

2020: A YEAR LIKE NO OTHER

A novel coronavirus dominates life, economic activity, and policy decisions.
But while COVID-19 is new, it has exposed old challenges:



Environmental degradation



Growing inequality



Digitalisation challenges

LESSON 1: PROTECT THE ENVIRONMENT

Unsustainable practices are partly responsible for diseases like COVID-19.

60% of infectious diseases are caused by the crossover of pathogens from animals to humans.



Climate conditions also affect the spread of diseases:

- ▶ Malaria and dengue thrive in areas with high humidity and excessive rainfall
- ▶ Before the 1970s, only 9 economies had experienced severe dengue outbreak. Now the disease is endemic in more than 100 economies
- ▶ Rising temperatures can also release harmful viruses that have been locked in the permafrost

Improper waste management creates a breeding ground for diseases.



400,000 – 1,000,000 people die annually due to diseases caused by mismanaged waste in developing economies



Mismanaged COVID-19 waste could lead to additional infections

LESSON 2: ADDRESS RISING INEQUALITY

COVID-19 has been hardest on the most vulnerable in our societies: The poor, women, the youth, the least educated and skilled, minorities, indigenous peoples, and other vulnerable groups.



Unable to afford healthcare



Lack access to infrastructure and technology



Hold precarious jobs

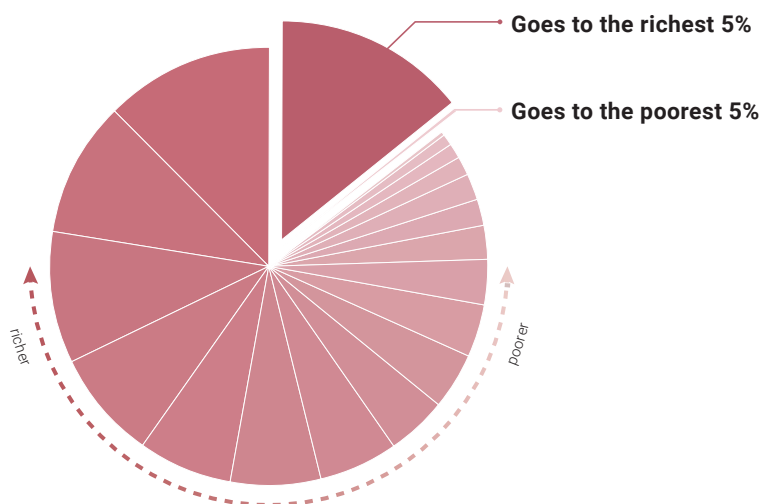
COVID-19 HAS ONLY MADE AN EXISTING PROBLEM WORSE

Decades of economic growth have resulted in increasing affluence and poverty reduction, but its distribution has been far from equitable: **In 30 years, more than 50% of income gains have gone to the richest quarter of the population; the poorest quarter got 4%.**

Distribution of 30-year income gains:

EACH SLICE OF THE PIE WENT TO THE SAME PROPORTION OF THE POPULATION

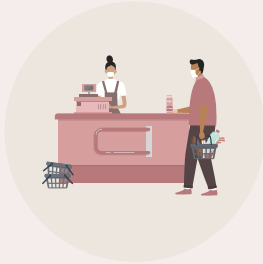
This pie represents the total increase in incomes between 1990-2018. The slices represent its distribution to equal 5% portions of the population. Over 30 years, the total income pie has increased, but it hasn't exactly been sliced equally.



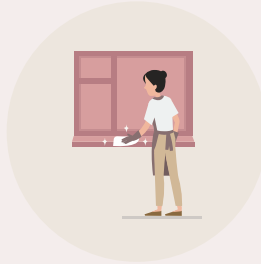
THE YOUTH COULD SUFFER LONG-TERM SCARRING

Disrupting access to education and skills training can scar future career paths resulting in lower wages, fewer career development opportunities, and diminished prospects for better jobs.

THE PANDEMIC HAS EXACERBATED EXISTING GENDER INEQUALITIES AS WOMEN ARE MORE LIKELY TO



Be employed in jobs that require face-to-face interactions



Be engaged in informal employment, with no social protection



Be disproportionately burdened with household chores and unpaid care

LESSON 3: MAKE DIGITAL WORK FOR ALL

Digital solutions and tools disrupt traditional practices and help overcome constraints.



E-commerce and digital payment services are helping MSMEs do business while customers remain at home



Households rely on digital platforms for communications, purchases and access to services



Public health authorities are using digital tools for COVID-19 contact tracing and monitoring of cases

BUT DIGITALIZATION ALSO COMES WITH CHALLENGES



Cybersecurity and fraud



Consumer protection and privacy

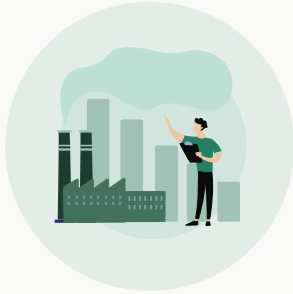


Automation and job precarity

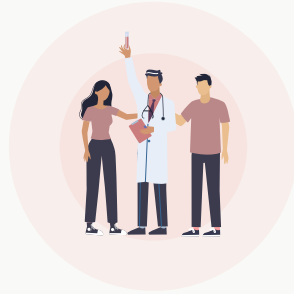


Fake news and misinformation

REBUILDING A BETTER ASIA-PACIFIC
WHAT CAN ECONOMIES DO?



Invest in green jobs and infrastructure, and internalize environmental impact into economic production and consumption



Ensure equitable access to healthcare, education, infrastructure, and technology



Maximize the potential of the digital economy, while tackling its challenges



APEC will have a key role in rebuilding the region. The COVID-19 pandemic has shown the importance of a coordinated and cooperative response to regional and global crises. This is the time to rebuild better together.