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Economic and Social Commission for Asia and the Pacific Committee on Macroeconomic Policy, Poverty Reduction and Financing for Development

Third session

Bangkok and online, 20–22 October 2021

Annotated provisional agenda

The present document contains the provisional agenda for the third session of the Committee on Macroeconomic Policy, Poverty Reduction and Financing for Development (section I) and the annotations thereto (section II).

I. Provisional agenda

1. Opening of the session:
 - (a) Opening statements;
 - (b) Election of officers;
 - (c) Adoption of the agenda.
2. Towards an inclusive, resilient and sustainable economic recovery from the coronavirus disease pandemic.
3. Vitalizing innovative and digital financing strategies in support of the Sustainable Development Goals.
4. Review of activities carried out in 2020 and 2021 in response to the requests of the Committee at its second session and the coronavirus disease pandemic, and consideration of the future focus of the subprogramme.
5. Dates and venue of the fourth session of the Committee.
6. Other matters.
7. Adoption of the report of the Committee on its third session.

II. Annotations

1. Opening of the session

(a) Opening statements

The programme for the session will be available online at www.unescap.org/events/2021/committee-macroeconomic-policy-poverty-reduction-and-financing-development-third.

(b) Election of officers

The Committee will elect a chair and two vice-chairs for the session.

The list of participants will be available online at www.unescap.org/events/2021/committee-macroeconomic-policy-poverty-reduction-and-financing-development-third.

(c) Adoption of the agenda

Documentation

Annotated provisional agenda (ESCAP/CMPF/2021/L.1)

Annotation

The provisional agenda will be considered and adopted by the Committee, subject to such changes as may be necessary.

2. Towards an inclusive, resilient and sustainable economic recovery from the coronavirus disease pandemic

Documentation

Towards an inclusive, resilient and sustainable economic recovery from the coronavirus disease pandemic (ESCAP/CMPF/2021/1)

Annotation

The coronavirus disease (COVID-19) pandemic took a heavy toll on the socioeconomic well-being of people in Asia and the Pacific, especially those in poor and vulnerable groups, and also exposed chronic development challenges in the region. Immediate policy responses in the region helped to mitigate the immediate shocks. However, important uncertainties and gaps remain, as highlighted in the *Economic and Social Survey of Asia and the Pacific 2021: Towards Post-COVID-19 Resilient Economies*.

First, public support for post-pandemic recovery in developing Asia-Pacific countries is significantly lower than in advanced countries owing to fiscal and financial constraints. In some countries, the increasing debt stress also threatens the continuity of essential fiscal spending and investments in future development. Second, the uneven access to COVID-19 vaccines, the disproportionate impact of the pandemic on poor and vulnerable groups and the unequal opportunities in adaptations to the pandemic (such as teleworking and distance learning) have widened inequality gaps and are likely to result in a K-shaped recovery both within and across countries. Lastly, investments in the transformation towards resilient and sustainable economies have been

limited in the initial responses. There is great scope for harnessing synergies with regard to economic recovery, green development and greater resilience to enable Asia-Pacific economies to build back better.

The document serves to take stock of these issues and discuss policy options that can help member States to transform their economies and shift them onto an inclusive, resilient and sustainable development pathway. Given the fact that for several of these policies, implementation would require financial resources, the document also contains a discussion of policies that can help to strengthen public finances, enhance fiscal space and close financing gaps.

The Committee may wish to provide feedback and guidance to the secretariat on which of the policies discussed should be explored further to accelerate the needed transformation of economies, strengthen public finances and enhance fiscal space, with a view to enabling the secretariat to provide targeted technical assistance and capacity-building.

3. Vitalizing innovative and digital financing strategies in support of the Sustainable Development Goals

Documentation

Vitalizing innovative and digital financing strategies in support of the Sustainable Development Goals (ESCAP/CMPF/2021/2)

Annotation

More than a year since its onset, the COVID-19 pandemic continues to pose a major threat to a sustained economic recovery and the achievement of the Sustainable Development Goals. By enhancing the availability of financial resources and improving the alignment of public and private investments with the Sustainable Development Goals, innovative and digital financing strategies have the potential to address such challenges. The document contains a discussion of selected innovative and digital financing instruments and tools in the context of the Asia-Pacific region and provides an overview of key regulatory and policy challenges that need to be overcome to maximize the potential of such instruments and tools in scaling up financing for the Sustainable Development Goals.

Examples of innovative and digital financing strategies and associated policy measures discussed in the document include the following: (1) developing green capital markets and innovative financial instruments such as green or Sustainable Development Goal bonds; (2) implementing mechanisms such as debt-for-climate swaps to finance climate-resilient investments in highly indebted countries; (3) strengthening regulatory frameworks of central banks and financial institutions to support the expansion of the market for environmental, social and governance investments; (4) integrating climate risk disclosure and reporting into business activities to improve transparency for investors and other stakeholders and encourage sustainable investments; and (5) harnessing the potential of digital payment and its various applications in support of the Sustainable Development Goals.

The Committee may wish to review the innovative and digital financing strategies and discuss good practices and challenges in their deployment in Asia and the Pacific. The Committee may also wish to provide guidance to the secretariat on how it can support member States through technical assistance

programmes aimed at building national capacities to facilitate the implementation of such strategies.

4. Review of activities carried out in 2020 and 2021 in response to the requests of the Committee at its second session and the coronavirus disease pandemic, and consideration of the future focus of the subprogramme

Documentation

Report on activities carried out in 2020 and 2021 in response to the requests of the Committee on Macroeconomic Policy, Poverty Reduction and Financing for Development at its second session and the coronavirus disease pandemic, and consideration of the future focus of the subprogramme (ESCAP/CMPF/2021/3)

Annotation

The document provides an overview of the secretariat's implementation of the requests of the Committee at its second session, held in November 2019. At that time, the Committee requested the secretariat to act in the following broad areas: (1) further analysis and capacity-building support on assessing investment requirements, associated financing strategies and common domestic tax challenges to achieve the Sustainable Development Goals; (2) support for countries with special needs, through research and capacity-building activities, in the implementation of their relevant programmes of action, including to ensure a smooth transition for those graduating from the category of least developed countries; and (3) continued support for member States in developing capacities to implement the public-private partnership modality for infrastructure financing, facilitate regional cooperation on innovative finance and enhance the access of micro-, small and medium-sized enterprises to finance.

The document contains an overview of the subprogramme's work with a focus on its contribution to areas that should be mainstreamed in the work of all the committees in accordance with the Commission's conference structure.

In light of the unprecedented challenges posed by the COVID-19 pandemic in Asia-Pacific economies, additional research and capacity-building activities to support member States were carried out under the subprogramme on macroeconomic policy, poverty reduction and financing for development. The document also provides a synopsis of that work.

The Committee may wish to provide feedback to the secretariat with regard to the steps taken by the secretariat in response to the Committee's requests and its COVID-19-related work. Bearing in mind the impact of the pandemic and the need to move towards economies that are more inclusive, resilient and sustainable, the Committee may also wish to provide guidance to the secretariat based on the feedback from member States about which research and capacity-building activities they consider most useful for their specific circumstances.

The Committee may further wish to provide the secretariat with guidance on the preparations for the programme plan for 2023 based on its deliberations.

5. Dates and venue of the fourth session of the Committee

The Committee may wish to deliberate on the dates and venue of its fourth session, to be held in 2023.

6. Other matters

The Committee may wish to consider other matters not covered under the items mentioned above.

7. Adoption of the report of the Committee on its third session**Documentation**

Draft report (ESCAP/CMPF/2021/L.2)

Annotation

The Committee will consider and adopt the report on its third session for submission to the Commission at its seventy-eighth session.
