UNESCAP Report - 'Survey 2019: Ambitions Beyond Growth'

Why in news?

A report titled "Survey 2019: Ambitions Beyond Growth" on SDGs was recently released by the UN Economic and Social Commission for Asia and the Pacific (UNESCAP).

What are SDGs?

- The UN defines 17 Sustainable Development Goals (SDGs) as a universal call to action.
- The broad objectives are to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.
- These include targets such as “No poverty”, “Zero hunger”, “Good health and well-being”, “Quality education” and “Gender equality”.



What are the report highlights?

- **Concerns** - Rising financial instability, household debts, non-performing assets and trade wars can put growth at risk.
- Malaysia, Thailand and the Republic of Korea have rising household debts; and China has fast expanding corporate debts.
- All these will further hurt poverty eradication programmes.
- The emergence of non-bank online consumer loans has also generated new risks, with higher default rates than mortgage loans.
- **Investment** - An additional annual investment of $1.5 trillion would allow countries in the Asia-Pacific region to achieve the SDGs by 2030.
- This is equivalent to a dollar per person per day.
- The report notes that the price tag for achieving the SDGs is within reach for many countries.
- Their fiscal space and potential to leverage private investment allow for this achievement.
- Nevertheless, the investment gap is widest in countries which can least afford to narrow it.

What are the suggested measures?

- The report argues that keeping the old paradigm of prioritising GDP growth at all costs is neither feasible nor desirable.
- Too much focus on economic growth will lead to unsustainable growth, and will perpetuate inequality and environmental degradation.
- To address this, the UNESCAP proposes a balanced investment package which includes:

i. $669 billion to support basic human rights and develop human capacities
ii. $590 billion to achieve clean energy for all and to live in harmony with nature
iii. $196 billion for improved access to transport, information and communications technology (ICT), and water and sanitation

- This is equivalent to 5% of the combined GDP of Asia-Pacific developing countries in 2018.

- Closing the investment gap calls for North-South, South-South and triangular cooperation.
- There is also a strong need for strengthened multilateral financing mechanisms to accelerate the pace of sustainable development.
- Innovative financial instruments such as green bonds and promoting new investor classes can help.
- These could bring in the massive $51 trillion in assets managed by the private financial sector in the developing Asia-Pacific region.
- In addition, there is considerable potential to raise tax revenues in the region.

What is the remark on education?

- The Asia-Pacific region significantly increased education access and average schooling years over the past several decades.
- But quality remains an issue as ever before.
- 92 million children in the region fail to obtain basic literacy and numerical skills even after completing primary school - World Bank, 2018.

- Globally, $129 billion was wasted annually due to the disconnect between schooling years and acquisition of basic skills alone - UNESCO, 2014.
- The UNESCAP report thus highlights that significant savings could be achieved through greater emphasis on education quality and outcomes.
- With an efficiency frontier approach, Asia-Pacific developing countries on average could save more than 30%, without compromising on education performance.

- In this context, strengthening teaching quality and teacher training is key to

achieving better educational results.

What is the case with India?

- The report flags concern regarding India's rising non-performing asset.
- This could potentially derail the country's efforts to achieve the SDGs.
- According to the C Rangarajan committee report, India has around 363 million people living in poverty.
- Given this, the report emphasises that India needs to spend around 10% of its GDP.
- In other words, India needs to spend nearly $2 per day per person to remove poverty.
- Despite the poll promises, with rising fiscal deficit year after year, it will be difficult for political parties to provide direct cash support.
- Growth in India would necessitate creation of enough jobs for those joining the labour force.
- This is essential to prevent people being trapped in low-skilled, low-income and low-value work, which could further lead to poverty.

Source: The Indian Express, Down To Earth

Quick Fact

UNESCAP

- The United Nations Economic and Social Commission for Asia and the Pacific is the regional development arm of the UN for the Asia-Pacific region.
- It was established in 1947, and is headquartered in Bangkok, Thailand. It is made up of 53 Member States and 9 Associate Members.
- It covers countries from Turkey in the west to the Pacific island nation of Kiribati in the east, and from the Russian Federation in the north to New Zealand in the south.
- It works to promote cooperation among member States to achieve inclusive and sustainable economic and social development in Asia and the Pacific.

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