



Economic and Social Council

Distr.: General
3 August 2023

Original: English

Economic and Social Commission for Asia and the Pacific

Committee on Macroeconomic Policy, Poverty Reduction and
Financing for Development

Fourth session

Bangkok and online, 1–3 November 2023

Annotated provisional agenda

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

I. Provisional agenda

1. Opening of the session:
 - (a) Opening addresses;
 - (b) Election of officers;
 - (c) Adoption of the agenda.
2. Assessing the impacts of investments in the Sustainable Development Goals on public debt sustainability: a new approach.
3. Bridging the gap in sustainable finance in Asia and the Pacific: principles for action.
4. Review of activities carried out in 2022 and 2023 in response to the requests and decisions made by the Committee at its third session.
5. Consideration of the future focus of the subprogramme.
6. Other matters.
7. Adoption of the report of the Committee on its fourth session.

II. Annotations

1. Opening of the session

(a) Opening addresses

Opening addresses will be delivered by the Executive Secretary, other senior officials and government representatives.

(b) Election of officers

The Committee will elect a Chair and two Vice-Chairs for the session.

(c) Adoption of the agenda

Documentation

Provisional agenda (ESCAP/CMPF(4)/1)

Annotated provisional agenda (ESCAP/CMPF(4)/1/Add.1)

Annotation

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

The list of participants and the programme for the session will be available online at www.unescap.org/events/2023/committee-mpfd-fourth-session.

2. Assessing the impacts of investments in the Sustainable Development Goals on public debt sustainability: a new approach

Documentation

Assessing the impacts of investments in the Sustainable Development Goals on public debt sustainability: a new approach (ESCAP/CMPF(4)/2)

Annotation

Amid a rising risk of public debt distress in developing Asia-Pacific countries, the key policy challenge is how to accelerate investments in efforts to achieve the Sustainable Development Goals while maintaining public debt sustainability in the long term. At present, the approaches commonly used to assess public debt sustainability are focused on the short term. Thus, too much emphasis could be placed on reducing the risk of near-term debt distress instead of investing in sustainable development. In the document, the secretariat presents a new, long-term approach to assessing public debt sustainability that augments conventional short-term analyses by taking into consideration the impacts of investments in the Goals, along with associated financing strategies, on future public debt trajectories.

The results of a pilot study on Mongolia have revealed that, while investing in the Sustainable Development Goals would increase the government debt level in the short term, a policy package that is aimed at making the economy of Mongolia greener and more diversified would boost fiscal resources and mobilize private capital for development, which would help cut government indebtedness, notably in the long term. This has several policy implications for all countries. For instance, Governments should aim to strike a balance between achieving the Goals and maintaining public debt sustainability, and international financial institutions and credit rating agencies can play an important role in supporting debtor countries to navigate such a balancing act. Moreover, all creditors and potential lenders should carry out public debt sustainability analyses from both a short- and a long-term perspective when making lending and investment decisions.

The Committee is invited to review and discuss the policy issues regarding the new, long-term public debt sustainability assessment approach set out in the document, in the context of increasing investments in the Sustainable Development Goals. The Committee is encouraged to share country-specific experiences and initiatives and to provide feedback and guidance on these issues to help the secretariat in its forthcoming analytical work and technical assistance.

3. Bridging the gap in sustainable finance in Asia and the Pacific: principles for action

Documentation

Bridging the gap in sustainable finance in Asia and the Pacific: principles for action (ESCAP/CMPF(4)/3)

Annotation

With current financial requirements far exceeding available resources, the Asia-Pacific region is not on track to meet the Sustainable Development Goals by 2030, nor to achieve its climate ambitions. It is time for all stakeholders – in particular Governments, regulators and private financial entities – to accelerate change by committing themselves to achieving net-zero emissions and transforming their financing priorities, processes and programmes to meet the growing financing needs of the region.

By focusing on sustainable finance, which refers broadly to both the financing of sustainable activities and to financial resources that are sustainably managed, the secretariat addresses the challenges and opportunities for Governments, regulators and private financial entities in the Asia-Pacific region to bridge the gap in sustainable finance. To facilitate the discussion on policies and actions, the secretariat proposes 10 principles to propel the use of financial resources for climate action. These 10 principles are categorized into actions to be taken by Governments, regulators and private financial entities.

The Committee is invited to provide feedback on the 10 principles and discuss ways of strengthening regional cooperation to bridge the gap in sustainable finance in Asia and the Pacific. The Committee may also wish to discuss country-level experiences, challenges and opportunities in enhancing access to sustainable finance.

4. Review of activities carried out in 2022 and 2023 in response to the requests and decisions made by the Committee at its third session

Documentation

Review of activities carried out in 2022 and 2023 in response to the requests and decisions made by the Committee on Macroeconomic Policy, Poverty Reduction and Financing for Development at its third session (ESCAP/CMPF(4)/4)

Annotation

In the document, the secretariat provides an overview of its efforts to implement the requests and the decision made by the Committee at its third session, held in Bangkok and online from 20 to 22 October 2021. Specifically, the Committee requested the secretariat: (a) to strengthen its research and technical assistance to member States in areas such as post-pandemic economic

recovery, poverty alleviation and the transformation towards inclusive, resilient and sustainable economies; (b) to continue to conduct analysis and facilitate the sharing of best practices and lessons learned with a view to broadening the fiscal space and leveraging innovative, green and digital financing solutions in support of the Sustainable Development Goals; and (c) to continue its support for multilateral and development cooperation, partnerships and the sharing of experiences in areas such as macroeconomic policy, poverty alleviation and financing for development.¹

Also at its third session, the Committee decided to establish, within existing resources, the Consultative Group on Financing Strategies for the Sustainable Development Goals, to facilitate a more regular and substantive communication between the Committee, the secretariat and relevant government ministries.²

The Committee may wish to provide feedback on the steps taken by the secretariat to implement the above-mentioned requests and decision. Keeping in view the rapidly changing economic environment and the need to move towards more inclusive, resilient and sustainable economies, the Committee may also wish to provide guidance on the research and capacity-building activities that member States consider most useful given their specific circumstances.

5. Consideration of the future focus of the subprogramme

Documentation

Consideration of the future focus of the subprogramme (ESCAP/CMPF(4)/5)

Annotation

A lack of adequate financial resources is one of the main challenges faced by Asia-Pacific countries in effectively pursuing the climate-related goals common to the 2030 Agenda for Sustainable Development and the Paris Agreement. Thus, given the limited financial resources available, it would be prudent to develop financing strategies that support the achievement of both agendas. In this context and keeping in view recent requests received by some member States for support, in the document the secretariat provides an overview of the financing for development work to be carried out under the subprogramme in the near future.

Specifically, the secretariat identifies the following four technical areas where research and technical assistance support is being and will be provided to member States under this and other subprogrammes of the secretariat: (a) financing the just energy transition in Asia and the Pacific; (b) developing sustainable capital markets, including green bond frameworks, debt-for-climate/nature swaps and the management of climate risks by financial regulators; (c) financing nature-based solutions, keeping in view the Kunming-Montreal Global Biodiversity Framework; and (d) building green project pipelines that qualify for investment by a range of investors, especially those located in Asia and the Pacific.

¹ ESCAP/CMPF/2021/4, paras. 2–4.

² *Ibid.*, para. 6.

The Committee is invited to share experiences in developing strategies that are intended to finance the goals common to the 2030 Agenda and the Paris Agreement amid a changing economic environment. This would help to develop best practices and build regional partnerships. The Committee may wish to provide guidance on how the secretariat can become a more vibrant platform for channelling Asia-Pacific voices into related global processes and how it can facilitate effective regional and global collaborations and consensus-building in the four technical areas identified in the document.

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 fourth session

Documentation

Draft report (ESCAP/CMPF(4)/L.1)

Annotation

The Committee will consider and adopt the report on its fourth session for submission to the Economic and Social Commission for Asia and the Pacific at its eightieth session.
