



ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

Committee on Macroeconomic Policy, Poverty Reduction and Inclusive Development

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**PROGRAMME PLANNING AND MONITORING: REVIEW OF THE
IMPLEMENTATION OF THE PROGRAMME OF WORK FOR THE
BIENNIUM 2008-2009 AND HIGHLIGHTS OF THE PROPOSED
PROGRAMME OF WORK FOR THE BIENNIUM 2010-2011**

(Item 8 (a) of the provisional agenda)

Note by the secretariat

SUMMARY

The present document describes the progress made and the preliminary assessment of the implementation of the programme of work for the biennium 2008-2009 in respect of subprogramme 1, Poverty and development. The document also highlights key activities planned for subprogramme 1, Macroeconomic policy and inclusive development, of the programme of work for the biennium 2010-2011, which was endorsed by the Commission at its sixty-fifth session and will be considered by the General Assembly at its sixty-fourth session.

The Committee may wish to review the programme delivery status of the programme of work for the biennium 2008-2009 and provide the secretariat with guidance on the key activities/events to be carried out in the implementation of the draft programme of work for the biennium 2010-2011 with a view to sharpening the focus in order to achieve more tangible, effective outcomes that will yield more benefit to member countries.

Introduction

1. In the present document, the secretariat summarizes the progress made in implementing the programme of work for the biennium 2008-2009¹ and provides a preliminary assessment of the achievements made during the biennium under subprogramme 1, Poverty and development. It also highlights key activities planned for subprogramme 1, Macroeconomic policy and inclusive development, of the draft programme of work for the biennium 2010-2011 (E/ESCAP/65/18).²

* The late submission of the present document is due to the time required for review and for further consultations between the secretariat and key stakeholders on their implementation of the programme of work and for the incorporation of feedback into the document.

¹ Biennial programme plan and priorities for the period 2008-2009, *Official Records of the General Assembly, Sixty-first Session, Supplement No. 6 (A/61/6/Rev.1)*.

² Endorsed by the Commission at its sixty-fifth session. See *Official Records of the Economic and Social Council, 2009, Supplement No. 19 (E/2009/39-E/ESCAP/65/32)*, para. 180.

2. The Committee may wish to review the progress made thus far in the implementation of the programme of work for the biennium 2008-2009 with respect to subprogramme 1, Poverty and development, based on the accomplishment account reported to United Nations Headquarters at the 18-month mark. The Committee may also wish to provide the secretariat with guidance on the key activities/events to be carried out in the implementation of the draft programme of work for the biennium 2010-2011 with a view to sharpening the focus in order to achieve more tangible, effective outcomes that will yield more benefit to member countries.

**I. PROGRESS MADE IN THE IMPLEMENTATION OF THE
PROGRAMME OF WORK FOR THE BIENNIUM
2008-2009 IN RESPECT OF SUBPROGRAMME 1,
POVERTY AND DEVELOPMENT**

3. Presented below is the 18-month report (January 2008-June 2009) reflecting the accomplishment accounts for the subprogramme with some updated planned activities, including the indicator of achievement, results, key activities/events and lessons learned under each expected accomplishment.

4. The objective of the organization is to ensure progress towards achieving the Millennium Development Goals through the adoption and implementation of policies and programmes for economic growth, development and poverty reduction by Governments, civil society and the private sector in Asia and the Pacific, particularly in the least developed countries.

Expected accomplishment (a): Increased national capacity to formulate and implement effective, sustainable and gender-responsive economic and development policies for achieving the Millennium Development Goals, particularly in the area of poverty reduction.

Indicator of achievement (a): Increased number of measures taken by policymakers and planners to ensure that economic and development policies for achieving the Millennium Development Goals, particularly those related to reducing poverty, are more effective, sustainable and gender-responsive.

Results: The *Economic and Social Survey of Asia and the Pacific 2008* and *2009* received unprecedented media coverage, with about 700 news items in national and international media outlets, including *BBC*, *The Economist*, *Financial Times*, *International Herald Tribune*, *Newsweek*, and *Washington Post*, generating policy debate on major economic and social issues facing the region. Participating government officials expressed support for the models developed under the project on building capacity for participatory planning, monitoring and evaluation for income and employment generation programmes in local and regional governments in Central Asian countries, which was implemented in 2008. The participatory approach used during the implementation of the project to design and implement relevant programmes proved to be a critical factor for its successful conclusion. The subprogramme generated interactive policy dialogues on the main economic and social challenges faced by the member countries of ESCAP and increased their capacity to formulate and implement strategies for economic development and poverty reduction policies through the analytical and normative activities of the ESCAP secretariat. It is estimated that 30 policy measures related to poverty reduction had been introduced by policymakers and planners by the middle of 2009 and that the target of 40 measures would be reached by the end of the biennium.

Key activities/events: The economic and social impact of these challenges was analysed in the flagship publications of ESCAP: the *Economic and Social Survey of Asia and the Pacific 2008* and *2009* and other mandated recurrent publications, such as the *Asia-Pacific Development Journal*. The publications placed a special focus on poverty and provided policy recommendations on the global economic crisis, food and fuel volatility, pro-poor growth and the eradication of poverty. The *Survey 2008* took a closer look at agriculture as a critical factor for poverty reduction and rural development, while the *Survey 2009* analysed how the multiple threats of the global economic downturn, volatility in food and fuel prices, and climate change affected the region and considered ways in which the region could address them.

The key findings of the *Survey 2008* and *2009* were discussed at capacity-building workshops and panel discussions held in eight member countries of ESCAP, with the participation of more than 500 policymakers and representatives of civil society. A subregional seminar on macroeconomic policy and development in Central Asian countries was held in Kyrgyzstan in July 2008, and another subregional seminar, "Food inflation in South-East Asia: Policy responses to protect the poor and the vulnerable", was held in the Philippines in October 2008.

During the reporting period, relevant activities were undertaken to build capacity for participatory planning, monitoring and evaluation for income and employment generation programmes at the local and regional government levels in Central Asian countries.

The region's progress and the issues and challenges it faces in achieving the Millennium Development Goals were analysed in the third regional Millennium Development Goal report, *A Future Within Reach 2008: Regional Partnerships for the Millennium Development Goals in Asia and the Pacific*. The report focused on identifying gaps in achieving the Millennium Development Goals. The region has made significant gains in reducing poverty; over 350 million people were freed from poverty between 1990 and 2004. However, non-income poverty remains high across the region. The report provided a set of policy recommendations for strengthening growth, supporting efforts to achieve the Millennium Development Goals, adopting suitable policies and garnering the additional resources needed to fill the remaining gaps.

Regional consultations on the implementation of the Monterrey Consensus on Financing for Development in the Asia-Pacific region in response to General Assembly resolution 62/187 of 19 December 2007 were undertaken in the first half of 2008. They included ministerial-level consultations at the Commission sessions and a regional policy dialogue on financing for development involving experts in development and finance and representatives of civil society entities. An outcome document emanating from the regional consultations on financing for development was submitted to the President of the General Assembly and co-facilitators for use as regional inputs for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha from 29 November to 2 December 2008. The consultations underscored the substantial progress made in financing for development in the Asia-Pacific region while emphasizing the urgent need for action in several key areas, such as the need to fill gaps in financing infrastructure and in social and environmental sectors to ensure the momentum of growth, reduce poverty and improve social welfare. They also highlighted the critical need for maintaining resilient financial systems with stronger supervisory mechanisms within a new financial architecture to ensure financial stability in the Asia-Pacific region.

The workshop "Strengthening the response of the global financial crisis in Asia-Pacific: the role of monetary, fiscal and external debt policies" was held in Dhaka from 27 to 30 July 2009. This workshop aimed to assess the experience of 11 Asia-Pacific countries in dealing with the challenges posed by the crises in the areas of

monetary policy, fiscal policy and external debt management. Participants learned from each other's experiences, discussed best practices and identified key areas for regional cooperation and coordination.

An Asia-Pacific Development Cooperation Forum was held in Bangkok in October 2008 in collaboration with the Department of Economic and Social Affairs and the Special Unit for South-South Cooperation of the United Nations Development Programme as a regional consultation to ensure a comprehensive consultative process in preparing for the 2010 Development Cooperation Forum.

Vol. 15, No. 1 (June 2008) and No. 2 (December 2008) of the *Asia-Pacific Development Journal* have been published. Vol. 16, No. 1 (June 2009) and No. 2 (December 2009) are being finalized for publication.

Several expert group meetings and one national workshop were scheduled to be organized in response to the global economic and financial crisis, including the High-Level Expert Group Meeting on Responding to the Global Financial Crisis: Revisiting the Role of Monetary and Financial Cooperation in the Asia-Pacific Region, scheduled to be held in Singapore on 8 and 9 October 2009; the Expert Group Meeting on Economic Crisis in the Asia-Pacific Region: Moving from Crisis Resilience to Crisis Resistance through Regional Cooperation, scheduled to be held in Bangkok on 23 November 2009; the Expert Group Meeting on Economic and Social Performance and Issues in the ESCAP Region, scheduled to be held in Bangkok on 23 and 24 November 2009; and the National Workshop on Strengthening the Response to the Global Financial Crisis in Bhutan: the Role of Fiscal and External Debt Policy, scheduled to be held in Bhutan from 9 to 11 December 2009.

The first session of the thematic Committee on Macroeconomic Policy, Poverty Reduction and Inclusive Development was scheduled to be held in Bangkok from 24 to 26 November 2009.

Lessons learned: In 2008 and the first half of 2009, the ESCAP region faced some of the greatest challenges of the past decades, from extreme food-fuel price volatility and the global financial crisis to climate change, all of which could roll back the gains of the member countries. In order to achieve the expected accomplishment, the subprogramme will use these challenges as opportunities to be ahead of the curve and to contribute to relevant debates and dialogues that will take place in the region and provide the member countries with compelling analysis, creative policy options and timely engagement and technical support to ensure that the implementation of development strategies and poverty reduction policies is effective, sustainable and gender-responsive.

Expected accomplishment (b): Increased capacity of Governments, civil society and the private sector in Asia and the Pacific, particularly the least developed countries, to formulate and implement poverty reduction programmes that are effective, sustainable and gender-responsive and that focus on economically vulnerable groups.

Indicator of achievement (b): Increased number of measures taken in countries to formulate and implement poverty reduction programmes that are effective, sustainable and gender-responsive.

Results: The cities of Karachi, Pakistan; Guangzhou, China; and Banda Aceh, Indonesia, are adapting the good practices in decentralized, pro-poor solid waste management to their local contexts. Housing finance institutions from six ESCAP member States have decided to establish a network of formal, community-based and microfinance housing finance institutions in Asia and the Pacific to exchange

innovative practices; the Government of Nepal added community-based improvement of slums to the latest revision of its 2007-2010 Three-Year Interim National Plan; the Urban Development Resource Centre and the Centre for Human Rights and Development in Mongolia extensively replicated community-based savings and credit schemes introduced by ESCAP, resulting in more than 160 savings groups benefiting over 1,000 poor urban households all over Mongolia; the city of Sorsogon (Philippines) installed a wastewater treatment facility in its public market to alleviate the heavy pollution in the bay; the provinces of Sorsogon and Samar (Philippines) have requested that a successfully applied ESCAP integrated planning methodology be extended to their areas; the community of Dermayon in Serang (Indonesia) showed the local water utility its willingness and capacity to pay for a piped water connection, leading to a plan for connecting 200 poor households in 2009; the Governments of Cambodia and the Lao People's Democratic Republic decided to continue the dissemination of the Saemaul Undong approach to rural development, as promoted by ESCAP. As a result of the above actions, by the middle of 2009, 22 good practices had been adopted at the local and national levels to formulate and implement poverty reduction programmes and the region is well on track to reach the target of 25 good practices adopted by the end of the biennium.

Key activities/events: (a) Analysis and documentation of innovative poverty reduction strategies; (b) Action research and demonstration projects to identify ways to adapt and scale up innovative approaches taking into consideration specific local conditions; (c) The organization of regional policy dialogues to discuss emerging and critical issues; and (d) Capacity-building by government and its partners for more effective policy formulation and institutional changes. ESCAP undertook the following actions:

- It identified, successfully improved and tested innovative practices on decentralized, pro-poor solid waste management in Matale (Sri Lanka) and in Quy Nhon (Viet Nam). The results were disseminated through a series of regional workshops.
- It commissioned an in-depth documentation of the state of pro-poor housing finance in India, Indonesia, Mongolia, Pakistan and Sri Lanka, and convened a regional policy dialogue to discuss key issues of pro-poor housing finance.
- It transferred successful approaches in the development of community-based low-income settlements from Pakistan, Sri Lanka and Thailand to Cambodia, Nepal and Mongolia through a series of study visits, advisory services and training workshops.
- It documented 14 innovative practices in the delivery of water and sanitation services to the urban poor and disseminated these across the region.
- It implemented two pilot projects on integrated and participatory planning in water and sanitation development: in Villareal (the Philippines) and Serang (Indonesia). Both towns have developed strategic plans for extending water and sanitation services to the poor that will be implemented in 2009.
- It organized a training course on participatory rural development in collaboration with the Korea Rural Economics Institute to develop the capacity of staff of concerned government agencies in Cambodia and the Lao People's Democratic Republic.
- It commissioned a study on local governance and basic services delivery in conflict-affected areas and convened a regional seminar of governments, agencies and other stakeholders to formulate strategies to strengthen good governance in post-conflict situations.

Lessons learned: Regional dissemination of innovative practices must be immediately followed by assistance to countries that request it. Regional networks of indigenous institutions provide a good vehicle for the promotion of South-South cooperation in capacity-building. The commitment of local partners and their ability to access available resources is important for the sustainable replication of practices and policies.

Expected accomplishment (c): Improved national capacity to formulate and implement development policies, projects and/or research programmes that reduce rural poverty through the sustainable development of secondary crops.

Indicator of achievement (c): Increased percentage of participants in ESCAP activities who are able to formulate and implement rural development policies, research programmes or projects that include sustainable development of secondary crops.

Results: By the end of 2008, 66 per cent of participants in related activities had indicated their ability to formulate and implement rural development policies. It is too early, however, to assess results in terms of increased capacity in the two directly related projects that are under implementation. Project findings are expected to be disseminated in 2009, when related institutional capacity development activities would also be undertaken. It is expected that the target of 70 per cent by the end of the biennium will be reached.

Key activities/events: ESCAP, through its Centre for Alleviation of Poverty through Secondary Crops Development in Asia and the Pacific (CAPSA) implemented two projects:

- The project on the development of a methodology for analysing the sustainability of biomass resource use in tropical Asia aimed at identifying the impact of expanding biomass energy use in tropical countries in Asia, with a special focus on farmers of secondary crops and the rural poor. The project was implemented in Indonesia. The study produced a report, published by CAPSA, which outlines the findings of the study.
- The project on adding value to fresh and processed produce through product certification aims at capturing best practices in product certification to enable farmers or farmers associations to participate in the growing number of fresh and processed produce markets of the concerned countries and at disseminating the results to stakeholders in the respective countries through workshops and training. In November and December 2008, CAPSA organized two workshops, one in Bandung (Indonesia) and one in Manila (Philippines), to present the findings and recommendations of the study to policymakers, researchers and farmers associations.

In addition to the two CAPSA projects described above, professional staff of CAPSA also provided in kind technical assistance to projects implemented by other research institutes:

- Impact Analyses of Economic Integration on Agriculture and Policy Proposals toward Poverty Alleviation in Rural East Asia (ECOIN)—implemented by the Indonesian Centre for Agricultural, Socio-Economic and Policy Studies (ICASEPS).
- Rural Transformation and Farmer Response in Irrigated Lowland Villages in Java: Two Time Point Panel Data Analysis, 1996-2008 (RUTRANS)—

implemented by the Indonesian Centre for Agricultural, Socio-Economic and Policy Studies (ICASEPS).

- Analysing a Community Empowerment Model: The Linkage of Food Security and Poverty Alleviation Programmes (COMMEM)—implemented by the Indonesian Agency for Food Security (IAFS).

The CAPSA database provides statistical data focusing on secondary crops in Asia and the Pacific at national, provincial and district levels. The data currently available cover 17 Asian and Pacific countries. The expansion of the database is an ongoing affair with additional data regularly added. The data are widely used by policy formulators, decision makers, researchers and university students worldwide through the online media.

Lessons learned: In order to achieve the expected accomplishment, it is critical to move from an output-based orientation to a results-based orientation. Projects should include capacity development activities and not end with the mere publication of research findings.

II. HIGHLIGHTS OF KEY ACTIVITIES PLANNED FOR THE DRAFT PROGRAMME OF WORK FOR THE BIENNIUM 2010-2011 IN RESPECT OF SUBPROGRAMME 1, MACROECONOMIC POLICY AND INCLUSIVE DEVELOPMENT

5. The strategic underpinnings of subprogramme 1, Macroeconomic policy and inclusive development, are embedded in the internationally agreed development goals, including the Millennium Development Goals, the Monterrey Consensus of the International Conference on Financing for Development and the 2005 World Summit Outcome, and Commission resolutions 62/1, 63/4 and 64/6 on achieving the Millennium Development Goals in the ESCAP region. With its substantive focus on strengthening the capacities of countries to formulate and implement inclusive economic growth and development policies in support of the achievement of the internationally agreed development goals, the subprogramme would promote the sharing of knowledge on macroeconomic policy options and facilitate timely and effective regional responses to socio-economic vulnerabilities and external events and trends, including financing for development. Special emphasis would be placed on supporting the achievement of the Millennium Development Goals, focusing on poverty reduction and gender equality issues, by adding value to national development strategies, processes and other efforts. To broaden the impact of its activities and support scaling up and replication, ESCAP would interact with other development partners, including other United Nations entities, with a view to fostering greater synergy in the areas of development policy issues, macroeconomic policy options and the Millennium Development Goals. Under the subprogramme, the secretariat would be responsible for mainstreaming the special needs of the least developed countries, landlocked developing countries and small island developing States throughout the work of ESCAP, especially in the area of poverty reduction.

6. The subprogramme is under the responsibility of the Macroeconomic Policy and Development Division and is supported by the Centre for Alleviation of Poverty through Secondary Crops Development in Asia and the Pacific. Under this subprogramme, the objective and expected accomplishments for the period 2010-2011, in accordance with the strategic framework for the period 2010-2011,³ are presented in the table below. Selected key activities/events which are planned and scheduled for 2010-2011 appear on the right side of the table and are based on the draft programme of work, 2010-2011, which was endorsed by the Commission at its

³ *Official Records of the General Assembly, Sixty-third Session, Supplement No. 6 (A/63/6/Rev.1)*, pp. 279-280.

sixty-fifth session.⁴ The Committee may wish to provide the secretariat with guidance on the key activities/events to be carried out in the implementation of the draft programme of work for the biennium 2010-2011 with a view to sharpening the focus in order to achieve more tangible, effective outcomes that will yield more benefit to member countries.

Subprogramme 1: Macroeconomic policy and inclusive development

Objective of the organization: to reduce poverty by promoting a sound macroeconomic policy environment for growth and inclusive development, especially among the least developed countries, landlocked developing countries and small island developing States in support of the achievement of the internationally agreed development goals in the ESCAP region.

Expected accomplishment	Key activities/events
(a) Increased regional cooperation and sharing of experiences and practices in formulating and implementing macroeconomic policies to reduce poverty, and achievement of sustainable and inclusive economic and social development	<ul style="list-style-type: none"> • Preparing documentation for the Economic and Social Commission for Asia and the Pacific • Servicing and preparing documentation for the Committee on Macroeconomic Policy, Poverty Reduction and Inclusive Development, second session (2011) • Expert group meeting on economic and social performance and issues • <i>Asia-Pacific Development Journal</i> (biannual) • <i>Economic and Social Survey of Asia and the Pacific 2010 and 2011</i> • <i>Key Economic Development and Prospects in the Asia-Pacific Region</i> • Analytical inputs to <i>World Economic Situation and Prospects</i> • Launching of the <i>Economic and Social Survey of Asia and the Pacific</i> in selected member countries of ESCAP and United Nations organizations and panel discussions of the key findings and recommendations contained in that flagship publication • Launching of <i>World Economic Situation and Prospects 2009</i> and <i>World Economic and Social Survey 2009</i> in Bangkok • Macroeconomic update • Macroeconomic policy briefs • Preparing forecasts of major Asia-Pacific countries for the LINK model • Training courses on macroeconomic policy issues in the Asia-Pacific region
(b) Improved capacity of member States to design and implement	<ul style="list-style-type: none"> • Expert group meeting on regional implementation of the outcomes of the

⁴ See note 2.

Expected accomplishment	Key activities/events
<p>medium- to long-term economic development policy options, including in the area of financing for development</p>	<p>Follow-up International Conference on Financing for Development in collaboration with the Department of Economic and Social Affairs</p> <ul style="list-style-type: none"> • Publication on financing for development in Asia and the Pacific • Paper on improving the investment climate for long-term economic development and inclusive growth • Regional Coordination Mechanism Thematic Working Group on Poverty and Hunger (biannual) • Regional and national workshops on capacity-building for financing for development • ESCAP development seminar series on key economic and social issues in Asia and the Pacific
<p>(c) Improved capacity of member States to develop programmes, utilize good practices and formulate strategies for achieving the Millennium Development Goals, with a special focus on regional poverty reduction and gender equality issues</p>	<ul style="list-style-type: none"> • Paper on frameworks and guidelines for overcoming resource and implementation gaps in Millennium Development Goal achievements, particularly for countries with special needs • Paper on selected issues in developing and integrating the Millennium Development Goals in national development strategies, particularly for countries with special needs • Paper on emerging modalities for promoting South-South and triangular cooperation in achieving the Millennium Development Goals, particularly for countries with special needs • Workshop on partnership dialogues on developing and implementing Millennium Development Goal-based national development strategies, particularly for countries with special needs • Regional/subregional training workshops on sharing good practices towards improving the capacity of service delivery systems in support of the Millennium Development Goals, particularly for countries with special needs • Subregional advocacy workshops and media awards on the Millennium Development Goals

Expected accomplishment	Key activities/events
	<ul style="list-style-type: none"> • Field project on capacity-building for government policymakers to formulate and implement policies and programmes in support of the achievement of the Millennium Development Goals
<p>(d) Progress towards graduation of the least developed countries through mobilization of regional efforts to address poverty reduction and other concerns of countries with special needs</p>	<ul style="list-style-type: none"> • Expert group meeting in preparation for the final review of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 in collaboration with the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States • Paper on addressing key issues and concerns of interest to countries with special needs in the Asia-Pacific region, including those identified by the Committee on Development Planning in its annual meetings • Workshop on assisting least developed countries in developing and implementing national strategies to graduate from their least developed country status
<p>(e) Improved capacity of ESCAP member States to formulate and implement policies and programmes for reducing rural poverty, including those with a gender dimension, through the sustainable development of secondary crops</p>	<ul style="list-style-type: none"> • CAPSA Governing Council sessions • Information services and database development on secondary crops development for poverty reduction • CAPSA Flash • Palawija News • Workshop on secondary crops and poverty alleviation • Field project on adding value to fresh and processed produce through product certification • Field project on the impact of economic integration on agriculture and policy proposals towards poverty alleviation in selected countries of the Asia-Pacific region • Field project on the development of sustainable agriculture of secondary crops for poverty alleviation • Field project on secondary crops development for energy security