

Inputs of the Economic and Social Commission for Western Asia to the thematic reviews of the 2024 High-level Political Forum on Sustainable Development

(a) Impacts of multiple crises on the implementation of SDGs 1, 2, 13, 16 and 17 from the vantage point of your intergovernmental body

Impacts of multiple crises on the implementation of SDG 1

The Arab region has witnessed an increase in poverty during the last decade. Although the increase has been most pronounced in Arab least developed countries (LDCs), political instability, conflict and economic crises have contributed to rising poverty across the region.

A series of additional crises, including the COVID-19 pandemic, the war in Ukraine and the global acceleration of inflation have aggravated poverty in an environment already threatened by difficult trends including structural challenges in economies, subsidy and public employment challenges, poor performance in job creation, high levels of inequality and debt, and insufficient redistributive fiscal policies.

As a result of all the overlapping crises, the Economic and Social Commission for Western Asia (ESCWA) estimated that between 2020 and 2023, the number of people living on less than \$1.90 per day was projected to grow by 16 million, and money-metric poverty according to national definitions was projected to grow by a further 28 million people.¹ Multidimensional measures of poverty have also worsened amid increased rates of undernourishment, food insecurity and disruptions in access to quality health and education services. At the same time, only 1 out of 3 people in the region have access to any kind of social protection versus the global average of 1 out of 2 persons. Overlapping crises have also deepened fiscal imbalances that threaten social spending and poverty reduction efforts, particularly in non-oil-producing countries.

Inadequate social justice is detrimental to inclusive growth and undermines social cohesion. The vulnerable and marginalized groups across the region are most affected by the ongoing crises. They are trapped in a vicious circle of poverty, unemployment (or lack of decent employment) and social exclusion, which in turn increases political and social tensions and, in some cases, instability and conflicts.

¹ ESCWA, [Second Arab Multidimensional Poverty Report](#), 2023.

Impacts of multiple crises on the implementation of SDG 2

General global shocks and polycrisis manifestations due to the COVID-19 pandemic, the war in Ukraine and climate change have aggravated existing difficulties in the implementation of SDG 2 policies in most of the Arab region. Despite national policy reorientation efforts that ensued, and the consequent positive shifts in terms of fiscal, economic and environmental sustainability, most countries still could not be shielded from the impacts of multiple crises.

As the broad policy direction for countries continues to be on securing food availability and affordable access to nutritious food, and as dependency on food imports prevails to varying extents in the region, the COVID-19 pandemic and the war in Ukraine have considerably increased the food import bill and intensified food shortages, price hikes and trade imbalance.

In addition, local food production continues to be a policy priority for Arab Governments, and accordingly, the negative climate change impacts such as rainfall variability and water scarcity constitute a growing concern for agricultural and food production across the region.

Impacts of multiple crises on the implementation of SDG 13

The region's journey towards achieving SDG 13 faces considerable obstacles, including inadequate policies and limited access to technology and to sufficient financial resources. Additionally, the COVID-19 pandemic and the war in Ukraine have further limited the fiscal space of Arab Governments to commit to climate action, especially given the high debt burden already faced by various countries in the region, mainly LDCs and countries in conflict.

Moreover, ongoing conflicts in the region may aggravate climate change challenges as they lead to the long-term destruction of natural habitats, ecosystems and biodiversity. Conflicts also divert policy attention, financing mobilization and priority efforts away from climate action.

Climate-related challenges in the Arab region disproportionately affect several vulnerable groups, mainly low-income individuals, refugees and inhabitants of low-lying coastal zones who often bear the brunt of severe climate change impacts. These vulnerable groups also encounter significant obstacles in accessing essential resources, technology infrastructure and finance for effectively adapting to climate change impacts.

Impacts of multiple crises on the implementation of SDG 16

Implementing SDG 16 in the Arab region faces systemic governance challenges. About 38 per cent of the Arab region's population live in conflict-affected areas, and the region hosts more than 20

million internally displaced persons and 9.2 million refugees.² These conflicts have precipitated a sharp decline in living standards and reversed socioeconomic progress, plunging many into poverty and humanitarian aid dependency. In Iraq, Libya, Palestine, Somalia, the Sudan and the Syrian Arab Republic, 77.3 million people are dependent on some form of humanitarian aid.³

Moreover, the weakness of State institutions in countries in conflict yield a long-term negative impact on peace, security and development. Conflicts in the region also negatively affect confidence in public institutions and their ability to achieve justice and equality. The Israeli war on Gaza impacts the trust of the region in international institutions and their ability to enforce international conventions, specifically those related to the rights of Palestinian people.

Some conflicts, such as in Palestine and the Sudan, have strong gendered impact, halting work on the women, peace and security agenda, and have caused heavy death tolls affecting the already high maternal mortality.

Conflict's impacts are compounded by additional crises such as the COVID-19 pandemic. Migrants and refugees are among the most disproportionately affected, with severe social and economic consequences. Vulnerable refugees, stateless persons, low-skilled migrants and women suffer the most. Furthermore, conflicts and fragility create a challenging scenario for addressing climate change while increasing vulnerability to its impacts. Conversely, the consequences of climate change can aggravate known drivers of insecurity and conflict, such as loss of livelihoods and income, food insecurity, competition for resources or forced migration.

Impacts of multiple crises on the implementation of SDG 17

Data, monitoring and accountability

In the Arab region, inadequate statistical data governance leads to limited data availability, untimely dissemination of data and a lack of data disaggregation, which are all bottlenecks to evidence-based decision-making. The COVID-19 pandemic and related lockdowns have affected the way national statistical offices and public agencies undertake statistical surveys and censuses. Governments invested in institutional and technological innovations to maintain data flow, accelerating the shift

2 Calculations are based on data retrieved from the Refugee Data Finder of the Office of the United Nations High Commissioner for Refugees (UNHCR). Countries included in the UNHCR mandate are Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Qatar, Saudi Arabia, Somalia, Sudan, Syrian Arab republic, Tunisia, United Arab Emirates and Yemen, with data available for the period 2010–2023. Countries included in the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) mandate are Jordan, Lebanon, the Occupied Palestinian Territory and the Syrian Arab Republic, with data available for the period 2010–2023.

3 Data on humanitarian assistance from the Office for the Coordination of Humanitarian Affairs (OCHA) are available for the State of Palestine, Somalia, the Sudan, the Syrian Arab Republic and Yemen for 2023, while data on Libya are for 2021 and data on Iraq for 2022.

from conventional to innovative approaches in data processes. Conflicts in the region have compounded difficulties in monitoring progress on SDG targets and indicators in afflicted countries.

However, despite notable national efforts supported by regional and international organizations in the recent years, huge challenges remain in monitoring the SDGs. A cohesive, integrated and comprehensive statistical system that leaves no one behind is absent in most Arab countries. The lack of comparable and disaggregated data on vulnerable and marginalized groups is a critical development issue.

Financing

The Arab region has struggled to achieve SDG targets related to financing for sustainable development amid massive SDG financing needs and a context of shrinking fiscal space. Existing vulnerabilities include high debt service costs and insufficient domestic resource mobilization capacities, which have jeopardized governments' abilities to finance the policy measures needed to realize the 2030 Agenda for Sustainable Development (2030 Agenda).

Public debt in the Arab region increased sharply over the last decade to an equivalent of about 46 per cent of the regional gross domestic product (GDP). Debt is however unsustainably elevated for middle-income countries, averaging around 75 per cent of their GDP in 2022,⁴ as a result of the global economic slowdown and persistent trade deficits, the COVID-19 pandemic, climate change and the surge in the prices of imported commodities. The LDCs in the region are at high or moderate risk of debt distress. Global inflationary pressures, higher interest rates and geopolitical uncertainty indicate that fiscal risks and debt distress will remain elevated for the low- and middle-income countries in the coming years.

Successive shocks stemming from the COVID-19 pandemic, the economic fallout of the war in Ukraine, rising interest rates and a global acceleration of inflation have compounded difficulties faced by many countries in maintaining fiscal sustainability in the face of rising debt loads and fluctuating commodity prices.

Technology

During the COVID-19 pandemic and the several crises that followed, digital technology and Internet connectivity were key in ensuring business continuity and access to information, thus showcasing the importance of having a solid and upgraded infrastructure. While the Arab region continues to seize the opportunities provided by technology and seeks to transform governments and economic sectors, the level of technology advancement, adoption and use as well as the amount of investment vary notably between high-, middle- and low-income countries.

Even when a policy on information and communication technology exists, implementation remains a serious challenge for most countries in conflict, which have sustained destruction or serious

4 ESCWA, *Survey of Economic and Social Developments in the Arab Region 2021–2022*, 2022.

damage of their telecommunications infrastructure. Continued conflict and lack of funding are major impediments to moving forward.

(b) Three key areas where sustainable, resilient and innovative solutions for achieving the SDGs are being effectively delivered, especially related to the cluster of SDGs under review in 2024, bearing in mind the three dimensions of sustainable development and the interlinkages across the Goals and targets

Innovative financial instruments to enhance access to climate finance

As climate finance flows to the Arab region fall short of needs, countries have been exploring various innovative financial instruments to support climate action and promote sustainable development. Some examples include:

- Blended climate finance, which typically combines public and private sector resources to support climate-related projects. The Arab region mobilized \$864 million through blended climate finance mechanisms between 2019 and 2021.⁵
- Climate debt swaps that involve rechannelling a country's external debt service payment into commitments to allocate resources towards climate priorities. These swaps offer a unique opportunity to alleviate debt burdens while channelling funds into critical climate initiatives. Jordan has finalized a national proposal on the Climate/SDGs Debt Swap programme, which is ready for consideration by creditors.
- Weather-indexed insurance schemes that provide protection to farmers against drought, floods and other climate-related risks. Egypt, Morocco and Tunisia have introduced such insurance schemes, and other Arab countries are exploring their adoption.

Large successful reforms in social protection programmes to cover and benefit all vulnerable population groups

Several Arab middle-income countries have taken steps to enhance the administration and coherence of their social protection systems by restructuring existing programmes and introducing new benefits. Countries including Algeria, Egypt and Morocco have initiated the rationalization of their systems and improved management by integrating plans into larger schemes. As countries also reform their subsidy-based systems in favour of more targeted social assistance approaches, many, including Egypt, Jordan, Morocco and Tunisia have invested in better information management, including through the adoption of unified registries and unique identifiers to facilitate beneficiary identification and expedite assessments of benefits applications.

⁵ BloombergNEF, [Climatescope](#), 2023 (accessed on 1 May 2023).

Digital and other technology innovations in the Gulf countries

High-income Gulf Cooperation Council (GCC) countries are building a digital economy, which has the potential of adding between \$138 billion and \$255 billion to the GDP of the GCC region.⁶ Strides are being achieved towards digitally transforming government services and integrating artificial intelligence and other Industry 4.0 (or Fourth Industrial Revolution) technologies into industrial strategies. Research and development (R&D) priorities are mainly focused on technologies of the future, namely digital technologies such as artificial intelligence, robotics and others that are integrated into ecosystems aimed at boosting progress. To keep pace with fast technological development, countries are providing venues for regulatory experimentation of new digital products. A regulatory sandbox, for example, allows for experimentation with technology and business models, and collaborations between stakeholders.

(c) Three examples of specific actions, policies and measures that are most urgently needed to effectively deliver sustainable, resilient and innovative solutions to eradicate poverty and reinforce the 2030 Agenda, building on interlinkages and transformative pathways for achieving the SDGs

Given the structural linkages between poverty and inequality in the Arab region, on the one hand, and institutional capabilities on the other, tackling corruption, enhancing transparency and strengthening accountability are crucial for poverty reduction. Those efforts can best bear fruits when accompanied by policies that support the creation of decent jobs through revitalized and diversified economies, and a healthy private sector ecosystem. Below are some specific measures to eradicate poverty and reinforce the 2030 Agenda:

- Adopt multidimensional poverty measurement methods and regularly collect data to ensure a holistic understanding of poverty and deprivation, and the availability of up-to-date transparent data to inform policy decisions.
- Prioritize people-centred budgets and gender-responsive budgeting to ensure smart investments that enhance equity and have strong impacts on poverty reduction, including services that are frequently used by women, the poor, persons with disabilities and other marginalized groups.
- Establish vehicles to pool resources, such as a regional social solidarity fund to guarantee a basic standard of living for everyone in the region. Coordinated efforts can support sustainable financing to address humanitarian needs and food shortages in Arab LDCs and conflict-affected countries. Given large inter-country inequalities within the region, the capacity of Arab LDCs and conflict-affected countries to meet financing needs through progressive taxation is limited. However, enough wealth exists within the region to make significant contributions to addressing such needs.

6 Strategy&, [Energizing the digital economy in the Gulf countries](#) - From digital adopters to digital disruptors, 2021.

- Enhance good governance and equity towards poverty alleviation in countries in conflict, as development is fundamentally also a political issue.
- Foster the adoption of nature-based solutions that address climate change, water scarcity, biodiversity loss, and rising poverty and inequality in an integrated manner.

(d) Follow-up actions and measures being undertaken by your intergovernmental body or forum to support implementation of the Political Declaration of the SDG Summit

At its thirty-first session, ESCWA adopted resolution 346 (XXXI) on effective economic governance and modernization of public administration, emphasizing the need to continue the provision of technical support and capacity-building, including through peer-to-peer/South-South collaboration, with the aim of strengthening governance, particularly in conflict and occupation settings and as part of assistance to LDCs.

As indicated in its eleventh session report (E/ESCWA/C.7/2023/8/Report), the Committee on Women called upon ESCWA to continue generating knowledge and providing technical assistance/policy advice and capacity-building in relation to combating violence against women, implementing the women, peace and security agenda, promoting gender justice and strengthening women's economic participation. The Committee also requested ESCWA to continue its support to member States in the field of protecting girls and women who are living under occupation or in conditions of war, conflict or terrorism, or their repercussions.

At its twenty-fourth session, the Committee on Transport and Logistics reaffirmed the overall work direction of ESCWA regarding transport and logistics and achievement of the SDGs. It addressed solutions aimed at increasing transport sustainability in the Arab region (land electric mobility, etc.), promoting road safety, and utilizing modern technologies and geographic information system data to facilitate transport and logistics while promoting trade and economic activities.

At its fourteenth session, the Committee on Social Development focused on the issue of inequality in the Arab region, and emphasized the need for ESCWA to continue providing technical assistance to member States to support the formulation of national policies and strategies that adopt an integrated and holistic approach to inclusive social development, promote social justice, and take into account the needs and aspirations of groups at risk, in particular older persons, persons with disabilities, women and young people.

(e) Recommendations and key messages for inclusion into the Ministerial Declaration of the 2024 High-level Political Forum on Sustainable Development

- Integrated policymaking needs to be strengthened to enable targeted measures that address multidimensional poverty while prioritizing the needs of those currently left behind.

- Social protection system reforms are necessary to extend effective coverage against lifecycle risks to protect poor and vulnerable people from the economic impact of shocks, among others. Likewise, social registries and contingency funding need to be extended to ensure the shock-responsiveness of social assistance programmes.
- Strategies that facilitate the adoption of sustainable climate-resilient farming practices and innovative cultivation techniques are needed in the region. They should be coupled with investment in supplementary irrigation for rainfed systems, taking into consideration the impacts of climate change.
- Policies to support small-scale farmers' access to microfinance schemes and their integration into domestic and international value chains are necessary; they should be associated with the establishment of funds that focus on sustainable agriculture to attract impact investors interested in financial returns and social and environmental outcomes.
- Mobilizing climate finance should focus on enhancing the share of grant or concessional financing, attracting additional financing from the private sector and implementing innovative financial instruments. Capacities to access climate finance must be enhanced, including those related to the costing of climate-related needs and the demonstration of the climate rationale of projects.
- Human rights, particularly economic and social rights, need to be upheld as social values through a whole-of-society approach. The work of national and regional human rights institutions should be facilitated by promoting awareness of human rights principles and fostering commitment to their implementation.
- The international community must work to de-escalate conflict and promote peace building through efforts to identify and address the root causes of conflict and to enhance regional dialogue and cooperation to achieve SDG 16. Peace-building initiatives must integrate humanitarian and development approaches, fostering dialogue, reconciliation and social cohesion.
- The international community has a duty to ensure the full realization of the right to self-determination of the Palestinian people, promoting peace and stability in the region. This may involve diplomatic efforts and international cooperation to address the longstanding occupation of the State of Palestine, in full compliance with international law.
- National capacities need to be strengthened, including economic and public governance for risk-informed policymaking to mitigate the impact of multidimensional crises and sudden shocks.
- Strategies and appropriate national ecosystems should be developed to harness emerging and digital technologies, including artificial intelligence, in increasing the efficiency and transparency of the public sector.
- Disaster risk reduction strategies in Arab countries need to focus on comprehensive risk assessment rather than hazard assessment. They need to better integrate gender and social inclusion considerations as well as financial estimates and action plans. Early warning systems need to be strongly linked to extension services to ensure that warning messages are conveyed to those affected.