge-sharing activities on science, technology and innovation in the context of achieving the 2030 Agenda, and they called for strengthening of the Centre and its work programme.

52. The Commission expressed support for the work of the Centre for Sustainable Agricultural Mechanization and called for the expansion of the Centre’s activities. In that context, the delegation of China informed the Commission that it would expand funding and programmatic support to the Centre as the host country. One delegation emphasized the importance of the work of the Asian and Pacific Network for Testing of Agricultural Machinery and the need to adopt regional testing codes for various agricultural machineries, including combine harvesters, in order to enhance safety and performance of such machineries, reduce food waste and enhance labour productivity. That delegation also called for the establishment of regional agricultural testing centres, including in Thailand, and called on the Centre to expand its capacity-building work in those areas, in particular to address issues such as persisting drought and labour shortages.

53. The Commission emphasized that in the context of developing regional value chains there was a need to focus on the integration of micro, small and medium-sized enterprises in developing countries into such value chains. In that context, the delegation of the Republic of Korea informed the Commission that its Government had launched a project on the integration of small and medium-sized enterprises into global value chains through the Asia-Pacific Economic Cooperation, which could be expanded to the ESCAP region and that its Government was ready to share best practices. The delegation of Japan expressed its appreciation to the secretariat for its work on integrating small and medium-sized enterprises into global value chains in the Greater Mekong Subregion, funded under the Japan-ESCAP Cooperation Fund, and, in particular, the business survey it had prepared for Myanmar.

54. At its 6th plenary meeting, on 19 May, the Commission endorsed the report of the Committee on Trade and Investment on its fourth session.

55. Also at its 6th plenary meeting, the Commission adopted resolutions 72/2 on the statute of the Centre for Sustainable Agricultural Mechanization and 72/3 on the statute of the Asian and Pacific Centre for Transfer of Technology. The Commission also adopted resolution 72/4 on the framework agreement on facilitation of cross-border paperless trade in

Asia and the Pacific by a recorded vote of 12 to 2, with 21 abstentions. The voting was as follows:

(a) In favour: Afghanistan; Bangladesh; China; India; Iran (Islamic Republic of); Marshall Islands; Mongolia; Nepal; Pakistan; Russian Federation; Tajikistan; Turkey;

(b) Against: Philippines; United States of America;

(c) Abstaining: Australia; Azerbaijan; Bhutan; Brunei Darussalam; Cambodia; Democratic People's Republic of Korea; Fiji; France; Indonesia; Japan; Lao People's Democratic Republic; Malaysia; Republic of Korea; Solomon Islands; Sri Lanka; Thailand; Timor-Leste; United Kingdom of Great Britain and Northern Ireland; Uzbekistan; Vanuatu; Viet Nam.

56. The delegation of the United States of America expressed its gratitude to other delegations for their engagement on trade facilitation, saying that it shared their conviction that free and transparent trade would result in better outcomes for the public. The delegation also thanked the Republic of Korea for its leadership in the use of technologies to facilitate trade. It expressed, with regret, its obligation to call for a recorded vote on the resolution and to vote against it. The delegation said that its assessment was that agreements of that nature being proposed for broad accession by all ESCAP members merited the highest standards of scrutiny and consideration, as its content touched on sensitivities when and how trade and customs data were shared, issues which had the potential to significantly impinge on discussions in other forums such as the World Trade Organization and the World Customs Organization as well as existing regional plurilateral and bilateral agreements. The agreement could also divert attention from the trade facilitation agreement and important priorities for many other delegations.

57. The delegation of the United States of America reiterated that, together with several other members, it had requested that further action on that process might be deferred in order to allow time for further analysis. Unfortunately, some members had opted to move forward without full consensus. The delegation said that it remained committed to see ESCAP take on a positive role in promoting the economic and social development of the region, and looked forward to working with other members on other critical issues of shared interest.

58. The delegation of the United Kingdom said that it was not in a position to join consensus on the resolution, nor to become a party to the Framework Agreement, given trade and customs obligations to the European Union. As a result, that delegation said it would like to disassociate itself from the resolution.

59. The delegation of Japan explained that it attached high importance to intergovernmental processes and consensus-based decision-making, and that it deeply appreciated the spirit of cooperation among member States. The delegation said it was highly unfortunate and regrettable that a resolution had been adopted by the act of voting and not by consensus, and expressed its belief and trust that this would not be repeated in the future.

60. The delegation of Japan also reiterated the position of its Government on the Framework Agreement, expressed previously, which was that while it was not in a position to endorse the Agreement, it did not wish to get in

the way of consensus by the Commission. In light of the foregoing, that delegation said that it had no choice but to abstain from voting.

61. The delegation of the Russian Federation said that, since the very beginning, it had been taking a very active part in the consultations on the issues of cross-border paperless trade, and that it did support the document that had been coordinated by experts and the draft resolution that had been submitted for adoption. It also expressed regret that the resolution had not been adopted on the basis of consensus.

62. The delegation of the Philippines expressed regret that the Commission had had to take a vote on the resolution. It said that it had not voted in favour of the resolution as the government authorities concerned had requested and required more time to consider the resolution.

63. The delegation of Australia noted the benefits of paperless trade and expressed its general support for the long-term aspirations of the resolution. However, it disassociated itself from the resolution until its legal and trade experts had had an opportunity to fully consider the text.

Sub-item (c) **Transport**

64. Statements were made by representatives of the following countries: Azerbaijan; Bangladesh; China; India; Indonesia; Lao People's Democratic Republic; Pakistan; Republic of Korea; Russian Federation; and Turkey.

65. The Commission recognized that regional integration and economic development required efficient transport networks, and that efficient transport connectivity was important for the future economic development of the Asia-Pacific region.

66. The Commission also recognized that transport was a core instrument in achieving the Sustainable Development Goals and, accordingly, transport systems needed to be aligned with the Sustainable Development Goals to provide access to the market, reduce transport costs and achieve sustainable growth, notably for landlocked and small island developing countries.

67. The Commission stressed the importance of integrated intermodal/multimodal transport systems that fully utilized the comparative advantages of different modes of transport in order to ensure safe, efficient, economical, competitive, socially inclusive and environmentally sound transport infrastructure and services as a means to achieving sustainable development.

68. Some delegations expressed their satisfaction with the recent entry into force of the Intergovernmental Agreement on Dry Ports and expected dry ports to play a hub role in integrating different modes of transport and promoting regional connectivity.

69. The Commission noted the recent successful negotiation of an agreement on international road transport along the Asian Highway Network by the Governments of China, Mongolia and the Russian Federation, with a signing planned for June 2016. It noted with appreciation that, once into force, the agreement would be opened to other Asian Highway countries for accession.

70. The Commission noted with satisfaction the finalization of the Standard Model of Logistics Information System by a regional meeting held in December 2015, with a proposal to submit the document to the Ministerial Conference on Transport for adoption.

71. The Commission welcomed the offer of the Government of the Russian Federation to host the ESCAP Ministerial Conference on Transport in Moscow in November 2016 and expressed its appreciation for the invitation extended to all ESCAP members and associate members to take part in the Conference.

72. The Commission was informed of various initiatives by members States in the area of transport, including one by the Republic of Korea to assist South-East and Pacific island countries in developing their port infrastructure, and welcomed the offer of the Republic of Korea to collaborate with the secretariat in organizing a seminar on the expansion of port infrastructure in South-East Asia in the second half of 2016.

73. The Commission also recognized the importance of achieving safer road systems, noting the efforts of Bangladesh in implementing a National Road Safety Action Plan, and stressed the importance of transport connectivity for rural populations, also noting the efforts to develop modern urban transport systems and utilize smart information and communications technology (ICT) systems in infrastructure development for multimodal connectivity.

74. The Commission noted the requests to the secretariat to continue its assistance to members and associate members in the areas of: (a) development of regional transport networks with an emphasis on comprehensive infrastructure planning for multimodal transport and logistics; (b) development of regional and interregional transport corridors; (c) harmonization of multilateral and bilateral transport agreements and regulations; (d) simplification of cross-border documents and formalities; (e) reduction of transportation costs for landlocked countries; (f) development of solutions related to technical areas such as the electronic tracking of vehicles, electronic seals for cargo consignments and online issuance of international vehicle permits to facilitate the implementation of the multilateral Motor Vehicles Agreement.

75. The Commission was apprised of initiatives and projects being implemented by member States to improve transport connectivity with neighbouring countries through the provision of new infrastructure or operation of new services. It acknowledged the initiatives for the revitalization of the Silk Road as important frameworks for multilateral cooperation to realize the connectivity agenda, including the Belt and Road Initiative and the China-Pakistan Economic Corridor.

76. Other related projects included the implementation of the highway, dry port and seaport development programmes in the eastern region of the Russian Federation for increased multimodal cross-border connectivity with China, Japan and the Korean Peninsula; and the development of the Baku-Tbilisi-Kars rail link between Azerbaijan and Turkey via Georgia, which was scheduled to be commissioned in 2016. As part of a central corridor between Asia and Europe, the completion and commissioning of the link would also benefit countries of Central Asia. Additional projects included the development of highway infrastructure in Bangladesh, in particular in cooperation with Myanmar as part of an India-Bangladesh-Myanmar-Thailand road land bridge, a projected new rail link from Dhaka

to Jessore for onward connection to India, the upgrading of all Asian Highway routes in the country to four lanes by 2021 and the opening of the Mongla and Chittagong seaports for Bhutan, India and Nepal; the signing of the Motor Vehicles Agreement by Bangladesh, Bhutan, India and Nepal in June 2015 and the organization of several trial runs and friendship car rallies for the road movement of cargo and passengers; implementation of a road infrastructure construction programme with a particular focus on the north-east border region and opening of inter-country bus services in India; construction of the Peshawar-Karachi-Kabul motorway by Pakistan along with the Asian Highway routes in the country; and establishment of inter-agency coordination mechanisms for transit facilitation and introduction of an electronic single window system in Azerbaijan.

77. The Commission heard the efforts by members to integrate land transport services with maritime services, in recognition that the connectivity agenda was inclusive of all modes of transport. In that respect, the Commission noted the work being done to develop the port of Baku into a major international sea trade port complex, serving as a major trade and logistics hub along East-West and North-South transport corridors and the establishment of dry ports at important inland transport nodes for their integration with maritime ports in the Russian Federation, as well as through the framing of integrated multimodal transport policies to strengthen coordination across all modes of transport in Bangladesh.

78. The Commission was also informed that a number of projects were being financed under public-private partnership modalities in acknowledgement that achieving transport connectivity required substantial investment.

79. The Commission further recognized that connectivity was a multi-stakeholder agenda that required enhanced regional cooperation and the development of synergies with the assistance programmes undertaken by subregional groupings such as ASEAN, the Bangladesh-China-India-Myanmar Forum for Regional Cooperation, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, the Central Asia Regional Economic Cooperation Programme, the South Asian Association for Regional Cooperation (SAARC) and the South Asia Subregional Economic Cooperation.

80. At its 6th plenary meeting, on 19 May, the Commission adopted resolution 72/5 on strengthening regional cooperation on transport connectivity for sustainable development in Asia and the Pacific.

Sub-item (d)
Environment and Development

81. 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 fourth session (E/ESCAP/72/15), the report of the Asia-Pacific Forum on Sustainable Development on its third session (E/ESCAP/72/16), the information note entitled "Promoting regional energy connectivity in Asia and the Pacific: challenges and opportunities for aligning the energy sector with sustainable development" (E/ESCAP/72/INF/6), the report of the Coordinating Committee for Geoscience Programmes in East and Southeast Asia (E/ESCAP/72/INF/1) and the report of the Mekong River Commission (E/ESCAP/72/INF/2).

82. Statements were made by representatives of the following countries: Bangladesh; China; India; Iran (Islamic Republic of); and Republic of Korea.

83. The Commission reiterated its commitment to the achievement of the Sustainable Development Goals, with one delegation informing the Commission that it had already included all core environment-related targets of the Goals in its seventh five-year plan and that environmental protection was an obligation under its Constitution.

84. The Commission recognized the opportunity provided by the Asia-Pacific Forum on Sustainable Development for making progress in the deliberations on and discussion of priorities for the implementation of the 2030 Agenda. The Commission recalled its preliminary consensus on the regional road map and the functions of the Forum.

85. The Commission underlined that environment was one dimension of sustainable development and was crucial for the achievement of the 2030 Agenda and the Sustainable Development Goals. The Commission noted that sustainable development was not limited only to the environment but must address vulnerabilities and inequalities, including poverty eradication, broadening of socioeconomic opportunities and ensuring participation and accountability among stakeholders.

86. The Commission recognized the importance of environmentally sustainable energy production and noted the progress made by some members in expanding access to electricity with investments in renewable energy.

87. The Commission recognized the potential and significance of regional cooperation in sustainable development through policy research, technical assistance and knowledge-sharing, including within the context and format of the Asia-Pacific Forum on Sustainable Development.

88. The Commission recognized that, given the environmental challenges in the region, there was a critical need to ensure that environmental development was addressed as a core dimension of sustainable development. It further acknowledged that growth strategies must remain inclusive and sustainable and address conservation and protection of the environment, water security and climate change and its related vulnerabilities, while also broadening socioeconomic opportunities, ensuring poverty reduction and enabling participation and accountability among stakeholders.

89. The Commission was informed of a number of initiatives by members on environmental protection and conservation, including the preparation of national adaptation plans, a blue economy action plan and the establishment of national climate change trust funds, as well as measures to increase forest cover and conserve environmental systems. Renewable energy development and measures to reduce emissions from the power, transport and industry sectors were also highlighted as climate mitigation responses for which ambitious and specific targets had been set. The Commission took note of the development in one country, where 100 per cent access to electricity had recently been achieved at the end of 2015; there had also been substantial reductions of greenhouse gas and pollutant intensities.

90. The Commission was also informed of the use of information technology to monitor environmental outcomes, as well as the intention of

one member to promote openness and sharing as principles for environmental protection.

91. The Commission expressed its appreciation for the secretariat's role in moving the sustainable development agenda forward at the regional level, in particular the opportunity to discuss the form and function of the Asia-Pacific Forum on Sustainable Development, the road map, science, technology and innovation, and inclusive cities at the regional level at the third session of the Forum. The Commission also noted the great potential of regional cooperation for supporting sustainable development through policy research, technical assistance and knowledge-sharing, including within the context and format of the Forum, as well as the efforts of Bangladesh to explore the possibility of its hosting the seventh Ministerial Conference on Environment and Development. It further noted the intention of members to strengthen cooperation with the Commission on promoting prosperity and the sustainable development of energy in Asia and the Pacific.

92. The Commission was informed of the efforts of members to initiate the implementation of the 2030 Agenda and its framework of the Sustainable Development Goals. Several members reflected on the importance they were giving to the Goals in their national planning, including actions taken to mainstream sustainable development throughout national policy bodies by ensuring multi-stakeholder participation. The Commission also took note of the perspective of one delegation which recognized that sustainable development was multidimensional and that it needed to review the status and functions of its national sustainable development committee with the possibility of transferring the role of focal point from the environment department to a multisectoral body in order to deal with issues more broadly and comprehensively.

93. The Commission also noted the efforts of one member to formulate a climate change strategy and an action plan, putting aside \$400 million for climate change implementation. That member was also working on formulating its national adaptation plan under the United Nations Framework Convention on Climate Change and had also implemented some low-carbon measures, including decentralized renewable energy solutions reaching 14-15 million people and the building of a solar power plant. In addition, it was working on developing the blue economy, a disaster management strategy, and had integrated the polluter pays principle into its policy framework. It was a signatory to the Montreal Protocol on Substances that Deplete the Ozone Layer and was phasing out hydrochlorofluorocarbons.

94. The Commission also noted the efforts of other members, including the formation of a sustainable development cross-sectoral committee, which included policymakers involved in planning, the reaffirmation of one member State's commitment to reversing environmental degradation, and another's to sign the Paris Agreement. One member was targeting a decrease of one third in the carbon (energy) intensity of GDP by 2030. It would also scale up its power generation to 175 GW generation capacity by 2020, 100 GW of which would be derived from solar and 60 GW from wind.

95. The Commission expressed appreciation for the efforts made by the secretariat to promote energy connectivity and regional energy cooperation through the establishment of the Asia-Pacific Energy Portal and by conducting an analytical study and policy dialogue. The delegation of China acknowledged the support of the secretariat to the Chinese Presidency of

the Group of 20 this year in its efforts to develop the Group of 20 Action Plan on Energy Access for developing countries in Asia and the Pacific.

96. At its 6th plenary meeting, on 19 May, the Commission endorsed the report of the Committee on Environment and Development on its fourth session and took note of the information note entitled “Promoting regional energy connectivity in Asia and the Pacific: challenges and opportunities for aligning the energy sector with sustainable development” as well as of the reports of the Coordinating Committee for Geoscience Programmes in East and South-East Asia and of the Mekong River Commission.

97. Also at its 6th plenary meeting, the Commission adopted resolution 72/6 on committing to the effective implementation of the 2030 Agenda for Sustainable Development in Asia and the Pacific, resolution 72/7 on regional cooperation to combat sand and dust storms in Asia and the Pacific, resolution 72/8 on fostering regional cooperation and partnerships to respond to the climate change challenge in the Asia-Pacific region and resolution 72/9 on regional cooperation to promote the conservation and sustainable use of the oceans, seas and marine resources for sustainable development in Asia and the Pacific.

Sub-item (e)
Information and communications technology

98. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the note by the secretariat entitled “Asia-Pacific information superhighway: for inclusive and seamless connectivity” (E/ESCAP/72/17) and the report of the Governing Council of the Asian and Pacific Training Centre for Information and Communication Technology for Development on its tenth session (E/ESCAP/72/20 and Corr.1).

99. Statements were made by representatives of the following countries: Azerbaijan; Bangladesh; Cambodia; China; India; Indonesia; Pakistan; Republic of Korea; and Sri Lanka.

100. The Commission highlighted the importance of ICT as an enabling tool for achieving sustainable development, in particular by providing tools for disaster risk reduction and the digital economy.

101. The Commission recognized that greater efforts were still required to improve affordable access to ICTs in developing countries and least developed countries, and suggested that the secretariat should support countries in harnessing the potential of ICT for the achievement of Sustainable Development Goals.

102. The Commission highlighted the importance of investing in ICT infrastructure in order to increase ICT connectivity at the national level and to strengthen cross-border connectivity. In that context, the Commission recognized the importance of ICT in bridging the digital divide in Asia and the Pacific and expressed support for the secretariat’s efforts in promoting a seamless, affordable and resilient regional ICT connectivity through the Asia-Pacific information superhighway.

103. The Commission expressed appreciation for the contribution made by the Asian and Pacific Training Centre for Information and Communication Technology for Development in building the human and

institutional capacities of member States for leveraging information and communications technology for the 2030 Agenda.

104. At its 6th plenary meeting, on 19 May, the Commission took note of the note by the secretariat entitled “Asia-Pacific information superhighway: for inclusive and seamless connectivity” and endorsed the report of the Governing Council of the Asian and Pacific Training Centre for Information and Communication Technology for Development on its tenth session.

105. Also at its 6th plenary meeting, the Commission adopted resolution 72/10 on the regional review of the implementation of the World Summit on the Information Society action lines.

Sub-item (f)
Disaster risk reduction

106. In addition to the common documents that were being considered under agenda item 3, the Commission had before it a report on building resilience to cross-border disasters (E/ESCAP/72/18), the report of the Committee on Disaster Risk Reduction on its fourth session (E/ESCAP/72/19), the report of the Typhoon Committee (E/ESCAP/72/INF/3) and the report of the Panel on Tropical Cyclones (E/ESCAP/72/INF/4).

107. Statements were made by representatives of the following countries: Bangladesh; China; India; Iran (Islamic Republic of); Japan; Republic of Korea; Sri Lanka; and Thailand. A representative of the ESCAP/World Meteorological Organization Typhoon Committee also delivered a statement.

108. The Commission noted the great importance of implementing the Sendai Framework for Disaster Risk Reduction 2015-2030 and welcomed the progress made in mainstreaming the perspectives of disaster risk reduction into the development agenda. It recognized the importance of disaster risk reduction and building resilience to natural disasters for achieving sustainable development and noted the progress made by member States in disaster risk reduction and climate change adaptation. It recognized the remaining challenges and gaps in reducing underlying risk factors, risk-sensitive investment and building resilience into critical sectors, including ICT and health.

109. The Commission acknowledged its crucial role as a multidisciplinary and multisectoral platform for member States to collectively identify challenges and share experiences, good practices and innovative technology applications through regional cooperation. The Commission further noted its appreciation for the analytical work of the secretariat, including that contained in the *Asia-Pacific Disaster Report 2015 – Disasters without Borders*, among others, which provided substantive evidence-based policy research on cross-border disasters in support of strengthening regional cooperation.

110. The Commission recognized the critical need to address cross-border disasters, given that many were transboundary in nature. In that context, the Commission expressed support for the secretariat’s efforts to promote regional cooperation mechanisms for drought and tropical cyclones and flood forecasting and early warning in transboundary river basins. The Commission expressed its appreciation to the secretariat for its regional cooperation mechanisms and programmes on applications of space

technology and capacity-building, in particular through the Regional Space Applications Programme for Sustainable Development, to support member States in addressing disaster risks.

111. The Commission requested the secretariat to assist developing countries in the region in building multi-hazard early warning capacity to address cross-border disaster risks by further deepening regional cooperation. The Commission further called on the secretariat to continue its support for building capacity in disaster risk reduction through technical cooperation and advisory services, especially in those countries that are highly exposed to disasters and have low coping capacity. The Commission noted with appreciation that Sri Lanka, which was the pilot for the Regional Cooperative Mechanism for Drought Monitoring and Early Warning, had made remarkable progress on enhancing multisectoral capacity in using space technology for monitoring and preparedness for drought.

112. The Commission expressed its appreciation to China for putting into place the National Disaster Reduction Centre of China as the node of the ESCAP Regional Network of Knowledge and Innovation Centres in Disaster Risk Reduction, which aims to enhance regional networking to fill the gaps in capacity development of officials in mainstreaming disaster risk reduction and climate change adaptation into national and local development plans. The Commission encouraged member States to share their good practices and experiences in that regard.

113. The Commission expressed its appreciation to India for its substantial contributions to the Commission's initiatives on disaster early warning and space technology applications. Welcoming the Commission's initiative in organizing a space leaders' forum at the Asian Ministerial Conference on Disaster Risk Reduction, the delegation of India announced that the forum will be hosted by its Government in New Delhi in November 2016. That delegation also welcomed the efforts of the secretariat to seamlessly integrate the outcomes of the Ministerial Conference with the work of the Committee on Disaster Risk Reduction of ESCAP to ensure synergy and coherence.

114. The Commission recognized the importance of regional and international cooperation in disaster risk reduction and management and noted with appreciation the steps taken by the Government of the Islamic Republic of Iran and the secretariat towards the establishment of the Asian and Pacific Centre for the Development of Disaster Information Management. The operationalization of the Centre was recognized as an important opportunity for promoting regional cooperation.

115. The Commission highlighted the important contribution of the ESCAP Multi-Donor Trust Fund for Tsunami, Disaster and Climate Preparedness in Indian Ocean and Southeast Asian Countries, expressed its appreciation to donor countries for their voluntary contributions to the Trust Fund and called for continued support. The Commission also noted its appreciation for the contributions made by the secretariat through the Trust Fund for enhancing regional cooperation, including the establishment of the Regional Integrated Multi-hazard Early Warning System, and the strengthening of intergovernmental mechanisms in the region.

116. The Commission expressed its appreciation to Japan for its support for Pacific countries for building disaster early warning capacity through bilateral and regional cooperation. The Commission encouraged the secretariat to further support capacity development and to share experiences

among Asia-Pacific countries for the implementation of the Sendai Framework for Disaster Risk Reduction 2015-2030.

117. The delegation of Japan expressed appreciation to other member States for their support for World Tsunami Awareness Day, which was established by the General Assembly in December 2015.

118. At its 6th plenary meeting, on 19 May, the Commission endorsed the report of the Committee on Disaster Risk Reduction on its fourth session and took note of the reports on building resilience to cross-border disasters, of the Typhoon Committee and of the Panel on Tropical Cyclones.

119. Also at its 6th plenary meeting, the Commission adopted resolution 72/11 on advancing disaster-related statistics in Asia and the Pacific for implementation of internationally agreed development goals.

Sub-item (g)
Social development

120. 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 Social Development on its fourth session (E/ESCAP/72/21), as well as background documents on challenges in implementing the social dimension of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (E/ESCAP/CSD(4)/1) and on innovative approaches and modalities to enhance the social dimension of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (E/ESCAP/CSD(4)/2).

121. Statements were made by the representatives of the following countries: Bangladesh; China; India; Japan; Myanmar; Philippines; Republic of Korea; and United States of America.

122. The Commission acknowledged the work of the secretariat on social development and noted the critical importance of strengthening the social dimension for the realization of the 2030 Agenda and the Sustainable Development Goals. The Commission was informed by some members about their efforts in that area, including the implementation of policies and programmes in a comprehensive and integrated manner.

123. In that regard, the Commission recognized the important contribution of the secretariat in supporting countries in integrating the social dimension with the economic and environmental dimensions of sustainable development.

124. The Commission also noted the successful outcomes of the fourth session of the Committee on Social Development, during which member States called for effective policies and programmes to strengthen the social dimension of the 2030 Agenda.

125. Several delegations highlighted their long-standing financial support to ESCAP and expressed their appreciation to the secretariat for its successful implementation of projects in the areas of disability, gender equality and women's empowerment, migration, population ageing, social protection and youth.

126. The Commission noted the secretariat's work and support to member States for the implementation of the Incheon Strategy to "Make the Right Real" for Persons with Disabilities in Asia and the Pacific. In particular, the secretariat was recognized for its analytical work on accessibility, on capacity development to enhance disability statistics, on promoting disability-inclusive disaster risk reduction and on guiding member States in implementing the Incheon Strategy through the annual sessions of the working group on the Asian and Pacific Decade of Persons with Disabilities, 2013-2022.

127. The Commission was informed that the high-level intergovernmental meeting on the midpoint review of the Asian and Pacific Decade of Persons with Disabilities, 2013-2022, would be hosted by China in the second half of 2017. In that respect, one delegation expressed its commitment to integrating disability concerns into its national development plans, including by ensuring accessible ICT, supporting persons with autism and establishing schools for children with disabilities.

128. The Commission noted the key role of social protection as a cross-cutting issue in reducing poverty and addressing inequalities. In that regard, several delegations referred to increased national expenditure on and broadened coverage of social protection policies and programmes. Relevant measures put in place included national social security strategies, income support programmes, employment initiatives and social assistance to reach the most vulnerable members of society, including women, older persons and persons with disabilities.

129. The Commission expressed its appreciation to the secretariat for the development of the Social Protection Toolbox, which was a valuable knowledge resource for policymakers and practitioners owing to its collection of more than 100 good practices.

130. The Commission stressed the importance of ensuring opportunities for inclusive and sustainable development for youth and commended the secretariat for work in that domain, especially with regard to education, skills development and decent employment opportunities. Moreover, the Commission emphasized that investments in vocational education would be critical to attaining a high-quality and relevant labour force that could more easily adapt to modern and future labour market demands.

131. While noting the significant challenges posed by rapid population ageing, several delegations expressed their support for the secretariat's work in that area. Some delegations also emphasized the significance of the forthcoming third review of the Madrid International Plan of Action on Ageing, 2002.

132. The Commission expressed its appreciation for cutting-edge analytical work on international migration, citing the *Asia-Pacific Migration Report 2015: Migrants' Contributions to Development*, and called for a further strengthening of the Commission's work in supporting the integration of migration issues into national Sustainable Development Goal strategies. Some delegations stressed the importance of protecting the rights of international migrants as part of the response to the 2030 Agenda and underlined ongoing efforts to engage in advocacy on this issue, including through the Global Forum on Migration and Development.

133. The Commission emphasized the central role of gender equality and women's empowerment in the achievement of the 2030 Agenda and the

Sustainable Development Goals. In that regard, it noted the significance of the Asian and Pacific Ministerial Declaration on Advancing Gender Equality and Women's Empowerment, as well as the role of the secretariat in supporting member States in enhancing accountability and improving gender statistics. The Commission also noted the secretariat's work and capacity-building efforts in the areas of gender-responsive budgeting, e-government and women's economic empowerment through entrepreneurship.

134. Some delegations stated that there was a need for increased financing for gender equality and noted the support of the secretariat for enhancing knowledge and capacity of Governments in that area. The Commission was also informed of a range of policies adopted by member States towards achieving the Sustainable Development Goal on gender equality and women's empowerment, including measures to increase women's political participation, end violence against women and girls, and promote education for the girl child.

135. Some delegations outlined their national efforts to increase women's access to finance and to enhance their economic participation. Initiatives in that area, including the provision of loans and credit facilities for women, child care services, and maternity benefits for poor rural women and garment workers, as well as the promotion of targets for the employment of women, were reported.

136. Recognizing the role of member State-led organizations in promoting social development priorities, one delegation welcomed the support of the secretariat for the SAARC Gender Policy Advisory Group. In addition, the delegation of Japan informed the Commission of its plan to host the World Assembly for Women in 2016.

137. One delegation noted the key role of the secretariat in supporting the Fast Track strategy to end the AIDS epidemic by 2030. That delegation requested that ESCAP remain actively engaged in all regional efforts to advance supportive legal frameworks to ensure access to HIV services, while promoting national ownership and sustainable financing of HIV programmes, with a view to ensuring that no one was left behind.

138. One delegation outlined its national initiatives for ending extreme poverty and hunger, as part of the Secretary-General's Zero Hunger Challenge.

139. At its 6th plenary meeting, on 19 May, the Commission endorsed the report of the Committee on Social Development on its fourth session.

Sub-item (h) Statistics

140. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the report of the Regional Steering Group for Civil Registration and Vital Statistics in Asia and the Pacific (E/ESCAP/72/22) and the report of the Governing Council of the Statistical Institute for Asia and the Pacific on its eleventh session (E/ESCAP/72/23 and Corr.1).

141. Statements were made by representatives of the following countries: Bangladesh; China; Japan; Philippines; Republic of Korea; and Samoa.

142. The Commission highlighted the important role of reliable, timely, accurate and high-quality data and statistics for successful implementation

of the 2030 Agenda, in particular for monitoring progress, and as evidence in support of the formulation of effective policies and the appropriate use of public resources.

143. The Commission took note of ongoing country experiences with tailoring targets and indicators of the 2030 Agenda to the national context and noted its appreciation for the active contributions of several member States to the work of the Inter-Agency and Expert Group on Sustainable Development Goal Indicators to develop the global monitoring framework for the 2030 Agenda.

144. Stressing the need to improve capacity to meet the demands for data and statistics inherent in the 2030 Agenda, the Commission reaffirmed its commitment to regional initiatives to strengthen the capacity of national statistical systems of countries in the Asia-Pacific region. The Commission congratulated the secretariat for its efforts to coordinate and deliver statistics capacity support to member States and, in that regard, noted its appreciation for the organization of events, such as the Asia-Pacific Economic Statistics Week, which had generated and supported additional national studies and research to improve the quality of statistics.

145. The Commission called on the secretariat and development partners to play an even greater role in supporting member States in their efforts to improve data and statistics, including the pivotal role that could be played by big data.

146. The Commission underlined the need for training on computation for Sustainable Development Goal indicators. While noting its appreciation for the important role and contributions of the Statistical Institute for Asia and the Pacific in strengthening national statistical systems through its training programmes, the Commission expressed its gratitude to the Government of Japan for its continuous and generous financial contributions and for the financial and in-kind support provided by other member States. Noting the increasing and new demands for data and statistics generated by the 2030 Agenda, the Commission called upon members and associate members, as well as international organizations, to continue and, if possible, increase their contributions to the Institute.

147. The Commission congratulated the Regional Steering Group on Civil Registration and Vital Statistics in Asia and the Pacific for its visionary leadership in implementing the “Get Every One in the Picture” initiative and urged all member States to take action for the achievement of the goals of the Asian and Pacific Civil Registration and Vital Statistics Decade, 2015-2024, and the Regional Action Framework on Civil Registration and Vital Statistics in Asia and the Pacific. In reference to the first milestone in the implementation of the initiative, the Commission acknowledged the submission of country baseline reports by a large number of member States and called upon all member States to complete and submit their baseline reports as a matter of priority.

148. At its 6th plenary meeting, on 19 May, the Commission took note of the report of the Regional Steering Group for Civil Registration and Vital Statistics in Asia and the Pacific and endorsed the report of the Governing Council of the Statistical Institute for Asia and the Pacific on its eleventh session.

149. Also at its 6th plenary meeting, the Commission adopted resolution 72/11 on advancing disaster-related statistics in Asia and the Pacific for implementation of internationally agreed development goals.

Sub-item (i)

Subregional activities for development

150. In addition to the common documents that were being considered under agenda item 3, the Commission had before it the note by the secretariat entitled “Subregional activities for development: issues and challenges related to inclusive and sustainable economic and social development in Asia and the Pacific” (E/ESCAP/72/24) and the report of the Governing Council of the Special Programme for the Economies of Central Asia on its tenth session (E/ESCAP/72/25).

151. Statements were made by representatives of the following countries: Bangladesh; China; India; Iran (Islamic Republic of); Japan; Nepal; Republic of Korea; and Tajikistan.

152. The Commission recognized the key role that each subregional office had been playing and further recognized their potential role in the implementation of the Sustainable Development Goals and promoting regional economic cooperation and integration in collaboration with their respective subregional organizations. In that connection, a number of delegations noted the need to strengthen the subregional offices.

Component 1: the Pacific

153. The Commission was informed that Pacific leaders had stressed that the implementation of the Samoa Pathway, the 2030 Agenda and the Framework for Pacific Regionalism should be done in a manner that was integrated, promoted sustainability and enhanced ownership by the Pacific. The vulnerability demonstrated by Tropical Cyclone Winston, floods and drought was noted. The Commission also noted that the need to contextualize the Sustainable Development Goals in the unique subregional and national contexts was critical, with the key objective of building resilience and the adaptive capacity of climate vulnerable communities. The Commission noted the work of the secretariat in the Pacific, which was guided by the Samoa Pathway and the 2030 Agenda, and focused on enhancing national capacities and institutions, enhancing the Pacific voice and representation, and monitoring and reporting on implementation.

154. The Commission requested members to continue to strengthen support for Pacific island member States, recognizing their distinct constraints and vulnerabilities.

Component 2: East and North-East Asia

155. The Commission noted the work of the Subregional Office for East and North-East Asia in supporting the monitoring and implementation of the 2030 Agenda, and the means of implementation of Sustainable Development Goals. In particular, it took note of the work of the Subregional Office in facilitating the First High-level Follow-up Dialogue on Financing for Development in Asia and the Pacific, held in Incheon, Republic of Korea, and the progress made in advancing regional cooperation and integration in East and North-East Asia through research and policy analysis.

156. The Commission also noted the efforts of the Subregional Office to link its work with that of the substantive divisions to promote effective delivery of the ESCAP programme of work. The Commission also noted the Subregional Office's progress in developing and implementing subregional activities, including the North-East Asian Subregional Programme for Environmental Cooperation and the North-East Asia Development Cooperation Forum.

157. The Commission recognized with appreciation the efforts and work of the Subregional Office and underlined its role as a key coordinating body in the subregion for multilateral cooperation, including with the North-East Asia Development Cooperation Forum, the North-East Asian Subregional Programme for Environmental Cooperation, the Asia Carbon Footprint Network and the North-East Asia Energy Security Forum. The Commission also noted the potential role of the Subregional Office in the implementation of the Sustainable Development Goals at the subregional level.

158. Some delegations supported the overall implementation of the existing mandate and requested the Subregional Office to enhance its consultation and coordination with member States.

Component 3: North and Central Asia

159. The Commission noted that the future programme of work of the Subregional Office for North and Central Asia would be focused on supporting regional economic cooperation and integration, in particular strengthening regional cooperation for market integration and subregional implementation of the Sustainable Development Goal priorities. The focus would be on enhancing capacity for policy coherence and coordination across the Goals by strengthening linkages with the regional subprogrammes of ESCAP, as well as on enhancing the United Nations Special Programme for the Economies of Central Asia as a mechanism for subregional cooperation in the implementation and monitoring of the 2030 Agenda.

160. While noting its appreciation for the work of the Subregional Office, especially on energy, transport and ICT connectivity, the Commission recognized the important role of the Special Programme for the Economies of Central Asia as a mechanism for enhancing economic cooperation among the countries of the subregion and integration into the global economy. The Commission was informed of the launch on 11 and 12 May 2016 of the Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000) and noted that it was a good example for regional cooperation and inclusive development that would enhance energy security between Central Asia and South Asia. The initiative involved Afghanistan, Kyrgyzstan, Pakistan and Tajikistan.

Component 4: South and South-West Asia

161. The Commission noted its appreciation for and commended the work of the Subregional Office for South and South-West Asia in support of the implementation of the Sustainable Development Goals, regional economic cooperation and integration in South and South-West Asia, and assisting least developed countries of the subregion. The Commission welcomed the work of the Subregional Office in identifying the key policy priorities for achieving the Goals in South and South-West Asia and supported subregional consultations on their contextualization and policy advocacy on them. The Commission also called upon the secretariat to support regional economic cooperation and integration through further work

in South and South-West Asia. Several delegations called upon the secretariat to increase and deepen its cooperation and coordination with the SAARC secretariat, including supporting the SAARC agenda on the Goals and regional economic cooperation and integration. In particular, the Commission requested the secretariat to conduct further work on transport connectivity and trade facilitation in South Asia and its contiguous neighbours, including through the harmonization of transport documents by developing templates and sharing good practices in border crossings and transit agreements.

162. The Commission expressed its appreciation for the support of the secretariat in improving regional connectivity in South and South-West Asia and between the subregion and other regions, including Central Asia and South-East Asia. The Commission welcomed the secretariat's work on extending transport connectivity between South and South-West Asia and Central Asia, noting the alignment of such activities with the priorities of the subregion, and requested the secretariat to pursue further work on transport connectivity in the subregion in follow-up to recent meetings, including the ESCAP Policy Dialogue on Strengthening Transport Connectivity in Southern and Central Asia held in Tehran in December 2015.

163. The Commission noted with appreciation support for capacity-building and training of officials in the subregion, especially those in least developed countries. The Commission also noted with appreciation capacity-building activities conducted for countries in the subregion and noted examples, including those on trade that built on assistance provided to Afghanistan in its WTO accession, as good practice models of capacity development delivery by the secretariat. The Commission looked forward to the expansion of such support, especially to least developed countries in the subregion. The Commission requested the secretariat to continue to assist least developed countries in the subregion in their efforts to graduate from least developed countries status.

164. The delegation of India, host country of the Subregional Office, expressed the view that the presence of ESCAP in the subregion should be strengthened in view of the huge burden of implementation of the 2030 Agenda that the subregion faced, with nearly 40 per cent of global poverty.

165. At its 6th plenary meeting, on 19 May, the Commission took note of the note by the secretariat entitled "Subregional activities for development: issues and challenges related to inclusive and sustainable economic and social development in Asia and the Pacific", and endorsed the report of the Governing Council of the Special Programme for the Economies of Central Asia on its tenth session.

Agenda item 4 Management issues

166. The Executive Secretary made an introductory statement on management issues.

Sub-item (a) Report on the evaluation activities of the Commission during the biennium 2014-2015

167. The Commission had before it the report on the evaluation activities of the Commission during the biennium 2014-2015 (E/ESCAP/72/26).

168. One delegation expressed its support for the activities of ESCAP in the region and highlighted the importance of the secretariat taking stock of the lessons learned from the past to inform the work carried out in the context the Sustainable Development Goals. That delegation also stressed the necessity for a meaningful evaluation of the secretariat's work in line with established procedures, including identifying challenges and means to overcome them.

169. At its 6th plenary meeting, on 19 May, the Commission took note of the report on the evaluation activities of the Commission during the biennium 2014-2015.

Sub-item (b)

Proposed programme changes for the biennium 2016-2017

170. The Commission had before it the note by the secretariat on proposed programme changes for the biennium 2016-2017 (E/ESCAP/72/27).

171. At its 6th plenary meeting, on 19 May, the Commission endorsed the proposed programme changes for the biennium 2016-2017.

Sub-item (c)

Draft strategic framework for the biennium 2018-2019

172. The Commission had before it the proposed strategic framework for the period 2018-2019, part two (biennial programme plan), for Programme 16 (economic and social development in Asia and the Pacific) (A/71/6 (Prog. 16)).

173. At its 6th plenary meeting, on 19 May, the Commission endorsed the proposed strategic framework for the period 2018-2019.

Sub-item (d)

Partnerships, extrabudgetary contributions and capacity development

174. The Commission had before it the note by the secretariat on the overview of partnerships, extrabudgetary contributions and capacity development (E/ESCAP/72/28).

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

176. The Commission noted that the secretariat's total extrabudgetary cash contributions in 2015, for technical cooperation activities and host country support to the subregional offices, amounted to \$13.8 million. The Commission also noted that the total cash contributions received by ESCAP in 2015 for technical cooperation work amounted to \$17.1 million, of which \$10.4 million had come from bilateral donors – ESCAP member and non-member States – which remained the main extrabudgetary sources of funding.

177. The delegation of China noted that its Government accorded great importance to the capacity development work of ESCAP, including through its regional institutions, in achieving a prosperous Asia and Pacific region.

178. The delegation of India informed the Commission that its Government had made a contribution of \$1 million to the ESCAP Multi-Donor Trust Fund for Tsunami, Disaster and Climate Preparedness in

Indian Ocean and Southeast Asian Countries in 2015. That delegation highlighted its Government's support to the Bangkok-based Regional Integrated Multi-hazard Early Warning System for Africa and Asia, noting that it had provided 90 per cent of funding of tsunami early warning systems and projects related to climate change.

179. The delegation of the Islamic Republic of Iran drew the attention of the Commission to the website of the Asian and Pacific Centre for the Development of Disaster Information Management, which contained information on the activities, presentations, structure and partnership groups of the Centre.

180. The delegation of the Republic of Korea noted the technical cooperation with ESCAP in the areas of trade, transport and disaster risk reduction to enhance regional connectivity and integration. That delegation reflected on the achievements of the Asian and Pacific Training Centre for Information and Communication Technology for Development in building institutional and human-resource capacities on using information and communications technologies for sustainable development, and expressed appreciation to the member States that contributed to the work of the Centre.

181. The delegation of Sri Lanka expressed the commitment of its Government to the launch of the "Women and ICT Frontier Initiative" in that country.

182. The Commission took note of the note by the secretariat on the overview of partnerships, extrabudgetary contributions and capacity development, and also expressed its appreciation for pledges amounting to approximately \$8.5 million for 2016 from: Brunei Darussalam; Cambodia; China; India; Indonesia; Iran (Islamic Republic of); Japan; Macao, China; Malaysia; Pakistan; Republic of Korea; Sri Lanka; and Thailand. In addition, the Government of Indonesia informed the Commission that it would make the following additional contributions: Centre for Sustainable Agricultural Mechanization (\$30,000); Statistical Institute for Asia and the Pacific (\$30,000); and Asian and Pacific Centre for Transfer of Technology (\$10,000). The Government of Malaysia informed the Commission that it would make the following contributions: Statistical Institute for Asia and the Pacific (\$20,000); Centre for Alleviation of Poverty through Sustainable Agriculture (\$10,000); and Asian and Pacific Centre for Transfer of Technology (\$15,000).

Agenda item 5

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

183. 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/72/29).

184. In his capacity as the Rapporteur of the Advisory Committee, the Permanent Representative of Mongolia presented the highlights of the activities of the Advisory Committee since the seventy-first session of the Commission, noting in particular that the Advisory Committee had provided important advice and guidance to the secretariat on important issues, and that it served as an important channel for the member States to cooperate with each other and with the secretariat.

185. At its 6th plenary meeting, on 19 May, the Commission took note of the report of the Advisory Committee.

Agenda item 6

Dates, venue and theme topic for the seventy-third session of the Commission (2017)

186. The Commission had before it the note by the secretariat on the dates, venue and theme topic for the seventy-third session of the Commission (2017) (E/ESCAP/72/30).

187. At its 6th plenary meeting, on 19 May, the Commission decided to hold its seventy-third session in April or May 2017; the actual dates would be determined in consultation with the Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission. The Commission also decided that the theme topic for its seventy-third session would be regional cooperation for sustainable energy.

Agenda item 7

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

188. In her policy statement, the Executive Secretary highlighted how ESCAP would support member States' implementation of the 2030 Agenda. She said that the region needed to offer better opportunities for the 1.5 billion people who remained trapped in poverty. Addressing inequalities – a cross-cutting element of the Sustainable Development Goals – was essential, as inequalities stifled economic growth, undermined social cohesion and threatened environmental sustainability. She also highlighted that inefficiencies in resource use were pervasive, with developing countries in the region using, on average, five times more material to produce one unit of GDP than industrial countries.

189. The Executive Secretary said that an integrated sustainable development approach, supported by partnerships and the deployment of new solutions, could convert such challenges into opportunities. A number of member States had already begun to integrate sustainable development into their national strategies, plans and budgets. In that regard, the Executive Secretary emphasized that the Asia-Pacific Forum on Sustainable Development had emerged as a pivotal intergovernmental mechanism for sharing experiences and forging consensus and coordination.

190. The Executive Secretary also highlighted how the Commission's analytical and statistical work was supporting the implementation and review process. For instance, in line with the 2030 Agenda's emphasis on "leaving no one behind", the flagship publication *Economic and Social Survey of Asia and the Pacific 2016* explored ways to boost agricultural productivity. A new publication, "Social outlook", to be launched in 2017, would deepen analysis on such priorities as social protection and gender-responsive budgeting. The *Statistical Yearbook* and its online database had already been aligned to the Goals and targets, although the region had, on average, only half of the global indicators for the Goals

readily available. To tackle such challenges, the Committee on Statistics would review a new road map for transforming official statistics.

191. Turning to Goal 17 on the means of implementation, the Executive Secretary explained the Commission's expanding work in the areas of finance, science, technology and innovation, trade and capacity development. As recommended by the High-level Follow-up Dialogue on Financing for Development in Asia and the Pacific, priorities included unlocking the region's tax potential, deepening financial inclusion and strengthening enabling environments to tap private capital for sustainability. Moreover, regional financial cooperation was critical for channelling development finance.

192. The Executive Secretary noted that while the region accounted for approximately 43 per cent of global research and development activity, progress had been very uneven, with some 95 per cent of the region's researchers located in just five countries, while some countries were ranked in the bottom 10 per cent of the Global Innovation Index. In addition to bridging such divides, the region should deploy science, technology and innovation to promote social justice and environmental protection as well as economic competitiveness. To that end, ESCAP would build on its long-standing work in areas such as space applications and disaster risk modelling. The reconstituted Committee on Information and Communications Technology would meet in October to further deliberate on such matters.

193. The Executive Secretary explained how ESCAP was promoting trade in services, environmental goods and technology. Recently, more than 30 member States had collectively finalized the Framework Agreement on Facilitation of Cross-border Paperless Trade; but it should be operationalized. Going forward, the region should enhance agreements for services and digital trade, streamline and harmonize trade and investment liberalization provisions as appropriate, and improve the absorptive capacity of the least developed countries through the regional Aid for Trade initiative.

194. The Executive Secretary explained the Commission's new capacity development strategy, which better aligned capacity development with its normative and analytical work. Examples included: a new analytical framework to help map out a nationally appropriate path in implementing the 2030 Agenda, as elaborated in the *Countries with Special Needs Development Report 2016*; a Social Protection Toolbox; and a Gender Portal. She highlighted how the regional institutes, namely, the Asian and Pacific Training Centre for Information and Communication Technology for Development, Asian and Pacific Centre for Transfer of Technology and Statistical Institute for Asia and the Pacific were making technology and statistics work for better development outcomes.

195. Recalling the outcome of the 2013 Ministerial Conference on Regional Economic Cooperation and Integration, the Executive Secretary said that appropriate pacing and sequencing of regional cooperation held the potential to reinvigorate growth and share prosperity through diversification, inclusiveness and sustainable development. She said that the next generation of regional cooperation was focused on: (a) better integrating the region with other continents; (b) enhancing integration at the subregional level; (c) leveraging Asia's market-driven regional cooperation models through greater political commitment; (d) deepening financial integration, which had lagged behind trade integration; (e) harnessing seamless connectivity through multimodal transportation, as well as

enhanced energy and ICT connectivity along development corridors; and (f) enhancing the mutual reinforcement of regional cooperation and sustainable development.

196. On connectivity, the Executive Secretary said that intersectoral coordination was critical. In particular, ESCAP was expanding its work on energy and was promoting power grid connectivity to integrate more clean and renewable energy. She also emphasized the need for disaster-resilient and climate friendly regional infrastructure, and monitoring and early warning of natural disasters. While regional climate cooperation was still at a formative stage, scope existed to explore collaborative approaches in strengthening resilience and improving capacities. She referred to the note by the secretariat on enhancing regional economic cooperation and integration in Asia and the Pacific and sought member States' further guidance.

Country statements

197. The Commission had before it the note by the secretariat on enhancing regional economic cooperation and integration in Asia and the Pacific (E/ESCAP/72/5 and Corr.1) and the note by the secretariat on the summary of the Economic and Social Survey of Asia and the Pacific 2016 (E/ESCAP/72/31).

198. Representatives of the following members and associate members made statements: Afghanistan; Armenia; Australia; Azerbaijan; Bangladesh; Bhutan; Brunei Darussalam; Cambodia; China; Democratic People's Republic of Korea; France; Hong Kong, China; India; Indonesia; Iran (Islamic Republic of); Japan; Lao People's Democratic Republic; Macao, China; Malaysia; Marshall Islands; Mongolia; Nepal; Pakistan; Philippines; Republic of Korea; Russian Federation; Singapore; Sri Lanka; Tajikistan; Thailand; Turkmenistan; Tuvalu; and Viet Nam.

199. The Commission welcomed the views and recommendations presented in the *Economic and Social Survey of Asia and the Pacific 2016*, particularly the focus on the need to boost productivity to revive economic growth and to support the achievement of the Sustainable Development Goals.

200. The Commission noted that 2016 marked an important milestone in the development of the region as the first year of the 2030 Agenda. The adoption of the 2030 Agenda had taken place at a challenging time for countries, as economic growth experienced considerable slowdown. The Commission also recognized the negative impact on economic prospects of currency fluctuations and volatile energy and food prices, which had heightened vulnerabilities in many developing countries. The economic slowdown underscored the need to pursue science, technology and innovation as important tools to energize new growth engines and assist in the achievement of the Sustainable Development Goals.

201. The Commission highlighted the importance of reducing widening gaps of opportunities between the rich and the poor, ensuring job stability, strengthening social protection for the poor and vulnerable population and addressing gender equality and women's empowerment to eradicate poverty in all its forms and dimensions by 2030. In that regard, the significance of expanding the coverage of the social protection floor system, including in health and education, was underlined.

202. The Commission underscored the importance of developing human and social capital as integral means to attain inclusive and sustainable

growth. It particularly noted the significance of enhancing youth employment opportunities, and stressed that improving educational and vocational training systems, by better aligning them to labour market demands, was fundamental to making such enhancement possible.

203. The Commission underlined the need to link national and regional strategies with the 2030 Agenda. Delegations described steps taken to mainstream the Sustainable Development Goals into national development plans and priorities, as well as highlighting aspects of their national development plans which already supported implementation of the 2030 Agenda. The operationalization of concepts such as green growth, inclusive and sustainable economic growth, gross national happiness and self-reliant, inclusive and green socioeconomic development in national development plans was also cited as supporting the mainstreaming of the 2030 Agenda at the national level.

204. The Commission noted other implementation initiatives as well, including adopting a national sustainable development strategy, establishing a national body for steering implementation and monitoring and aligning national research priorities and activities with the Sustainable Development Goals. The Commission noted, however, that full alignment of the Sustainable Development Goals in national and fiscal planning still remained among the challenges faced by member States in implementing the 2030 Agenda.

205. The Commission noted that boosting productivity could contribute to the achievement of the Sustainable Development Goals by creating new drivers of Asia-Pacific development. It noted that agriculture remained critical in many countries in the region, with a large proportion depending on agriculture for its livelihood. Improving productivity in the agricultural sector was therefore important as such improvement could help lift millions of people out of poverty in rural areas. However, that would require productivity gains to be coupled with commensurate rise of incomes.

206. The Commission noted that research and development, science, technology and innovation, and investment in education and health would be necessary to increase productivity and achieve the Sustainable Development Goals. The implementation of such policies would allow the creation of a virtuous cycle between sustainable development, productivity and economic growth.

207. The Commission shared the view that financing for development was important for the successful implementation of the 2030 Agenda. For that purpose, the Commission recognized the need to mobilize both domestic and external financial resources, noting in particular that both private-sector and public-sector investments were important for addressing infrastructure financing gaps in the region.

208. In the context of financing for sustainable development, the Commission highlighted the importance of enhancing tax revenues for domestic-resource mobilization by modernizing tax administration systems and capacity-building. In that vein, the Commission noted the importance of stemming illicit financial flows by building financial information systems that could detect such flows.

209. Observing that the challenges of climate change were enormous, the Commission highlighted the importance of expanding access by

developing countries to global climate funds and providing financing as well as capacity-building assistance to deal with those challenges.

210. The Commission noted that the First High-level Follow-up Dialogue on Financing for Development in Asia and the Pacific was held in Incheon, Republic of Korea and co-organized by ESCAP and the Ministry of Foreign Affairs of the Republic of Korea. One delegation noted that it looked forward to discussing ways and means of operationalizing a regional tax forum, along with a new regional infrastructure forum and a regional road map for implementing the Sustainable Development Goals.

211. The Commission emphasized the importance of regional cooperation and integration in enhancing connectivity, fostering inclusivity, improving social welfare and expanding resource availability to support the achievement of the 2030 Agenda. Successful implementation would also require integration of the three dimensions of sustainable development and peace and stability.

212. The Commission valued the role of the secretariat in promoting and strengthening regional cooperation and integration to overcome common challenges while benefiting from shared prosperity. Support was also expressed for the role of ESCAP in the implementation by member States of the 2030 Agenda and related processes, including through the Asia-Pacific Forum on Sustainable Development.

213. The Commission recognized ESCAP as an effective platform for regional cooperation among member States to address the challenges of achieving sustainable development, including through policy coordination, project implementation, assistance to developing countries to enhance capacity-building and narrow technological gaps, and strengthening of intra- and interregional connectivity.

214. The Commission recognized climate change, natural disasters, infrastructure, urbanization and water security as challenges to achieving sustainable development. The Commission noted the continuing and intensifying vulnerability to and impacts of climate change in particular, and the threat to survival, security and long-term development, as well as the continuing need for funds and technical support, including from ESCAP, and the need for water security issues to be addressed.

215. The steps taken by its members to strengthen environmental protection, including through their national development plans, were also noted by the Commission. National efforts for environmental protection and sustainable development included energy efficiency conservation measures and green building initiatives.

216. There was a call for cooperation with regional partners, such as the ASEAN Community and the Mekong River Commission, in relation to climate change and water security issues, and the importance of regional cooperation to promote sustainable offshore fishing was highlighted.

217. One delegation noted that cities were engines of economic growth in Asia and the Pacific, and thanked the secretariat for jointly organizing the sixth Asia-Pacific Urban Forum in October 2015 in Jakarta. The Commission highlighted the importance of smart city concepts to support future urbanization, including in meeting data collection needs, and of support for ageing populations. The Commission further noted the

importance of balanced territorial development, including the closing of urban-rural development gaps.

218. The Commission expressed satisfaction with the work of the secretariat in the area of transport and pledged continued support to the secretariat in its efforts at promoting regional cooperation and integration through the development of transport connectivity. In that respect, it welcomed the offer of the Government of the Russian Federation to host the third session of the ESCAP Ministerial Conference on Transport in Moscow in November and December 2016.

219. The Commission acknowledged that efficient transport connectivity was key to economic development and that the establishment and operationalization of international intermodal transport corridors played an important role in realizing seamless regional connectivity, including maritime connectivity.

220. The Commission further acknowledged that connectivity was critical to break the isolation of landlocked countries and provide them with access to international markets and maritime ports.

221. The Commission noted the efforts made by member States to realize connectivity through multilateral or national projects. In that regard, it noted that the launch of the Silk Road Economic Belt and Twenty-first Century Maritime Silk Road by the Government of China provided an important framework to promote infrastructure development and foster a higher level of regional cooperation. It also noted that Armenia had initiated a number of key projects to develop international corridors through its territory and modernize its roads and railways to facilitate domestic as well as foreign trade through improved access to the Black Sea via the territory of Georgia. The Commission also noted that similar efforts were taking place in Azerbaijan, where the soon-to-be-completed Baku-Tbilisi-Kars railway and the development the Baku International Sea Trade Port were part of the Government's wide-ranging efforts to provide efficient international transit through its territory.

222. The Commission recognized the efforts made by countries of Central Asia to facilitate transit and strengthen their economic ties with other subregions. It noted the ongoing project to build a railway linking Tajikistan and Turkmenistan via Afghanistan and acknowledged the recent completion of a railway line connecting Kazakhstan, Turkmenistan and the Islamic Republic of Iran, which substantially reduced transport costs and transit times between the three countries and facilitated access to the Persian Gulf and the Sea of Oman. The Government of Turkmenistan was also implementing projects to develop a state-of-the-art road network, construct a modern airport in Ashgabat and develop a new international seaport in Turkmenbashi, which was set to become a major logistics centre and sea gate for international trade. The Commission was also informed that, acting on a "leave no one behind" policy, the Government of Indonesia was investing heavily in its national transport sector to connect the country's islands through the expansion and construction of deep seaports, airports, railways and toll roads.

223. The Commission acknowledged that the integration of different transport modes between countries and into logistics networks, as well as facilitation measures to improve the regulatory and legal environment of the transport sector, were important conditions for the realization of seamless connectivity. In that regard, the Commission expressed appreciation to the

secretariat for its assistance to China, Mongolia and the Russian Federation in negotiating the Intergovernmental Agreement on the Asian Highway Network.

224. Noting that the achievement of seamless connectivity and sustainable transport development required substantial investment, the Commission acknowledged that a number of member States had started to engage with the private sector to fund the development of transport infrastructure and logistics.

225. The Commission noted that enhanced connectivity would benefit rural areas. It also noted the efforts made to build urban mass transit systems in large cities of the region, such as the subway system developed in New Delhi with assistance from Japan, a project that was used to introduce a women-only coach policy to provide safe and comfortable public transport for women.

226. The Commission was informed that the Government of Turkmenistan would host a global high-level conference on sustainable transport in Ashgabat in November 2016 and would extend the invitation to all ESCAP members and associate members to participate in the event. The Commission noted that the conference would formulate a strategic vision on international cooperation in the field of transport and that member States could also contribute to its organization while the preparations for the contents of the conference were progressing under the auspices of the High-level Advisory Group of the Secretary-General on Sustainable Transport. The Commission further noted the call for enhanced coordination among ESCAP, the Economic Commission for Europe (ECE) and the Department of Economic and Social Affairs of the Secretariat to keep consistency in strategic directions at the ESCAP, ECE and global levels in order to avoid the fragmentation and duplication of efforts on different international platforms.

227. The Commission recognized the initiatives by different member States and organizations on energy connectivity, such as the implementation of the Belt and Road Initiative, while forging a fully-fledged connectivity network and regional economic cooperation framework within Asia and the Pacific, including the Turkmenistan-Afghanistan-Pakistan-India gas pipeline project, the Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000) and the discussion about the regional electricity market. Such initiatives would bring the region together in fighting against poverty and fulfilling the Sustainable Development Goals.

228. Welcoming the inauguration of the over 1,000 MW Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000), which would make it possible for the countries of Central Asia to export additional electricity to Afghanistan and Pakistan during the summer months, the Commission noted that technical unification and connection of the transmission lines would require a significant amount of hard work. Regional cooperation had been called for to address the substantial technical issues and other challenges.

229. The Commission emphasized the importance of regional cooperation and partnerships for the effective implementation of the Addis Ababa Action Agenda and the achievement of the goals of the 2030 Agenda. In that context, the Commission noted the importance of ESCAP assistance for the implementation of the Addis Ababa Action Agenda in the region and encouraged more support for North-South,

South-South and triangular regional development cooperation. The Commission expressed its commitment to development cooperation in the region, including through official aid programmes.

230. The Commission deliberated on the theme topic of the seventy-second session and agreed that science, technology and innovation was critically important for national development. The Commission highlighted the great transformation of some countries' economies and individuals' lives through science, technology and innovation, and shared thoughts on how to overcome the challenges faced by the region and achieve sustainable development through science, technology and innovation. The Commission highlighted the need to capitalize on science, technology and innovation and turn it into a revolution for sustainable development.

231. The Commission reiterated the importance of promoting innovation, particularly in developing countries, and the significance of international cooperation in harnessing the full potential of and promoting investment in science, technology and innovation for sustainable development. The Commission highlighted the role for ESCAP in harnessing regional collaboration and encouraged the Committee on Information and Communications Technology, Science, Technology and Innovation to help member States deal with issues relating to science, technology and innovation for sustainable development. The Commission stressed that the Committee could play a meaningful role by providing a platform to member States for knowledge-sharing, exchange of best practices and capacity-building and by helping devise a diverse range of appropriate policies on science, technology and innovation.

232. One delegation noted that innovation could be spurred through entrepreneurship, business and technology incubators, promotion of venture capital, the establishment of special economic zones and technology parks, and support for small and medium-sized enterprises, which were the leading source of innovation.

233. The Commission highlighted that reducing barriers to trade and investment would help the development of science, technology and innovation, promote technology transfer and raise competitiveness and productivity. In particular, various delegations also noted that non-tariff barriers and high transactions costs of trade continued to hamper countries' efforts to expand international and intraregional trade and achieve the Sustainable Development Goals, and called for proper trade-related infrastructure, in particular for least developed and landlocked developing countries. In that regard, one delegation commended the secretariat for its efforts to promote regional dialogue and cooperation with the aim of reducing those barriers and associated trade costs.

234. One delegation noted the importance of export promotion and diversification for graduation from the status of least developed country. In that context, the Commission called for improved trade and investment relations among developing countries. One delegation observed that the Eurasian Economic Union was an important regional cooperation mechanism that promoted trade and investment among its members.

235. One delegation highlighted the importance of a proper regulatory framework to attract investment for science, technology and innovation. In that regard, another delegation noted the importance of an enabling

environment that was conducive to attracting foreign direct investment in least developed countries, in particular in areas such as infrastructure.

236. The Commission highlighted the importance of ICT in science, technology and innovation, in particular, access to ICT, access to the Internet in isolated schools, promotion of digital literacy through online platforms, e-learning and mobile applications, and the use of the Global Positioning System and geographic information systems for sustainable development, and requested ESCAP to strengthen those elements through the Committee on Information and Communications Technology, Science, Technology and Innovation, the Asian and Pacific Training Centre for Information and Communication Technology for Development and regional platforms for regional and interregional connectivity for sustainable development.

237. The Commission was informed that China's Belt and Road Initiative fostered regional economic cooperation through trade facilitation, infrastructure and ICT connectivity. In that context, the delegation of Mongolia informed the Commission that his country had signed a memorandum of understanding with China and the Russian Federation on the establishment of an economic corridor to simplify cross-border trade, facilitate trade and investment and implement infrastructure projects to link the markets of the three countries. The corridor would complement China's Belt and Road Initiative, the Eurasian Economic Union and other national and regional initiatives aimed at promoting regional economic cooperation.

238. The Commission highlighted that achieving the Sustainable Development Goals required partnerships, including with the private sector and through effective public-private partnerships in infrastructure and other sectors, especially as the private sector was a source of science, technology and innovation that could be used to foster individual countries' development and prosperity. For that purpose, the private sector needed to be incentivized to engage in science, technology and innovation through incubators and support for start-ups.

239. The Commission stressed the critical importance of enhancing gender equality and women's empowerment in the achievement of the 2030 Agenda. In that regard, the Commission noted a range of economic and social policy measures adopted by member States to empower women and girls, including enhancing their access to financing, employment and entrepreneurship, as well as to equal opportunities for participation at all levels of decision-making in public and private sectors. The Commission emphasized the need to adopt a gender perspective in harnessing science and technology for socially inclusive and sustainable development and to address global challenges, as well as to support women's participation in the field of science and technology. One delegation highlighted the significance of ensuring equal opportunities for women and socially marginalized groups in national constitutions.

240. The Commission highlighted the need to ensure that development actively included people with disabilities, such as by making disaster risk reduction and response measures more inclusive. The Commission welcomed the decision by the Government of China to host the high-level intergovernmental meeting on the midpoint review of the Asian and Pacific Decade of Persons with Disabilities, 2013-2022, to be held in 2017, which would catalyse the implementation of the 2030 Agenda from a disability perspective.

241. The Commission noted the important contribution of migrants to the sustainable development of countries of origin, transit and destination, and welcomed the issue's inclusion in the 2030 Agenda. The important role of remittances in reducing poverty was also highlighted and member States were urged to include migration in their national development plans.

242. The Commission expressed support for energy-related activities, including strengthening the role of the secretariat as a think tank and increasing its focus on areas for cooperation including energy connectivity. The Commission welcomed the decision to establish the Committee on Energy and looked forward to the convening of its first session.

243. The Commission recognized the efforts of member States to enhance energy security through regional cooperation on improving energy supply, increasing use of renewable energy and optimizing use of fossil fuels. The Commission noted the development of large-scale energy infrastructure projects in the Russian Far East, in particular the projects for the production of liquefied natural gas.

244. The Commission further recognized that energy access was essential for sustainable growth and development and the achievement of the Sustainable Development Goals, and noted the efforts of member States in that regard. The Commission also noted that member States had set ambitious targets to increase non-fossil-fuel power generation capacity and the production of renewable energy, as well as to promote energy efficiency through a massive programme to adopt high-efficiency lighting and impose tax on coal production or import.

245. The Commission highlighted the strengthening of disaster-related scientific capacity and technologies and the securing of disaster risk information through the Asian and Pacific Centre for the Development of Disaster Information Management in the Islamic Republic of Iran to address disaster risk reduction in the region.

246. Recognizing that appropriate validation of development progress was a challenge owing to a persistent lack of high-quality and reliable statistical data, the Commission emphasized the importance of statistics development in high-priority areas including disaster-related statistics and acknowledged the ongoing support by the secretariat in providing technical advisory services.

247. The Commission took note of the progress made by the Economic Cooperation Organization in developing and adopting a disaster risk reduction framework, and of the potential opportunity to continue collaborating with the secretariat in building national statistical capacity in that important area.

248. The Commission expressed appreciation for the efforts made by the secretariat in promoting the use of space technology for drought monitoring and early warning through the Regional Cooperative Mechanism for Drought Monitoring and Early Warning. The Commission emphasized that that regional cooperation, in particular through the Regional Space Applications Programme for Sustainable Development, would greatly contribute to the application of innovative technology and enhance capacity-building to address the challenges to inclusive and sustainable economic and social development in Asia and the Pacific.

249. The Commission noted that the application of space technologies and services provided by multi-satellite systems would support inclusive and sustainable development in sectors beyond navigation, road traffic management and road safety.

250. The Commission noted the challenges faced by landlocked developing countries, least developed countries and small island developing States in mainstreaming and localizing the Sustainable Development Goals into national plans, programmes and strategies, including the localization of the Goals at the subnational level, the scaling-up of implementation and mobilization of financial resources to do so, limited data capacity and human resource constraints. In that context, the Commission emphasized the need for technology transfer to least developed countries, while also noting the urgent need to review the criteria for the graduation of least developed countries in order to make the economic vulnerability index a compulsory criterion.

251. The Commission noted the importance and progress of implementation of the Vienna Programme of Action, highlighting the need for financial and technological support to landlocked developing countries. One delegation called on Asian landlocked developing countries to accede to the Multilateral Agreement for the Establishment of an International Think Tank for Landlocked Developing Countries, in order to promote research and advocacy to build the capacity of landlocked developing countries to benefit from trade.

252. The Commission also noted the importance of the suggestion made in the *Asia-Pacific Countries with Special Needs Development Report 2016* on prioritization and sequencing of the 2030 Agenda, and welcomed the work of the secretariat with regard to island-tailored approaches for the 2030 Agenda in Pacific small island developing States. In that connection, it was highlighted that targets under Sustainable Development Goal 14 on the promotion, protection and sustainable use of marine resources should be rigorously pursued.

253. The Commission stated that financing for the 2030 Agenda was of particular importance for least developed countries, landlocked developing countries and small island developing States. The Commission called for special attention and support from the international community for the development of Asian and Pacific countries with special needs, to improve their human capital, diversify their economies and build their productive capacities and resilience to cope with external shocks, climate change and natural disasters. The Commission called for continued regional cooperation and support from the international community, including the rest of the United Nations system, in a harmonized and integrated manner.

High-level dialogue on regional economic cooperation and integration

254. At the high-level dialogue, the strategic development priorities were discussed, including the implementation of the Sustainable Development Goals in the Asia-Pacific region. The panel reflected on the regional economic cooperation and integration agenda. Challenges and opportunities brought by issues such as the shared boundaries, development of newer markets and South-South cooperation – in particular harnessing financing flows and exploiting partnerships in science, technology and innovation – offered distinctive potential in effectively realizing the means of implementation for the Goals and the wider 2030 Agenda. The high-level

dialogue included ministerial-level panellists, who presented their visions and perspectives on the new global development agenda.

255. The panel was moderated by the Executive Secretary of ESCAP. The panellists were:

- (a) Mr. Qohir Rasulzoda (Tajikistan);
- (b) Mr. Josaia Voreqe Bainimarama (Fiji);
- (c) Mr. Maatia Toafa (Tuvalu);
- (d) Mr. Seyed Hamid Pourmohammadi Gelsefidi (Islamic Republic of Iran);
- (e) Mr. Robert Harutyunyan (Armenia);
- (f) Mr. Yerzhan Ashikbayev (Kazakhstan);
- (g) Mr. Sahib Mammadov (Azerbaijan);
- (h) Mr. Bambang Susantono (Asian Development Bank);
- (i) Mr. Timur Suleimenov (Eurasian Economic Commission).

256. Mr. Rasulzoda informed the Commission that in order to mitigate the impact of the global crisis on the national economy, Tajikistan had taken additional measures to ensure the development of the real sectors of the economy, provided state support for entrepreneurship, promoted internal and external investments for the creation of manufacturing enterprises and new jobs, and enhanced cooperation with trading partners and international financial organizations. The main objective of the national development strategy for the period up to 2030 and the mid-term national development programme for 2016-2020 was to improve the well-being of the population through sustainable social and economic development. In that regard, he highlighted two important initiatives: the Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000) launched on 11 and 12 May 2016, which would link Pakistan, Afghanistan, Tajikistan and Kyrgyzstan through a renewable energy electricity grid; and the international decade for action on “Water for Sustainable Development”, initiated by Tajikistan, which would provide favourable opportunities for cooperation towards targeted sustainable use of water resources.

257. Mr. Bainimarama highlighted, at the outset, the need for the international community to cap global warming at 1.5°C. He stressed that Pacific island countries were highly vulnerable to extreme weather events such as cyclones, which were likely to become more frequent and intense. For example, Tropical Cyclone Winston was the strongest tropical cyclone ever to make landfall, with winds of over 300 km an hour, leaving a trail of destruction over a large part of the country and a damage bill estimated by the World Bank at \$1 billion. He noted that Fiji was the first nation in the world to have approved the ratification of the Paris Agreement and lodged the ratification instruments. Recognizing the urgent need for climate finance, he offered Fiji as a base for a centre for climate change research and resilience-building for small island developing States and vulnerable States. He further informed the meeting that there were not sufficient incentives for Fiji to commit to the Pacific Agreement on Closer Economic Relations (PACER) Plus trade agreement. As trade was supposed to help economies grow and develop, he highlighted the need for the developmental aspects of PACER Plus to be strengthened, including securing long-term improved market access for goods, services and labour, and preserving domestic policy space, especially the right to regulate for

development purposes. He concluded by commending the continued commitment to development cooperation of traditional development partners that would be parties to PACER Plus.

258. Mr. Toafa informed the Commission that for the Pacific small island developing States – which faced common challenges, including small population size and remoteness – regional integration and cooperation was an imperative. He noted that fisheries remained the most important ocean resource for livelihoods, employment, nutrition and opportunities for economic growth in the Pacific, and were also important for mobilization of domestic resources for public investment in sustainable development. As such, he noted that fair compensation was a critical issue for all Pacific island countries. Regional arrangements such as the Parties to the Nauru Agreement had increased the revenue from fisheries through the Vessel Day Scheme. The importance of fisheries was also recognized by Pacific leaders under the Framework for Pacific Regionalism in 2015, where leaders endorsed the Regional Roadmap for Sustainable Pacific Fisheries. On the issue of labour mobility, he stated that Tuvalu had a proud history of labour migration, and had established a national migration policy and action plan to diversify opportunities from the traditional seafaring and seasonal agriculture base into hospitality, tourism, trade and care work. The benefits of those opportunities included the transfer of remittances, knowledge, technology and skills that contributed to sustainable development and the building of resilience. He noted that more could be done through mechanisms such as PACER Plus to ensure binding commitments on labour mobility. To conclude, on the issue of climate change financing, he reiterated the need for small island developing States to have better access to climate change financing, and observed that the Green Climate Fund must be more accessible, with disbursements based on the level of vulnerability faced by countries.

259. Mr. Pourmohammadi Gelsefidi stressed that the unification and coordination of measures taken to enhance relations among countries of the region, particularly after the signing of the Asian Highway, trans-Asian railway and dry ports development agreements, had been necessary and could be a considerable facilitator of economic growth rate in member countries. He highlighted the main challenges associated with the financing of international projects. For instance, the region needed more than \$800 billion annually to construct the necessary infrastructure and to address existing bottlenecks. In that context, the Islamic financial instruments could contribute to reduce financing gaps for infrastructure development. To conclude, he suggested that the follow-up to and implementation of Commission resolution 69/6 on implementation of the Tehran Declaration to promote public-private partnerships in infrastructure development in Asia and the Pacific for sustainable development and utilization of the new Islamic financial instruments could also contribute to reducing the financing gaps for infrastructure development in the region.

260. Mr. Harutyunyan noted that Armenia, as a landlocked developing country, strove to join all relevant international arrangements with the purpose of liberalizing its economy and turning Armenia into a gateway between East and West, and North and South. He highlighted that membership of WTO had enabled Armenia not only to open its market by complying with WTO standards but also to conduct the required reforms to liberalize its economy and begin an open-door policy with regard to foreign investors. He emphasized that joining the Eurasian Economic Union had brought Armenia notable economic benefits. The membership of the Union also allowed Armenia access to a large market of 180 million people and

duty-free access to natural resources, particularly energy, as well as modern technologies and skilled labour force which, coupled with its customs-free regime, made the Armenian economy more competitive. In line with its policy on cooperation with all relevant stakeholders, Armenia had initiated negotiations with the European Union in 2015 on new agreements to cover political, economic and other relevant areas.

261. Mr. Ashikbayev informed the Commission that under its President's leadership, Kazakhstan was implementing an ambitious reform programme that foresaw Kazakhstan becoming one of the world's 30 most developed countries by 2050. National action plans were being implemented to pursue a greater degree of industrialization and economic growth based on diversification and innovation, as well as to accelerate domestic social development. Building transport, trade and energy linkages was high on his country's policy agenda as a means of increasing stability and prosperity for the well-being of all States of Central Asia, making them "land-linked" instead of "landlocked" and transforming the "great game" of trade and deepening economic relations into a "great gain". Kazakhstan was enhancing cooperation within the Silk Road Economic Belt and saw great benefits in the functioning of the Eurasian Economic Union. Moreover, as a legacy of EXPO 2017, Kazakhstan would create a United Nations centre on the transfer of green technologies to developing countries and a regional financial centre. Kazakhstan was committed to developing a green economy and planned to generate 50 per cent of its electricity from non-fossil-fuel sources by 2050. Furthermore, in a demonstration of the commitment of Kazakhstan to the United Nations principles on climate change, projects to support small island states in the Pacific were being launched.

262. Mr. Mammadov underlined, at the outset, the importance attached by Azerbaijan to strengthening regional economic cooperation. He reviewed the achievements of the economy of Azerbaijan in the previous two decades, including growth of GDP and the income of its people. He further highlighted his country's successful efforts to diversify its economy, introduction of innovations, firm commitment to implementation of the Millennium Development Goals and intention to further strengthen cooperation within the framework of the United Nations. He highlighted his country's latest developments in strengthening regional economic cooperation through the implementation of large-scale projects related to energy and transport and implementation of information and communications technology in the region. He also provided a brief overview of key projects in those areas that were currently being implemented by Azerbaijan, including the development of rail and waterway infrastructure and the establishment of a new transport route connecting Asia and Europe through the territory of Azerbaijan. He underlined the importance attached by his country to the development of information and communications technology and highlighted its achievements in that field. He concluded by confirming the continued support of his country to fully-fledged economic cooperation in the region and stressed that such cooperation could not be fully effective while armed conflicts continued in the region.

263. Mr. Susantono underscored the critical role of financing for regional economic cooperation and connectivity. He noted that of the estimated \$1 trillion annual financing gap for national infrastructure and regional physical connectivity in developing countries in Asia, 40 per cent must come from the private sector through equity, bonds and commercial lending. Public-private partnerships were critical to financing physical infrastructure. One of the unique challenges presented by public-private

partnerships, though, was to develop projects that were bankable. To attract private-sector involvement, such projects required high-quality design, incorporating environmental, social and health safeguards; regulatory predictability; and assured long-term returns. He highlighted a few good examples of such projects, including the hydropower and road projects in the Greater Mekong Subregion and railway planning under the Central Asia Regional Economic Cooperation Programme, both supported by the Asian Development Bank. In 2016, the Bank's Office of Public-Private Partnerships launched a \$70 million Asia-Pacific Project Preparation Facility, co-financed with Japan, Australia and Canada, to fund physical infrastructure projects to promote regional connectivity. He underlined that, while physical infrastructure connectivity was necessary, removing non-tariff barriers was also crucial to facilitating trade and investment across landlocked developing countries in Asia and better linking East Asia with South Asia and Europe.

264. Mr. Suleimenov informed the Commission that the Eurasian Economic Union provides the necessary conditions for free movement of goods, services, capital and labour and pursued a coordinated, harmonized and single policy within the Union's member States. He recalled that the single labour market had started operating in the Union, and included freedom of movement of labour. A single services market was operating in a number of sectors determined by the Union member States. The Treaty on the Eurasian Economic Union also provided for the possibility of applying national treatment to the citizens of the Union with regard to social security, including health care. He reiterated that in each country in the Union, all health-care services provided by the state would be equally accessible to all Union citizens, and that the Treaty determined regulatory treatment of the turnover of pharmaceuticals and medical devices. To conclude, he underlined that Union member States had welcomed the Chinese initiative on the new Silk Road, and had indicated their interest in cooperation with China, as well as with other countries such as Egypt, India, the Islamic Republic of Iran and Israel.

265. At its 6th plenary meeting, on 19 May, the Commission took note of the note by the secretariat on enhancing regional economic cooperation and integration in Asia and the Pacific.

Sub-item (b)

Economic and Social Survey of Asia and the Pacific 2016

266. The ministerial panel on the *Economic and Social Survey of Asia and the Pacific 2016* focused on the policy challenges faced by the region's countries and the importance of reviving productivity growth for inclusive and sustainable development.

267. The panel was moderated by the Executive Secretary. The panellists were:

- (a) Mr. Teuea Toatu (Kiribati);
- (b) Mr. Ilyosiddin Kamolitdinov (Tajikistan);
- (c) Mr. Arjun Bahadur Thapa (South Asian Association for Regional Cooperation);
- (d) Mr. Supachai Panitchpakdi (formerly at the United Nations Conference on Trade and Development);
- (e) Mr. Jong-Wha Lee (Asiatic Research Institute, Korea University).

268. The Executive Secretary provided an overview of the analysis and recommendations on accelerating productivity growth contained in the *Economic and Social Survey of Asia and the Pacific 2016*. In particular, she noted that it was worrying that both economic growth and productivity growth had slowed in the Asia-Pacific region, as both were important elements for development. She stressed the need to rethink the region's development strategy and its overreliance on exports destined for developed economies, noting that it was important for Governments to strengthen efforts to stimulate domestic and regional demand to bolster economic growth and effectively pursue the 2030 Agenda, including through proactive use of fiscal policy. She then emphasized that increasing productivity growth was critical to reviving economic growth and supporting sustainable development and that effective pursuit of the 2030 Agenda could play a pivotal role in strengthening productivity growth. She cautioned that while many economies in the region had shifted from an agricultural to a service-based economy, that shift was coming too early in the development of many countries. Rather, there was a need to strengthen the role of agriculture alongside rural industrialization, particularly as agriculture accounted for one in four workers and more than half of all people in the region lived in rural areas. Thus, greater labour productivity in agriculture would enable higher incomes in the rural sector, which would contribute to strengthening domestic demand and reindustrializing economies.

269. Mr. Toatu highlighted that productivity-led economic growth and sustainable development was a viable option even for small island developing States, such as Kiribati, that faced severe geographical and structural constraints. Referring to the analysis in the *Economic and Social Survey of Asia and the Pacific 2016* of key drivers of productivity, he explained that the Government of Kiribati had been investing significant resources in education and health, while supporting labour mobility through vocational training and quality trade certificates. Transport and telecommunication infrastructure, including Internet connectivity, had been strengthened as a result. At the same time, the Government of Kiribati had sought to enhance social protection and the inclusive development of its outer islands through programmes such as the copra fund subsidy. He said that a holistic climate change and natural disaster management strategy, together with a strengthened public financial management system, would help the country tap into global climate finance.

270. Mr. Kamolitdinov, responding to a question about the Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000), highlighted that renewable energy, in particular hydropower generation, was important for diversifying energy sources and for mitigating climate change impacts from energy production. That historic project had been inaugurated in May 2016 and would play an instrumental role in addressing severe energy shortages in South Asia by linking power transmission lines across Kyrgyzstan, Tajikistan, Afghanistan and Pakistan. The project would not only support the Asia-Pacific region in realizing the potential of its hydropower resources, but also boost employment in the four participating countries. Highlighting the potential of Tajikistan as a large exporter of electricity, he noted that energy resources development required a considerable amount of stable investment, comprehensive policy covering all components of the energy sector and simplified access to energy markets.

271. Mr. Thapa underlined that the analysis presented in the *Economic and Social Survey of Asia and the Pacific 2016* of agricultural productivity was highly relevant for South Asia, where the agricultural sector still accounted for about 18 per cent of GDP and more than half of total

employment. The 2030 Agenda, especially Sustainable Development Goal 2, should thus provide fresh impetus. He highlighted, among others, the need to assist with the evolution from small farming to commercial agriculture by improving land tenure laws, supporting direct procurement of agricultural produce and improving connectivity and provision of information on markets and tools. He also highlighted the need for training and education on sustainable agricultural techniques. SAARC had been providing technical assistance in such areas; for instance, in the cultivation of stress-tolerant rice. He noted that agricultural curricula needed periodic updating, not least to ensure that output from the agriculture sector could provide for and keep up with the growing demand for non-crop food items by the urban middle class. There was a need for better interfaces with the wider educational system and outreach to small farmers through radio and television channels, which could also enhance agricultural productivity; for example, a television channel in India was dedicated to producing broadcasts relevant to farmers. More jobs must be created in rural areas so that outward migration of workers became more of a choice than a necessity.

272. Mr. Panitchpakdi highlighted that the near-term economic growth outlook for developing Asia-Pacific economies was very uncertain and was partly contingent upon fragile economic and political developments in major developed countries. Measures to boost financial liquidity in industrial economies had not produced a tangible positive impact on economic growth, and while asset prices had in general surged, and continued to do so, the distribution of income was deteriorating as low interest rates were undermining efforts to save. He also pointed to the need to de-financialize the global economy in order to reduce risks relating to financial volatility. He emphasized the need for the Asia-Pacific region to move away from factors that had driven the region's past economic development, namely low-wage labour-intensive production, export subsidies and cheap credit. Rather, public policies in the region should aim to promote domestic demand, which in turn would support economic growth and reduce excessive dependence on external demand. He cautioned that Governments would have to be mindful of avoiding policies that contributed to greater levels of private-sector indebtedness. In conclusion, he noted three policy issues that merited further consideration to strengthen the region's development: (a) the use of incomes policies, in addition to fiscal and monetary policies, to support economic development; (b) strategies to ensure that productivity gains were translated into increases in wages; and (c) the need to maintain steady progress made on the multilateral trade system, which would help to revive growth in global merchandise trade.

273. Mr. Lee shared his views on how Asia-Pacific economies could sustain higher levels of growth in the medium to long term. He highlighted several factors that explained why the region's growth was slowing, including external factors, such as the spillover from the slow growth that was being observed in advanced and large emerging economies, as well as domestic factors, related to structural weaknesses, weak domestic demand and eroded policy buffers. On the economic prospects of China, he argued that as a result of ageing, labour inputs as well as savings would decline. Over time, those two factors would translate into a growth slowdown to a sustainable path in the region's largest economy. In that regard, it was important for other countries in the region, in addition to China, to aim to rebalance their economies by strengthening domestic consumption. To do so, they would have to improve their investment climate, increase government spending on health, education and infrastructure and enhance exchange-rate flexibility. The future growth of Asia-Pacific economies also hinged on productivity growth. Countries focused on five core elements to

enhance productivity: investing more in human capital, strengthening infrastructure in the region, enhancing governance and institutional quality, increasing investment in technology and continuing development of financial markets in the region. Economic development also involved the diversification of economies by increasing the number of goods produced as well as improving the quality of existing goods. Countries should be cognizant of the negative effects on economic growth of expanding a low-productivity service sector; indeed, countries that had a larger share of services in total employment also had lower average growth of overall labour productivity. He thus called for renewed thrust to reindustrialize economies in the region.

274. At its 6th plenary meeting, on 19 May, the Commission took note of the note by the secretariat on the summary of the Economic and Social Survey of Asia and the Pacific 2016.

Agenda item 8

Theme topic for the seventy-second session of the Commission: “Science, technology and innovation for sustainable development”

275. The Chair of the ministerial round table opened the proceedings by highlighting the theme of the seventy-second session of the Commission, which was science, technology and innovation for sustainable development. The Chair then introduced the panel, which was moderated by the Executive Secretary of ESCAP. The panellists were:

- (a) Mr. Rana Tanveer Hussain (Pakistan);
- (b) Mr. Lakshman Senevirathne, (Sri Lanka);
- (c) Mr. Timur Suleimenov (Eurasian Economic Commission);
- (d) Mr. R. Chidambaram (India);
- (e) Mr. Robert Harutyunyan (Armenia).

276. The Executive Secretary then gave the opening remarks for the session and introduced the theme study, *Harnessing Science, Technology and Innovation for Inclusive and Sustainable Development in Asia and the Pacific*, highlighting some of its key messages.

277. The Executive Secretary stressed the importance of a common and effective conceptual framework to enable science, technology and innovation to be more economically and socially inclusive, while promoting climate resilience and the reduction of carbon emissions. Effective institutions and digital infrastructure, appropriate legal and regulatory frameworks, commitment to and incentives for investment, and a workforce for the future were critical components of such a framework. She emphasized the imperative for Governments to develop integrated and visionary policies on science, technology and innovation while incentivizing businesses and investors to support the three dimensions of sustainable development – economic, social and environmental – and stressed the need for such policies and strategies to be inclusive, open and collaborative. Lastly, the Executive Secretary highlighted the scope for regional collaboration on science, technology and innovation in Asia and the Pacific to enable countries at all levels of development to take advantage of available technologies and to develop a robust regional culture of innovation.

278. Mr. Tanveer Hussain (Pakistan) said that his country’s national research agenda, which was developed with inputs from scientists,

engineers, researchers and policymakers, identified 14 priority areas, including climate change and environment.

279. Mr. Senevirathne (Sri Lanka) outlined his country's Vision 2020 programme, which involved working with 10 ministries to use science to influence policy to achieve their objectives by 2020, with the priority of achieving the Sustainable Development Goals. He also highlighted the triple tax deduction incentive to stimulate private-sector research and development.

280. Mr. Suleimenov (Eurasian Economic Commission) observed that regional cooperation on science, technology and innovation took place increasingly through regional trade agreements and international investment agreements, but that it was challenging to achieve a balance between investors' rights and the needs of host countries. He emphasized the need to have strong but less bureaucratic intellectual property rights regimes.

281. Mr. Chidambaram (India) emphasized that countries should promote the development of micro, small and medium-sized enterprises at the sectoral level through clustering and by linking them to nearby available scientists and academics. He also highlighted connectivity as an important factor for promoting and harnessing science, technology and innovation, emphasizing the benefits of space technology for sustainable development, including applications for natural resources management such as forest mapping, watershed management and mapping of fishing zones.

282. Mr. Harutyunyan (Armenia) noted the importance of venture capital funds for start-up enterprises and entrepreneurs with innovative ideas, with a particular focus on information and communications technology and high technology sectors. He highlighted several public-private partnerships that had been developed to catalyse innovation and the crucial role of high-quality human capital.

283. The panellists then gave their views on the role that ESCAP should take to harness regional collaboration on science, technology and innovation.

284. Mr. Tanveer Hussain (Pakistan) highlighted that an integrated approach and collaboration will be important to ensure that resources related to science, technology and innovation were not spread too thinly. The benefits of knowledge-sharing were also highlighted. He recommended that ESCAP should become the regional platform to link national efforts on science, technology and innovation with global efforts.

285. Mr. Senevirathne (Sri Lanka) emphasized that regional cooperation on science, technology and innovation was extremely important. He recommended that ESCAP should take the role of collating knowledge on science, technology and innovation and then distributing that knowledge to all countries.

286. Mr. Suleimenov (Eurasian Economic Commission) recommended that ESCAP should examine regional intellectual property rules to ensure that intellectual property protection was effectively crafted to enable products to enter the market cheaply and as fast as possible. National intellectual property protection rules and intellectual property considerations in trade agreements and investment agreements would be critical. He recommended that ESCAP should focus on issues relating to science, technology and innovation and intellectual property with regard to trade and investment agreements. He also recommended a more hands-on

approach through a regional fund that would invest in start-ups and technology for innovations that crossed country boundaries or had the potential to connect countries.

287. Mr. Chidambaram (India) emphasized e-connectivity as a great equalizer and that it should form the basis of innovation. He highlighted that digital technology could be used to create a network for knowledge on science, technology and innovation and recommended that ESCAP should play a role in better connecting scientists, technologists and innovators in member States.

288. Mr. Harutyunyan (Armenia) highlighted the importance of integration and increasing competitiveness of all countries to enable them to work with each other. He welcomed the initiative to work on science, technology and innovation within the framework of ESCAP and stated his country's readiness and willingness to contribute to that new programme of work.

289. At its 6th plenary meeting, on 19 May, the Commission adopted resolution 72/12 on harnessing science, technology and innovation for inclusive and sustainable development in Asia and the Pacific.

Agenda item 9

Other matters

Election of the members of the Governing Council of the Asian and Pacific Centre for the Development of Disaster Information Management

290. In accordance with paragraph 27 of the statute of the Centre, in addition to the host country, the Islamic Republic of Iran, the Commission elected the following countries to the Governing Council of the Centre for the period from 2016 to 2019: Bangladesh; Cambodia; Macao, China; Nepal; Pakistan; Philippines; Sri Lanka; and Turkey.

Election of the members of the Governing Council of the Statistical Institute for Asia and the Pacific

291. In accordance with paragraph 9 of the statute of the Centre, in addition to the host country, Japan, the Commission elected the following countries to the Governing Council of the Centre for the period from 2016 to 2019: China; India; Pakistan; Philippines; Republic of Korea; Russian Federation; and Vanuatu.

Agenda item 10

Adoption of the report of the Commission

292. The report of the Commission on its seventy-second session (E/ESCAP/72/33) was adopted unanimously at its 6th plenary meeting on 19 May 2016.