

Implementation of the Third United Nations Decade for the Eradication of Poverty (2018-2027) Report of the Secretary-General

ESCAP Input

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Overview¹

The steady and positive trend in poverty reduction in Asia and the Pacific came to a halt when the effects of the COVID-19 pandemic, further compounded by the cost-of-living crisis, reversed hard-won gains. ESCAP estimates that an additional 42 million people in Asia and the Pacific have been pushed into extreme poverty between 2020 and 2022 due to the combined impact of the pandemic and the cost-of-living crisis based on the \$2.15 per day threshold. ESCAP estimates that an additional 250 million people in the region may fall into poverty by 2040, based on a scenario that includes the implications of global warming, increased healthcare expenditures due to unhealthy ageing and lack of improvements in productive capacities in ICT, reflecting 3 megatrends impacting the region.

The region is also experiencing rising income inequality. Before the COVID-19 pandemic (1990-2019), income inequality proxied by the Gini coefficient declined in half of all countries with available data. In the same period, income inequality increased in large economies, reaching 68 per cent in the Russian Federation. In contrast, more than half of the countries in the region experienced an increase in the Gini coefficient between 2019 and 2022. In the same period the income shares of the poorest 50 percent of population have dropped in 21 out of 38 countries in the region.

Millions of households live just above the poverty line. Poverty remains a major barrier against equality of opportunity, often interacting with rural and urban location and level of education. Women and girls are overrepresented among the extreme poor in Asia and the Pacific and oftentimes bear the brunt of multiple and intersecting crises due to underlying gender inequalities.

Social Protection

ESCAP has continued to support countries in their implementation of the Action Plan to Strengthen Regional Cooperation on Social Protection in Asia and the Pacific (Action Plan), adopted at the sixth session of the Committee on Social Development, to support poverty reduction and build the resilience of groups in vulnerable situations. On [SPOT Simulator](#), a new maternity benefit module was introduced to estimate

¹ This Overview section is based on two recent ESCAP Flagship Publications including the Social Outlook and Economic and Social Survey. Citation: (1) United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) (2024). Social Outlook for Asia and the Pacific: Future Proofing Social Protection. ESCAP, Bangkok. (2) United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) (2024). Economic and Social Survey of Asia and the Pacific: Boosting Affordable and Long-term Financing for Governments. ESCAP, Bangkok.

the impact of introducing universal maternity benefits on poverty, inequality and household consumption, and data was expanded to cover 27 member States. ESCAP launched online training modules on social protection to build capacity to accelerate implementation of the Action Plan. Five national stocktaking reports on social protection were completed (Cambodia, Georgia, Maldives, Mongolia and the Philippines) in close collaboration with governments, RCs and UNCTs. ESCAP and the Asia-Pacific UN Interagency Issues Based Coalition on Inclusive Economic Growth and Recovery jointly organized an Associated Event prior to the 2024 Asia-Pacific Forum on Sustainable Development “New frontiers on social protection in a changing world” on 19 February 2024, which identified priority actions on social protection to prepare for oncoming megatrends such as population ageing and climate change, as well as address financing for social protection.

Leaving No One Behind (LNOB)

ESCAP has expanded its [LNOB platform](#), raised awareness and built technical capacity, particularly within the National Statistics Offices of India, Fiji, Mongolia, Nepal, the Philippines, Tonga, and Turkmenistan to produce customized LNOB evidence using national household surveys. The LNOB analysis is designed to help policymakers access a quick, data-driven, reliable overview of the groups left furthest behind in 19 SDG indicators across 30 countries at national and subnational levels. The results capture the intersectionality of circumstances that leave people behind in access to opportunities including civil registration, education, child and women’s health and access to basic services such as water, sanitation and clean energy. Changes in the size and composition of furthest behind groups is also identified in countries with over time data. ESCAP LNOB evidence continues to play a key role in the Voluntary National Review (VNR) process with customized LNOB evidence integrated in the VNRs of Cambodia, Fiji, Maldives and Mongolia in 2023 alone. Common Country Analyses also reflect LNOB results and inform the work of UN Country Teams.

Population ageing

Currently, one in 7 persons in the region are 60 years or over. By 2050, one in four people will belong to this age group. Given the speed of population ageing, many countries in the region will grow old before they will become rich. Given the lack of social protection, older persons are at an increased risk of falling into poverty, in particular older women. In this regard, ESCAP is supporting member States in revising and drafting policies and action plans on population ageing, ensuring that they address social protection issues, including universal health care coverage and promote decent work for older persons. ESCAP is also collaborating with ILO and OECD on providing pension training to countries in Asia and the Pacific, focusing on implementing contributory and social pension schemes. Some of the pension training focuses on the situation of older women who face less social protection coverage due to a lifetime of inequalities, including in the labour market. ESCAP has worked with Malaysia and Thailand on expanding education and training for older persons to strengthen their labour force participation and ensure that they do not fall into poverty.

Women’s Economic Empowerment

A lack of access to decent work significantly drives women's poverty, restricting opportunities for economic empowerment. In 2023, women's labour force participation in the Asia-Pacific region was only 43.6%, compared to 73.4% for men. Those who are employed are typically concentrated in low-paying

informal jobs without social protection. Moreover, legal and social barriers impede women's access to resources like property ownership and financial services, hindering economic empowerment and perpetuating poverty. ESCAP's Catalyzing Women's Entrepreneurship Programme supports women entrepreneurs by facilitating access to finance, fostering an enabling policy and governance environment, and providing digital literacy training. To date, it has benefited 76,000 women across 6 countries and unlocked \$90 million in capital.

Women's significant unpaid care and domestic work burden is another key contributor to women's greater propensity to poverty. Women in Asia and the Pacific spend, on average, 262 minutes per day on unpaid care work, compared to 64 minutes for men⁴. The consequent time poverty hinders women's economic participation and income-earning potential. To address this issue, ESCAP has developed a toolkit for policy and decision makers and provides capacity-building and technical assistance to governments across Asia and the Pacific, with a view to developing local and national policies that value unpaid care work and invest in the care economy.

Macroeconomic Developments

ESCAP has provided policy analysis to its member States regarding the impact of the recent macroeconomic panorama of sluggish growth and elevated prices on job creation, poverty and inequality. ESCAP's flagship publication, *Economic and Social Survey of Asia and the Pacific 2024*, found that the adverse lingering socioeconomic impacts of the COVID-19 pandemic, war in Ukraine, and the subsequent cost-of-living crisis on the prospects of the 2030 Agenda are becoming increasingly evident. High inflation, loss in purchasing power and weak employment conditions have pushed many people in Asia and the Pacific back into extreme poverty. Considering jobs and earnings, as of the third quarter of 2023, employment in most sectors of the Asia-Pacific economies had only just returned to pre-pandemic levels. Another concern is the ability of workers to support their wellbeing in the wake of declining real value of their earnings, as nominal wage increases have not kept up with the spike in inflation.

Amid tight fiscal and debt positions governments will need to efficiently target the spending needed to improve these socioeconomic outcomes. ESCAP's recently completed project on precise and targeted poverty reduction for "closing the last mile" analyzed emerging challenges for further poverty reduction in the Asia-Pacific region and corresponding new strategies, such as ecological poverty reduction or specific policies that target groups in vulnerable situations. More than 60 policymakers participated in the two peer-learning sessions and the deliberations were also informed by three dedicated country case studies on Bangladesh, China and the Philippines.