

RESEARCH ARTICLE

Bridging the Economic Divide: A Comparative Assessment of SDG Inequalities across the SAARC Nations

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ABSTRACT

This paper tries to understand the socio-economic and political significance of SAARC countries in regional development. To this end, it assesses the performance and achievements of SDGs across member states, focusing on key economic and social indicators. To achieve the objectives, the study relies on secondary data collected from various sources, viz. the World Development Outlook (World Bank, 2024), Regional Economic Outlook Reports, IMF, 2024 and the Sustainable Development Goals Report, 2024. The analysis focuses on selected SDG indicators that capture key aspects of economic and social development. The analysis is divided into three analytical sections. To assess the economic dimensions of SDGs, the study specifically analyses the economic performance of SAARC nations through sectoral and labour market indicators thereby identifying the structural transformation and economic composition of member economies. The analysis of the industrial sector provides a mixed picture across SAARC nations. It reflects the differences in resource endowments, industrial policy, and economic diversification.

A synthesis of the combined sectoral and employment data across SAARC nations reveals a classic pattern of structural transformation. It positions the countries into three broad developmental stages viz. agrarian economies, transitional economies and service-led economies. Afghanistan, Bangladesh, Bhutan, and India represent agrarian economies, characterised by high agricultural employment, elevated levels of informality, and relatively low unemployment, the classical hallmarks of early-stage development. Nepal, Pakistan, and Sri Lanka, on the other hand, represent the transitional economies that are gradually diversifying into industrial and service sectors. SDGs 1 and 10 cover poverty reduction and inequality; here again, Afghanistan remains the most economically vulnerable, while Maldives and Bhutan have the lowest poverty rates.

The study concludes that the SAARC nations have potential and have made significant progress on many SDG indicators. However, only a significant improvement in SDG indicators for all member countries can ensure a win-win situation for all and make the region a superpower of Asia.

KEYWORDS Sectoral Share, Employment Prospects, Decent Work, Innovation and Infrastructure, Inequalities Reduction

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indicators for all member countries can ensure a win-win situation for all and make the region a superpower of Asia.

KEYWORDS Sectoral Share, Employment Prospects, Decent Work, Innovation and Infrastructure, Inequalities Reduction

INTRODUCTION

The Sustainable Development Goals also known as SDGs has been adopted in 2015. But a series of global disruptions such as economic slowdowns, COVID-19 pandemic, geopolitical political tensions etc. hindered the full realisation of the SDGs. These predicaments have posed significant challenges in the access to the public services, affecting all the SDGs, particularly the individuals' life, socio-economic conditions including the income and employment, well-being of elderly, children and women at all levels. The challenges disproportionately impacted the vulnerable groups and thereby intensifying socio-economic inequalities across and within nations. As a result, the global development trajectory has witnessed widening disparities in terms of wealth, income, accessibility and availability of resources giving rise to what is commonly referred to as the "economic divide," (United Nations, 2024; Leal Filho et al., 2022). The economic divide not only reflects disparities in income and wealth but also encompasses inequalities in access to education, healthcare, employment opportunities, and environmental resources. These inequalities directly influence the achievement of SDGs and across regions. Nowhere is this more evident than in South Asia, where rapid economic growth has coexisted with persistent structural inequalities (World Bank, 2024; Moinuddin & Olsen, 2024).

The South Asian Association for Regional Cooperation (SAARC) was established with the signing of the SAARC Charter in Dhaka on 8th December, 1985. The SAARC comprises of eight Member States: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. The establishment of its Secretariat in Kathmandu in 1987 marked a significant step towards institutionalising regional cooperation. The primary objective of the SAARC is to promote and develop the well-being of the people in South Asia. Further it aims to enhance the quality of life, promote the socio-economic progress and integration of cultural development amongst the member states while safeguarding their individual interests. The Organisation also facilitates collaboration and provides assistance in scientific, technical and developmental domains of its member countries. It also coordinates with other international and regional Organisation for socio-economic and cultural aspects of its member countries. Further, the decision is made by the countries on the basis of unanimity and bilateral agreements.

Literature on Sustainable Development Goals (SDGs) highlights persistent global disparities, implementation challenges, and the need for context-specific strategies. Studies indicate that countries with advanced socio-economic and institutional frameworks tend to perform better in achieving SDGs, underscoring the importance of understanding the country-specific strengths and gaps (Caglar & Gurler, 2022).

Similarly, the uneven specialisation of SDG indicators in many nations, suggests the need for improved diagnostic tools to evaluate disparities and guide tailored interventions (Ma et al., 2025). Analyses of Voluntary National Reviews (VNRs) from 188 countries, identified poverty, climate change, governance inefficiencies, and education disparities as common challenges across nations reinforcing the need of localised SDG Strategies (Göçoğlu et al., 2025; Mwangi, 2025).

The divide between the Global North and South also remains a critical concern in terms of SDG outcomes with developing nations facing significant constraints in achieving SDGs. Medina-Hernández et al. 2023 noted that the countries in the global North have benefitted better infrastructure which is essential for economic growth and sustainable development. But the countries in Global South continues to struggle with basic service delivery, health, and equality. Besides, governance play a critical role, as to how countries pursue the SDGs, as seen in the contrasting cases of Japan and Indonesia (Morita et al. 2020). Furthermore, while economic and technological progress contributes positively to SDG performance, the absence of emphasis on green innovation hampers sustainability, necessitating new strategic directions (Islam, 2025).

Economic considerations also play a pivotal role in SDG implementation particularly in developing regions such as SAARC. Although economic growth is generally associated with improved SDG performance, it often generates environmental and social externalities that may undermine sustainability (Moinuddin & Olsen, 2024). Financial constraints and persistent funding gaps that hinder SDG achievement by 2030, necessitating greater awareness of the of the financial benefits of sustainability and the mobilisation of adequate resources (Leal Filho et al., 2022). In this context, regular, systematic and continuous monitoring and evaluation of SDG progress are essential to ensure that national policies remain aligned with evolving development challenges and scientific evidence (Allen et al., 2018).

According to the SAARC framework, the SDGs have been regionally contextualised grouped into four major heads, viz. livelihood, health, education and environment, reflecting the region's development priorities (SAARC, 2008). Since the adoption of the global SDG framework in 2015, SAARC nations have made varying degrees of progress in achieving these goals. While notable advancements have been observed in poverty reduction, economic growth, and certain social indicators, significant disparities persist in employment generation, environmental sustainability, and equitable resource distribution (United Nations, 2024).

The region's economic performance however reveals a dual reality. On one hand, are countries such as India and Bangladesh that demonstrated strong economic growth and improvements in poverty reduction. On the other hand, there are several member states continue to face structural challenges, including high levels of informality in employment, gender disparities in labour participation, and limited access to essential services (World Bank, 2024). These issues highlight the existence

of both inter-country and intra-country inequalities, which hinder the inclusive realisation of SDGs.

This paper assesses the progress in the performance and development of SDGs and their targets in SAARC nations. It aims to analyse the extent to which economic growth, employment patterns, and resource distribution influence SDG outcomes in the region in 2025.

OBJECTIVES

The study has a threefold objective.

First, it aims to understand the socio-economic and political significance of SAARC countries in regional development.

Second, it assesses the performance and achievements of SDGs across member states, focusing on key economic and social indicators.

Third, it examines inter-country disparities and identifies policy measures required to bridge the economic divide and promote sustainable development

METHODOLOGY

A. Research Design

This study adopts a descriptive and analytical research design to examine the progress, performance, and disparities in the achievement of Sustainable Development Goals (SDGs) across SAARC nations in 2025. The analysis focuses on the economic dimensions of sustainable development viz. economic growth, employment, industrial development, poverty reduction, and inequality.

B. Data Sources:

To achieve the objectives, the study relies on secondary data collected from various sources, viz. the World Development Outlook (World Bank, 2024), Regional Economic Outlook Reports, IMF, 2024 and the Sustainable Development Goals Report, 2024. The analysis is constrained by data availability. It focuses on selected SDG indicators that capture key aspects of economic and social development.

C. Data Analysis

The analysis of the study, is divided into three analytical sections. To assess the economic dimensions of SDGs, the study specifically analyses the economic performance of SAARC nations through sectoral and labour market indicators thereby identifying the structural transformation and economic composition of member economies.

Further, the labour market conditions are evaluated using employment-related indicators to assess employment generation, workforce distribution, and labour market opportunities across countries. Additionally, “General Labour Force Participation Rate (GLFPR)” is used to examine labour force participation trends and economic inclusion. The study also examines the progress of SAARC nations in achieving SDG

8 (by analysing indicators related to economic growth rates, employment generation, productivity, and decent working conditions. Similarly, the progress under SDG 9 is evaluated through indicators associated with industrialisation, infrastructure development, technological advancement, and innovation capacity. Finally, the study investigates the progress of SAARC countries in achieving SDG 1 and SDG 10, through indicators related to poverty levels, income distribution, labour participation, and socio-economic inequalities.

The collected data are analysed using descriptive statistical techniques such as percentage analysis, comparative ranking, trend analysis, and tabular interpretation. Graphical representations and comparative tables are also used to present the findings systematically and to facilitate cross-country comparisons.

However, the study is limited by the availability and consistency of SDG-related data across SAARC countries. As such only selected indicators relevant to the objectives of the study are included in the analysis. While SDGs represent a comprehensive framework for achieving inclusive and sustainable development, their realisation in the SAARC region is shaped by complex economic, institutional, and structural factors. Addressing the economic divide, thus requires a balanced approach that integrates growth with equity, strengthens institutional capacity, and promotes region-specific policy interventions.

CLASSIFICATION AND OVERALL GLOBAL STATUS OF SUSTAINABLE DEVELOPMENT GOALS

The SDGs, also known as the Global Goals are regarded as the constitutional (both social and economic) rights of individuals and communities worldwide. The SDGs comprising of 17 goals and 169 targets integrated and interrelated targets, were adopted by the United Nations on September 25, 2015. They have been focusing on ending poverty, protecting the planet, and ensuring that all people enjoy peace and prosperity. The SDGs were first discussed in UN Conference on Sustainable Development in Rio de Janeiro in 2012. They replaced the Millennium Development Goals (MDGs), which was started in 2000 with a set of the targets to be achieved by 2030.

The SDGs were divided into two broad categories, with five pillars viz., people, planet, prosperity, peace and partnerships and the dimension of sustainability sub-grouped into economic, social and environmental. All the 17 SDGs were clubbed into these major and sub major heads. The SDGs has been divided into three higher-level factors that reflect the three pillars of sustainability (social, economic, environmental). These three pillars are considered to be of varying importance in different countries. Further the individual goals are not stand-alone goals but are influenced closely by each other (Matthias Winfried Kleespies and Paul Wilhelm Dierkes, 2022). Table 1 represents the groups and subgroups of the Sustainable Development Goals (SDGs).

Table 1: Sustainable Development Goals: Groups and Sub-Groups

Group	Sub-Group	Core – Area	Number of SDGs covered
Five Pillars	People	Poverty, Hunger, Health, Education, Gender equality, and Reducing inequalities	1, 2, 3, 4, 5, 10
Five Pillars	Planet	Clean water, Sanitation, Climate action, and Protecting ecosystems	6, 13, 14, 15
Five Pillars	Prosperity	Economic growth, Industry, Innovation, and Infrastructure	7, 8, 9, 12
Five Pillars	Peace	Peace, Justice, and Strong Institutions	16
Five Pillars	Partnerships	Collaboration and Partnerships	17
Dimensions of Sustainability	Economic	Economic growth, Industry, Innovation, and Infrastructure	7, 8, 9, 12
Dimensions of Sustainability	Social	Poverty, Hunger, Health, Education, Gender equality, and Reducing inequalities	1, 2, 3, 4, 5, 10
Dimensions of Sustainability	Environmental	Clean water, Sanitation, Climate action, and Protecting ecosystems	6, 13, 14, 15
Dimensions of Sustainability	Institutional	Peace, Justice, and Strong institutions	16

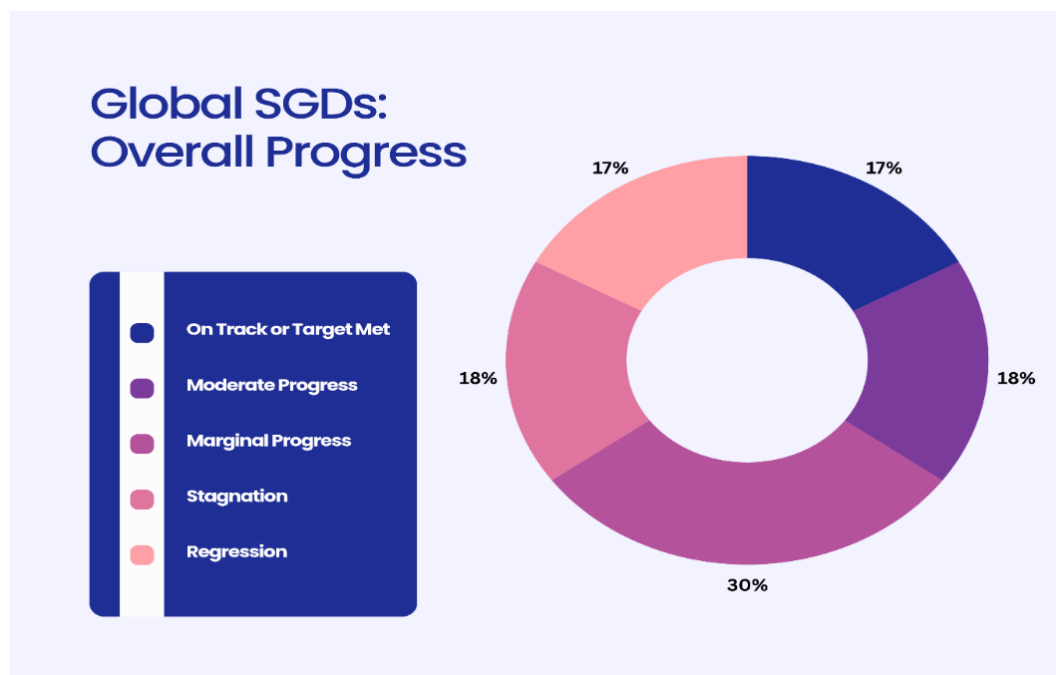
Source: *The Sustainable Development Goals Report 2024*.

The recent report of Sustainable Development Goals (SDG) 2024 Report emphasises the importance and urgency of achieving the goals by 2030. It states that, as of the 2024 assessment period, the world has evaluated progress on 135 out of the 165 targets, based on data provided by individual countries. Figure 1 demonstrates the global development of the SDGs over the past decade from 2014 to 2024.

Figure 1 exhibits that the countries must make a comprehensive assessment to enhance the performance of SDGs. The pie chart illustrates the distribution of progress of SDGs towards achieving specific targets, across five distinct categories: “On Track or Target Met,” “Moderate Progress,” “Marginal Progress,” “Stagnation,” and “Regression.” The data reveals that only 17% of the targets are currently on track or have already been met indicating a limited overall success in achieving the intended goals. Further, an equally small proportion of 17% reflects regression, indicating a reversal in progress. This may be attributed to global disruptions such as the COVID-19 pandemic, economic instability, or escalating environmental crises.

Further, there has been a moderate progress on 18% of the targets, suggesting that while some advancements are made but are insufficient to meet the desired outcomes. Similarly, stagnation is observed in 18% of goals. This indicates that there have been no meaningful changes which can be attributed to presence of systemic bottlenecks or lack of policy traction. However, the most notable classification is 30%

Figure 1: Global SDGs: Overall Progress



Source: The Sustainable Development Goals Report 2024.

under “Marginal Progress,” indicating some movement is but not sufficient to make a substantial impact.

As observed nearly half of the indicators are either stagnating or regressing. Only a small portion is demonstrably on track. The distribution indicates that the global or national performance in meeting critical targets has been far from satisfactory. It highlights the urgent need for reinvigorated policy commitment, strategic interventions, and increased resource mobilisation.

OVERALL STATUS OF SAARC NATIONS IN SUSTAINABLE DEVELOPMENT GOALS

To understand the performance of SAARC Nations in SDG 8-Decent Work and Economic Growth, SDG 9- Industry, Innovation, and Infrastructure and SDG 1 & 10-No Poverty and Reduced Inequalities, it is imperative to understand the overall performance of these nations. Table 2 represents the overall performance of the SAARC Nations in SDGs in country rank, SDG score, spillover effects, statistical performance, and data availability.

Table 2: Overall performance of SAARC Nations in SDGs

Countries	Country Rank (2024)	Country Score (%)	International Spillover Index	Statistical Performance Index	Missing Data in SDGs Index
Afghanistan	162	48.2	92.0	58.4	5
Bangladesh	107	64.3	97.0	70.1	2
Bhutan	61	72.5	81.7	59.9	14
India	109	64.0	95.7	75.4	2
Maldives	67	70.9	97.7	62.1	22

Nepal	97	67.1	95.3	62.0	1
Pakistan	137	57.0	95.0	71.1	2
Sri Lanka	93	67.4	95.3	79.0	2

Source: Sustainable Development Report 2024.

Table 2 reveals that while Bhutan, Maldives, Nepal, and Sri Lanka have a relatively better SDG performance with higher scores and rankings, countries like Afghanistan and Pakistan are lagging behind due to weaker socio-economic and institutional conditions. The International Spillover Index indicates that most SAARC nations have high cross-border environmental and economic impacts. However, the Statistical Performance Index highlights variations in data collection and monitoring capacity. The Missing Data Index further reveals disparities in the availability and reliability of SDG-related data across member countries.

In this context, the present study seeks provides an overview of the progress of SDGs across SAARC nations, towards achieving the 2030 Agenda, highlighting the areas where the goals have been achieved, areas with on-going progress and where the goals that has remained unmet. It also aims to identify actions required in the forthcoming years to achieved the unmet areas.

ECONOMIC PERFORMANCE OF SAARC NATIONS IN SDGS INDICATORS

This section demonstrates the economic performance of SDGs indicators in SAARC nations. based on the data available on Sustainable Development Report 2024, for the SAARC Countries to demonstrate the progress across the three Sustainable Development Goals (SDGs) viz. SDG 8-Decent Work and Economic Growth, SDG 9- Industry, Innovation, and Infrastructure and SDG 1 &10- No Poverty and Reduced Inequalities.

With the recent developments of liberalisation and globalisation, the number of workers living in the poverty has been declining. At the same time the unprecedented situations worldwide like, global and regional economic slowdown, 2008 financial crises, geopolitical frictions and the COVID – 19 pandemics has severely hit the economic growth, employment and income of the developing countries. This has made a negative impacted on middle, poor and informal workers households, and created a K-shaped economic growth and inequalities. However, the economic growth and gainful employment are playing a core instrument to reach the sustainable goals achievement in 2030. More than 25 percent of the population in the world is under 15 years and more than 10 per cent is 56 and above, which indicates that more than 35 percent of the population is depends on the age group of 15 to 64. Any countries' economic growth depends on these economically active groups.

However, the SAARC economies still continue to fight against these challenges and recovering slowly according to the Asia and the Pacific SDGs progress report 2017. The report stated that the effort to achieve the Goal 8 i.e. to promote decent work and goal 10 i.e. to reduce inequalities have been registered as less successful. As the

global economy continues to recover, these nations are experiencing slower growth, widening inequalities, and not enough jobs to keep up with a growing labour force. According to the International Labour Organization, more than 204 million people were unemployed in 2015. The SDGs promote sustained economic growth, higher levels of productivity and technological innovation. Encouraging entrepreneurship and job creation are key effective measures to eradicate forced labour, slavery and human trafficking. With these targets in mind, the goal is to achieve full and productive employment, and decent work, for all women and men by 2030. The recent ADB report 2025 states that India is a biggest player in the GDP and it is projected that to grow by 6.7 per cent by 2026. A simple performance analysis was executed to understand the performance of indicators in SAARC nations.

A. Sectoral Share of SAARC Nations

In economic history of the world, no economy has ever realised its full potential when half of its population is hindered from realising their own potential. South Asia has made remarkable progress in establishing and promoting equal access to social and economic opportunities for both women and men despite facing numerous challenges both internal and external. However, many South Asian women still continue to remain outside the labour force participation despite completing after middle education or graduation or following marriage.

With the emergence of new perspectives, the SAARC nations have shown a considerable development in the twenty-first century. These countries are becoming increasingly important to the development of Asian economy in particular and the global economy in general. In present times, these countries are contributing a significant share to the global GDP. In summary, the global development dynamics of this century are increasingly shaped by these countries. Table -3 presents the sectoral share the SAARC nations.

Table 3: Sectoral share of SAARC Nations

Countries	Agriculture	Industry	Service
Afghanistan	48.8	19.1	29.3
Bangladesh	41.3	17.0	36.3
Bhutan	43.4	15.1	40.5
India	43.5	25.0	31.5
Maldives	12.8	16.1	67.5
Nepal	25.4	29.5	45.0
Pakistan	37.1	25.4	37.5
Sri Lanka	26.5	26.5	47.0

Source: <https://ilostat ilo.org/data/country-profiles/> accessed on 15.04.2025.

Table 3 reflects the dominance of agriculture and its implications on individual SAARC Nations. Agriculture continues to dominate the employment structure in

most SAARC nations. Countries like Afghanistan (48.8%), Bangladesh (41.3%), Bhutan (43.4%), and India (43.5%) still rely heavily on the agricultural sector signaling early or mid-transition economies where which reflects a structural inertia where the majority of the population remains in low-productivity activities due to lack of viable alternatives. Contrary to this Maldives reflects a geographical and economic uniqueness with agriculture’s share at 12.8% and service sector comprising of 67.5%, which can be attributed to its tourism led economy and limited arable land. Nepal (25.4%) and Sri Lanka (26.5%) with 25.4% and 26.5% dependency on agriculture indicates a diversification from agriculture. This can be attributed to factors like international migration and urbanisation.

The analysis of industrial sector provides a mixed picture across SAARC nations. It reflects the differences in resource endowments, industrial policy, and economic diversification. India and Pakistan show a relatively balanced industrial sectors, supported by manufacturing and construction. Bhutan and Bangladesh have a lower industrial employment. Nepal has a surprisingly high industrial share, largely driven by reconstruction efforts and hydro-power infrastructure projects. During this period the service sector has shown a robust growth in countries with strong tourism, financial, and public administration bases. Maldives has a staggering 67.5% employment in services while Sri Lanka and Bhutan also show significant service sector employment with 47% and 40.5% respectively. This trend is suggestive of the fact that as economies mature, labour gradually shifts from agriculture to services, usually bypassing large-scale industrialisation in some cases.

B. Employment prospects of SAARC Nations

According to the most recent data, the global employment trends indicate a relatively low level of global unemployment, which is less than 5 per cent. The economic and social sectors are focusing on promoting decent employment for all people around the world with efforts to remove the contradictions and challenges faced by the women and youths in particular. According to the World Employment and Social Outlook: Trends 2025, decent work and productive employment are essential for achieving the SDGs by 2030. However, in the present times the global youth have been facing many challenges including the decent work and fair pay. More than 90 per cent of the work is of informal in nature, with around 13 per cent of global youth population being unemployed. The recent geopolitical conflicts, economic uncertainties and climate changes are discouraging the additional employment and have exacerbated op special inequalities in many countries, including SAARC nations. Examples include the economic crisis in Sri Lanka, tax wars between west and east, and rising temperatures and climate changes in South Asia. Table 4 presents the employment prospects of SAARC countries in recent times.

Table 4: Employment prospects of SAARC Countries

Countries	Informal Employment	Employment- Population Ratio	Unemployment Rate	Youth Unemployment Rate
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Afghanistan	86.1	46.9	5.0	8.8
Bangladesh	84.9	59.0	4.6	11.5
Bhutan	NA	63	2.4	12.2
India	88.8	53.4	4.2	15.5
Maldives	48.1	60.7	4.6	13.9
Nepal	81.6	35.7	10.7	20.5
Pakistan	84.3	49.4	60.3	11.1
Sri Lanka	67.0	47.5	4.5	22.1

Source: <https://ilostat ilo.org/data/country-profiles/> accessed on 15.04.2025. Note: NA = not available.

Table 4 reflects that SAARC labour markets are highly informal in terms of employment. Except for Maldives with 48.1% labour in informal market, all countries report informality in employment at a staggering rate of 80%, with India leading the list with 88.8% informal labourers followed by Afghanistan at 86.1%. Informal work dominates due to agrarian dependence, the prevalence of small-scale unregistered enterprises, and limited state capacity to enforce labour laws. Although countries report modest unemployment rates, especially India, Bangladesh and Sri Lanka, these figures are deceptive as the youth employment in all these three countries falls far behind in terms of youth employment. This may be due to the cultural expectations, poor labour absorption, and long public-sector job queues that exacerbates to youth joblessness. It is also noticed from the data Pakistan's unemployment rate is unusually high at 60.3% indicating underemployment or vulnerable employment possibly reflecting data inconsistency or misinterpretation.

The Labour force participation rates (LFPR) also vary significantly across SAARC nations. Bhutan and Maldives have high LFPRs with 65% and 63.6% respectively. This can be attributed either to greater female participation and minimal outward migration. On the other hand, Nepal has a low LFPR at 39.9% which can be attributed to massive migration of working-age males for overseas employment. Both Afghanistan and Sri Lanka also have a LFPR. For Afghanistan the reason behind subdued LFPR, is the social and political barriers limiting women's work participation. But for Sri Lanka it is a possible reflection of discouraged female jobseekers in a slow-growing economy.

A synthesis of the combined sectoral and employment data across SAARC nations reveals a classic pattern of structural transformation. It positions the countries into three broad developmental stages viz. agrarian economies, transitional economies and service-led economies. Afghanistan, Bangladesh, Bhutan, and India represent agrarian economies, characterised by high agricultural employment, elevated levels of informality, and relatively low unemployment the classical hallmarks of early-stage development. Nepal, Pakistan, and Sri Lanka on the other hand represent the transitional economies that are gradually diversifying into industrial and service sectors. However, these countries are facing mounting pressures such as rising youth

unemployment and structural underemployment. Further, Maldives, exemplifies a service-led economy, with its tourism-driven growth model, relatively lower informality, and better employment outcomes reflecting a more advanced stage of economic evolution within the region.

Table 5 presents the general labour force participation rate of SAARC nations. The general labour force participation rate is measured by the ratio between the total labour force divided by the total working age population. According to the ILO definition, the labour force (employed + unemployed persons) divided by the total working age population and multiplied by 100, in formula (LFPR = (Labour force/Working-age population) * 100). In short, the labour force is the sum of employed and unemployed individuals.

Table 5: General Labour Force Participation Rate (GLFPR)
in percent (SDG: 10.4.1)

Countries	GLFPR	Labour income shares as a percent of GDP	Working poverty rate	Share of employed working more than 48 hours per week	Population covered by at least one social protection benefit
Afghanistan	49.7	38.7	NA	15.4	7.5
Bangladesh	61.9	43.1	2.6	36.4	22.0
Bhutan	65.0	44.8	0.1	61.3	11.9
India	55.8	56.8	8.7	50.1	48.8
Maldives	63.6	42.5	0.1	32.1	30.1
Nepal	39.9	45.4	0.2	28.1	21.0
Pakistan	52.7	45.2	4.2	39.7	20.2
Sri Lanka	49.7	34.4	0.9	28.1	41.3

Source: <https://ilostat.ilo.org/data/country-profiles/> accessed on 15.04.2025. Note: NA = not available.

From Table 5, it can be observed that the general labour force participation rate was high in Bhutan at 65%. However, India dominated in labour force contribution to GDP at around 59%. Unfortunately, India also had a higher level of working poverty as compared to other SAARC countries, while Bhutan and Maldives reported poverty rates at less than 0.5%. An examination into the share of employed individuals working more than 48 hours per week, countries such as Afghanistan, Sri Lanka, Nepal, Pakistan, Bangladesh and Maldives reported figures less than 50 per cent. However, the Covid – 19 and other internal and external economic and political crises had adversely affected the development of all the SAARC nations.

C. Progress of SAARC Nations SDG 8-Decent work and Economic Growth

Economic growth, in a simple way economic growth is nothing but it is the increase in the value of goods and services an economy produces over a period of time, normally a year. It is measured by the changes in GDP (real). The economic growth clearly says that high economic growth will leads to higher standard of living, stimulate the

consumption, and greater in saving and income, these things will lead to sustainable human development.

The SDG goal 8 aims to encourage sustained economic growth through the productivity level and better technological supports, it is also promoting the policies that encourage entrepreneurial and employment creation for effective abolition of forced labour, slavery and human trafficking at all levels for men and women by 2030.

Table 6: Decent work and Economic Growth

Countries	GDP Growth Adjusted (in) 2022	Unemployment Rate (Above 15 + in %)	Labour Rights (0 is worst 1 is best)
Afghanistan	-15	16.3	0.37
Bangladesh	0.7	4.2	0.44
Bhutan	-3.7	6.1	NA
India	-1.3	4.7	0.51
Maldives	-1.6	4.3	NA
Nepal	-3.9	10.9	0.54
Pakistan	-2.7	5.8	0.34
Sri Lanka	-6.5	6.6	0.59

Source: Sustainable Development Report, 2024. Accessed on 15.04.2025.

Note: NA = not available

Table 6, represents SDG 8, which focuses on decent work and economic growth shows that except Bangladesh all the other countries faced negative growth rate in GDP during the assessment period. This can be attributed to the global economic slow-down and the lingering impacts of the COVID-19 pandemic that not only disrupted supply chains and reduced investment but also hampered recovery efforts across the region, contributing to negative GDP growth in most SAARC nations. Of all the SAARC nations Afghanistan's economic scenario is in the most critical with negative GDP Growth at -15% coupled with high rate of unemployment and poor labour rights at 16.3% and 0.37 respectively. This can be but not limited to due to severe political instability following the Taliban's return to power along with various international sanctions, and the collapse of formal economic institutions in the country.

Although not very high, Bangladesh has relatively stable indicators with positive GDP growth, low rate of unemployment and moderate labour rights at 0.7%, 4.2% and 0.44% respectively. Thus, Bangladesh demonstrated largely driven by the strength of its ready-made garments (RMG) sector, labor-intensive manufacturing, and relative macroeconomic stability.

Contrary to negative GDP growth at -1.3%, India maintained a moderate unemployment at 4.7% and comparatively better labour rights at 0.51%, likely supported by government welfare schemes and a diversified economy that buffered labour market shocks. Nepal and Pakistan experienced a negative GDP growth rate at -3.9% and

-2.7% respectively, along high unemployment at 10.9 and 5.8% respectively. Further, the labour rights in both these countries were also moderate at 0.54 and 0.34 percent respectively. This may be attributed to limited industrialisation, reliance on remittances, and political uncertainties. The scenario is contradictory in Sri Lanka, which has a significant GDP contraction of -6.5%, but reflects the highest labour rights score at 0.59 percent. The GDP Contraction in Sri Lanka was primarily the result of a severe economic and debt crisis. The highest labour rights score on the other hand in Sri Lanka may be attributed to its relatively strong institutional and legal frameworks.

Overall, the analysis of data highlights the complex interplay between macroeconomic trends, governance, and labour conditions in shaping the progress of SAARC nations toward achieving SDG 8.

D. Progress of SAARC Nations in SDG 9-Industry, Innovation, and Infrastructure

Table 7 focuses on SDG 9 i.e. industry, innovation, and infrastructure. The data in table 7 reflect both progress and disparities in the development of industry, innovation, and infrastructure across South Asia.

Table 7: Industries, Innovation and Infrastructure

Countries	Rural Roads (All Seasons)	Internet connection and use	Subscriptions of Mobile Broadband	Expenditure on Research and Development (% of GDP)
Afghanistan	58.5	17.6	55.5	0.0
Bangladesh	98.0	44.5	55.9	NA
Bhutan	90.1	86.8	98.0	NA
India	99.2	48.1	56.4	0.6
Maldives	94.1	83.9	53.6	NA
Nepal	87.1	49.6	89.1	0.3
Pakistan	88.3	32.9	51.5	0.2
Sri Lanka	99.7	50.1	94.9	0.1

Source: Sustainable Development Report 2024. Note: NA = not available.

Of all the SAARC countries India and Sri Lanka stands out for their extensive rural road connectivity, both exceeding 99%, indicating a strong rural infrastructure network. This can be seen as a reflection of sustained public investment, rural development schemes, and well-established administrative frameworks. Of all the countries under consideration Afghanistan due to prolonged conflict, weak governance, and lack of infrastructure investment.

Bhutan and Maldives exhibit has impressive digital connectivity with internet connections and us reaching a mark of 86.8 and 83.9 percent respectively. This growth can be attributed to their small populations, focused digital policies, and strong investments in ICT infrastructure. On contrary to this Afghanistan with 17.6 percent

internet connection and use can be attributed to poor infrastructure, instability, and low digital literacy.

The data reveals that most SAARC countries such as India, Bangladesh, Nepal Pakistan and Sri Lanka have moderately fair internet connection and use. This can be attributed to issues such as rural-urban divides and affordability. There can also be economic constraints, infrastructure bottlenecks, and digital inclusion challenges.

But the subscriptions of Mobile broadband in Bhutan, Sri Lanka and Nepal is impressive at 98.0%, 94.9% and 89.1% respectively. Amongst the SAARC countries India has been leading the region in research and development expenditure at 0.6% of GDP, followed by Nepal at 0.3% owing to India's larger scientific base, industrial sector, and government initiatives like the National Innovation Mission. However, in terms benchmarked global standards of these figures are still relatively low, indicating the need for greater commitment to innovation-led growth.

D. Progress of SAARC Nations in SDG 1 & 10- No Poverty and Reduced Inequalities

Addressing the no poverty and reduced inequalities create an awareness to frame a sound policy at the national, regional and international levels, based on the pro-poor actions the poverty rate has been declining since 1990s. The recent data shows that more than 70 crore or 10 per cent and one in every 10 persons of the world population living in extreme poverty. The SDG goal 1 aim is ending the poverty at all level by 2030. Some portion of the population in the world has live in extreme poverty and they are denied or isolated from the decent work and life; people live in the vulnerable must be empowered.

Worldwide, the poverty rate in rural areas is above 17 per cent and it is more than three times of urban poverty rate. Unfortunately, according to the 2018 data, the working families' poverty is 8 per cent and every five in one child live in extreme poverty. This is indicating that the world is still to formulate better policy for remove the poverty and the world will live with the zero poverty. Inequality remains a primary challenge in present world and adverse effect on development, post COVID – 19 periods the gap between economic indicators shows a large-scale disparity in socio economic development and opportunities and it is full back the fostering of SDGs.

Table 8: No Poverty and Reduced Inequalities

Countries	No Poverty (HCR at \$2.15 per day)	GINI Coefficient	Palma Ratio
Afghanistan	65.2	NA	NA
Bangladesh	4.4	31.8	1.3
Bhutan.	1.2	25.5	1.0
India	1.2	34.2	3.1
Maldives	0.4	29.3	1.1
Nepal	3.2	32.8	1.3
Pakistan	3.8	29.6	1.1

Sri Lanka	3.1	37.7	1.7
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Source: Sustainable Development Report 2024.

Note: NA = not available

The SDGs 1 and 10, covers poverty reduction and inequality and yet again Afghanistan remains the most economically vulnerable nation, with 65.2% of its population living below the international poverty line of \$2.15 per day. Afghanistan’s prevailing poverty and the paucity of inequality data reflect its protracted conflict, political instability, and sanctions-driven economic isolation. This has led to shrunk formal employment, leaving most households dependent on low-productivity subsistence farming or humanitarian hand-outs and compressing the national distribution at the bottom.

Contrary to this, Maldives and Bhutan have the lowest poverty rates at 0.4% and 1.2%, respectively, along with relatively low inequality indicators such as the GINI coefficient and Palma ratio. This might be attributed to Maldives and Bhutan low populations with distinctive growth models uplifting its populations from the threshold of extreme-poverty while keeping income gaps moderate. For Maldives in particular its tourism-led economy generates high per-capita earnings while its geography concentrates opportunity in a few atolls, limits its rural-urban divides. India, on the other hand has a low poverty rate of 1.2%, but is characterised by a high Palma ratio of 3.1, which signifies a substantial income inequality. India’s paradox stems from decades of rapid, urban-centric growth that has not only lifted the rural poor above subsistence but has also funneled disproportionate income gains to the richest 10 per cent.

Besides Sri Lanka, too, has shown signs of economic disparity with a high GINI coefficient of 37.7 and a Palma ratio of 1.7. However, the poverty rate for Siri Lanka is moderate at 3.1%. This can be attributed to factors such as strong health and education that has helped keep extreme-poverty modest. However, the recent debt crisis, public-sector layoffs, and urban-rural wage differentials have stretched the income distribution, pushing the GINI and the Palma ratio to not so moderate areas.

Further, Bangladesh, Nepal, and Pakistan also exhibited relatively balanced figures, with modest poverty levels and manageable inequality. Their moderate poverty rates indicate that earnings in garments for Bangladesh, overseas labour markets for Nepal and Pakistan, and smallholder agriculture still cluster just above the extreme-poverty line.

CONCLUSION

The study concludes that the SAARC nations have potentiality and made a significant progress in many indicators of SDGs. However, only a significant improvement in SDGs indicators for all the members of countries can ensure a win-win situation for all and became super power of Asia. This will ensure equal opportunities to economic progress and move to an emerging economic category. The SAARC nations should

give priorities and special attention to the less performance indicators and concentrate on regional and sub-regional developments; this will facilitate and effective tool for reaching policy at the national level.

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