



Responding to the socio-economic impacts of the COVID-19 pandemic in the UNECE region

Introduction

The spread of the COVID-19 pandemic represents an unprecedent challenge that is leaving no country untouched. It is having major disruptive effects for all. Besides the devastating health impacts, many signs show that we will face one of the most severe economic slumps in modern history — along with severe impediments in our ambition to meet the goals of the 2030 Agenda.

The impact on different parts of the region has varied depending on the timing of the initial outbreak, the economic and demographic structures and pre-existing capacities. But all countries have been hit by various economic shocks- on demand, supply and financing. The crisis severely affects the very fabric of international economic relations — trade and transport.

While it is still unfolding, it has also raised uncertainty and clouded future prospects. It has led to an increased awareness of the importance of risk management in decision-making and the need to be prepared for different scenarios.

UNECE has a large number of instruments and initiatives that can support member States in their efforts to tackle the crisis and promote a sustainable recovery. Engaging all its different functions and assets — convening power, normative production and technical cooperation—it can respond to evolving needs in benefit of all its member States.

1. UNECE's multifaceted response

UNECE's contribution to address this crisis and its consequences includes a suite of instruments and a range of evidence-based analysis across its areas of expertise that help to create the much-needed dynamic synergies between relief, reconstruction and longer-term development efforts.

UNECE's Action Framework for a coherent response to the COVID-19 crisis is built upon three pillars:

- Facilitate connectivity
- Address transboundary and other risks
- Support a green and resilient recovery

UNECE Action Framework for Responses to the COVID-19 crisis

FACILITATE CONNECTIVITY

- Enhance cooperation and implementation of a harmonized regulatory framework for border crossing
- Promote digital implementation of existing legal transport instruments
- Facilitate trade through the exchange of electronic information and harmonisation of standards and regulations

ADDRESS TRANSBOUNDARY AND OTHER RISKS

- Promote the use of existing multilateral environmental agreements to deal with various risks
- Foster transparency, traceability and risk management through the use of standards
- Promote and enhance statistical frameworks to improve the basis for decision-making, including in relation to disasters

SUPPORT A GREEN AND RESILIENT RECOVERY

- Enhance resilience and efficiency through enhanced focus on resource use, including through circular economy approaches
- Address the implication of the crisis in urban centers and engage cities as drivers of the recovery
- Promote sustainable infrastructure, including through private sector participation

FACILITATE CONNECTIVITY

Connectivity has been impaired by restrictions to mobility and health compliance requirements. Regional coordination should be enhanced to facilitate cross-border and transit freight transport, avoid delays, in particular regarding critical supplies, and reduce the cost of compliance.

The avoidance or reduction of physical contact has been sought as an effective but, most often, costly way to arrest the spread of the pandemic. Instruments and initiatives that eliminate the need for or frequency of physical contact with limited or no cost are therefore of critical value. Their use and acceptance are likely to outlast the crisis when they contribute to increased efficiency and reduce environmental pressures. The recovery needs to rely on the impulse provided by trade and an efficient and greener transport sector.

Supporting safe and efficient border crossing

According to WTO figures, global trade will decrease by up to 32% in 2020, under a pessimistic scenario. According to the International Road Union, revenue for the road freight sector decreased by 40% during the confinement period compared to 2019 figures. To maintain efficient supply chains, UNECE will encourage governments to financially support transporters and logistics service providers hit heavily by the pandemic.

Reducing the cost of trade

Additional checks and restrictions are increasing the costs of trading across borders. In some of the less advanced countries in the region, these were already relatively high. It is therefore important to reduce other avoidable sources of trade costs, including through the use of trade facilitation tools such as those developed by UN/CEFACT and the activation of mechanisms for sub-regional cooperation.

In his global <u>call to action</u>, the Secretary-General urged all countries to facilitate the free flow of goods within and across regions. Among the measures recommended is the use of paperless border crossing procedures such as "eTIR" of the TIR global customs transit system, administered by UNECE.

TIR connects over 70 economies around the world – including the EU, China, India, Pakistan, the Russian Federation, Iran, Saudi Arabia and Qatar, and landlocked developing countries including all of Central Asia, and Afghanistan. TIR cuts transport times by up to 80% and costs by up to 40%. This can help to maintain or resume trade flows safely and securely.

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Successful piloting of the digitalized "eTIR" system – such as between the Islamic Republic of Iran and Turkey, and Georgia and Turkey – has demonstrated how it can enable seamless operation of supply chains while reducing virus transmission risks by minimising physical contact between customs officers and truck drivers. UNECE will support accelerated the implementation of eTIR, and also promote the use of "eCMR" electronic consignment notes. 1 billion transport contracts are issued annually based on the CMR Convention administered by UNECE, enabling seamless road freight.

To facilitate transport connectivity during the COVID-19 pandemic, UNECE launched an Observatory on Border Crossings Status, which gathers information on cross-border limitations for over 135 countries worldwide, directly from governments, partner organizations and the transport sector. It offers a unique knowledge sharing platform to keep borders open and facilitate the movement of goods. Through the Observatory, the transport sector is informed about measures imposed by governments, enabling them to adapt their itineraries and transport solutions accordingly; governments are informed of good practices implemented in other countries.

UNECE's Observatory on Border Crossings Status gathers information on cross-border limitations for over 135 countries UNECE's 59 United Nations inland transport Conventions provide countries with a harmonized legal and regulatory framework for the development of connected, efficient, safe and sustainable inland transport systems. 149 of 193 UN Member States, or 77 per cent, are Contracting Parties to at least one of these tools.

During the lockdown period, a number of UN legal instruments on transport relaxed their mandatory requirements for renewal of certificates and training to support delivery of essential goods and medical supplies, such as the Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) and the Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be Used for such Carriage (ATP). Such temporary measures ensured continued supply of foods and medicine, including medical oxygen. Digital certificates, documents, electronic training platform and electronic approval process will be promoted in amendments to these and other UN legal instruments on transport, such as Customs conventions on temporary admission, the agreement on periodical vehicle inspections. Taking lessons from the COVID-19 pandemic, all legal instruments can be examined to introduce provisions on preparedness and cooperation for future crises, including for the Harmonization Convention.

In the post-COVID-19 era the world will remain highly interconnected and rely on seamless and efficient transport and logistics systems. A global initiative is therefore needed to enhance international cooperation and coordination among inland transport authorities, and to strengthen their resilience. To support this aim, UNECE established an Informal Multidisciplinary Advisory Group on Transport Responses to COVID-19. This provides a unique platform to take stock of inland transport challenges, discuss possible

issues in re-opening of cross-border traffic and exchange views on possible recommendations to increase transport authorities' preparedness for and resilience to future outbreaks, including amendments to UN legal instruments on inland transport.

Together with UNCTAD and all UN Regional Commissions, UNECE will contribute to a project addressing three areas of transport and trade affected by the COVID-19 crisis: (i) reduce physical contacts among the participants in the global supply chains; (ii) minimize border controls, while ensuring the efficiency of necessary checks and procedures and commercial responses; and (iii) facilitate cooperation regionally or at the sector level to achieve greater impact and efficiency of policy measures.

Harnessing digital trade facilitation tools

UNECE offers hundreds of freely available standards and recommendations for trade facilitation, that enable dematerialized trade processes throughout global supply chains. These tools include Single Window, Single Submission Portals, eBusiness standards, Data Pipeline, Internet of Things-based Smart Containers that can capture information from objects without human intervention, and electronic documents such as eCMR, e-Invoice and reference data models. Supporting more efficient health care systems, UN/EDIFACT Health Standards facilitate data exchange among medical providers. These include messages for medical prescriptions, medical service requests, medical service reports, health care claims.

By reducing person-to-person contact in trade processes and supply chains, these tools can

reduce the spread of the virus. Thanks to the efficiency gains they bring, the increased use of such tools is likely to outlast the crisis.

Together with ESCAP, ECLAC, and UNCTAD, UNECE contributes to a global UN Development Account project to support the roll-out of selected UN/CEFACT tools to enable and promote using electronic documents exchange in trade and transport corridors. More specifically, UNECE will prepare clear documentation to support countries with the implementation of existing UN/CEFACT standards on digital trade. This will build on the wealth of traditional best practices in trade and transport facilitation accumulated by UNECE and UN/CEFACT and offer a concrete trade and transport-related response to the challenges of the pandemic to cross-border supply chains.

Removing non-tariff barriers to trade

Through policy advice, UNECE helps countries remove regulatory and procedural barriers to trade. Our studies have helped or are helping Albania, Armenia, Georgia, Kyrgyzstan, Moldova, Serbia and Tajikistan to harness trade and integration into regional and global value chains as a tool drive sustainable development. This will be particularly important to accelerate the economic recovery from the crisis.

UNECE studies help Albania, Armenia, Georgia, Kyrgyzstan, Moldova, Serbia and Tajikistan remove regulatory and procedural barriers to trade

Building on the study for Tajikistan, UNECE supported the government to develop and adopt a National Trade Facilitation Roadmap for Exports Enhancement and Diversification. It provides a guiding framework to reduce import and export times and costs by 30%, and to increase export volume by at least 15% and diversify the export base, by the end of 2024. Measures prioritised, such as automated customs procedures, risk management approaches, and e-payments at border posts, can also help mitigate impacts on trade and the economy of the COVID-19 crisis.

A UNECE Policy Recommendation on Readiness for Emergency Relief and Response to Pandemic Crisis, currently under joint development with UN OCHA, will provide accessible best practice and guidelines, as well as standard operating procedures, to facilitate efficient control and clearance in the importation of emergency relief goods.

ADDRESSING TRANSBOUNDARY AND OTHER RISKS IN COUNTRIES' RESPONSE AND RECOVERY

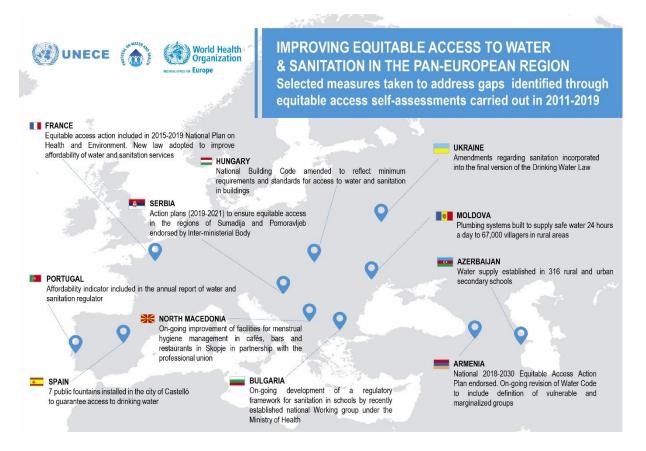
The disruption created by the crisis has exposed different vulnerabilities and the limits in the capacity to react. The unprecedented situation is making risk a more central concept in decision-making at different levels. It is enhancing the relevance of instruments and frameworks that can mitigate or avoid various sources of risk, including across borders.

Ensuring access to water and sanitation

A major challenge with this pandemic is to ensure universal access to clean water and sanitation — a first line of defence against infectious diseases. In the Pan-European region alone, 140 million people lack access to clean water and 36 million lack access to basic sanitation. The joint UNECE/WHO Europe Protocol on Water and Health supports countries to uphold these basic human rights. Between 2010 and 2015, over 19 million people gained

access to basic drinking water sources following its entry into force. To help countries respond to water and sanitation-related challenges of the COVID-19 crisis, UNECE has made related policy resources and guidance available in a dedicated web page.

Clean water and sanitation is the first line of defence against infectious diseases



Supporting environmental assessment

UNECE's <u>Protocol on Strategic Environmental</u>
<u>Assessment</u> can help ensure that environmental and health considerations are taken into account in countries' economic and regional

development planning, including through obligatory consultation of environmental and health authorities, and the public. This allows a cohesive, integrated national approach that goes beyond the limits of individual economic sectors. Governments could use this instrument to consider health risks and mitigation measures for pandemics as part of their planning processes.

Upholding environmental democracy

The UNECE <u>Aarhus Convention</u> supports countries in: (a) providing effective public access to <u>information related to COVID-19 matters</u>, related impacts on biodiversity and ecosystems, on other objects of the environment and on human health; (b) ensuring effective procedures of public participation in decision-making on e.g. legislation, plans, policies and projects related to these matters, by making available guidance material developed under the Convention.

Promoting statistics for effective response

Faced with the emergency, policymakers must take hard decisions and bold moves, quickly and transparently. Such decisions depend on solid data from trustworthy sources, making official statistics issued by national statistical offices more crucial than ever. This is especially needed to counter the COVID-19 "infodemic".

Official statistics issued by national statistical offices are more crucial than ever, especially to counter the COVID-19 "infodemic"

To safeguard statistical production in the face of the crisis, UNECE has developed a <u>dynamic wiki</u> <u>platform on COVID-19 and official statistics</u> to guide statistical producers to existing and newly-developed resources from UNECE and partners. It offers a space for National Statistical Offices and international organizations to share experiences and developments. The platform contains

resources both on new statistical needs to support countries in managing the crisis, and on emergency measures to ensure continuity of statistical production in core areas of economic, social and demographic statistics such as national accounts, consumer prices, censuses and household surveys.

UNECE is also facilitating exchange among chief statisticians on official statistics' role in the COVID-19 response and on data for the SDGs through the Conference of European Statisticians (CES). This draws on a growing compilation of country case studies gathered by a CES Task Force on measuring hazardous events and disasters. This enables national statistical offices to share their experiences in a range of areas, from human resources management to communication, and from management of data suppliers to production of crisis-relevant statistics. These concrete insights will be used to inform the development of implementation guidelines for the CES Recommendations on measuring hazardous events and disasters, a set of core statistics and an 'emergency data kit' for statistical offices to use in emergency situations.

UNECE's Steering Group on gender statistics, in partnership with UN Women, is preparing a proposal to develop a minimum set of questions data producers might add to household surveys such as household budget and expenditure surveys or labour force surveys, to measure the differential impacts of the COVID-19 pandemic on women and men.

To help address COVID-19 impacts on countries' plans for the 2020 round of the population and housing censuses in the region, UNECE's Steering Group on population and housing censuses is undertaking research and updating its information repository. The September meeting of the Group of Experts on Population and Housing Censuses will focus on the impacts of the crisis on census operations and on mitigation strategies to ensure censuses go ahead.

Supporting a coordinated response to assist National Statistical Offices' key role for informed policy responses to the COVID-19 crisis, the Statistics Divisions of <u>UN DESA and all five UN Regional Commissions are joining efforts</u> to assess NSOs' needs, share innovations and expertise, and provide practical resources and guidance.

Addressing COVID-19 risks for older persons

Older populations are particularly impacted by the COVID-19 pandemic. The situation in the UNECE region, where population ageing is the most advanced, is particularly critical: over 95% of fatalities due to COVID-19 in Europe have been of people 60 years or older. In the US, 80% of deaths have been among adults 65 and over. The pandemic is also putting older people at greater risk of poverty, discrimination and isolation.

UNECE has compiled <u>resources</u> and <u>policy tools</u> <u>from across the region</u> to help countries respond to these challenges. UNECE Guidelines on Mainstreaming Ageing provide practical tools and methods of integrating ageing-related issues into all policy measures, including emergency planning and response.

The <u>UNECE Working Group on Ageing</u> provides an inter-governmental platform for policy dialogue and information sharing in the UNECE region. The group is preparing a new policy brief on older persons in emergency situations which will highlight member State responses to the implications of COVID-19.

COVID-19 AND OLDER PERSONS

Economic well-being

The pandemic may significantly lower older persons' incomes and living standards. Already, less than 20% of older persons of retirement age receiving a pension

Mental health

Physical distancing can take a heavy toll on our mental health. Living alone and being more digitally included than others, the risks are higher for older persons

Responders

Older persons are not just victims. They are also responding. They are health workers, carers and among many essential service providers



Life and Death

Fatality rates are five times higher than global average. An estimated 66% of people aged 70 and over have at least one underlying health condition

Vulnerability

Essential care that older persons often rely on is under pressure. Almost half of COVID-19 deaths in Europe occurred in long term care settings. Older women often provide care for older relatives increasing their risk to infection

Abuse and neglect

In 2017, 1 in 6 older persons were subjected to abuse. With lockdowns and reduced care, violence against older persons is on the rise

Source: Secretary General's Policy Brief: The impact of COVID-19 on older persons

Integrating disaster risk management principles

UNECE <u>risk management</u> guidance and best practice support regulatory authorities to manage the risks that confront consumers, citizens and communities. The general recommendation on the use of risk management tools in regulatory systems is "Managing Risk in Regulatory Frameworks". More specific recommendations are contained in "Crisis Management within a Regulatory Framework".

The COVID-19 pandemic serves as a stark reminder of the importance of risk-based regulation that supports authorities in striking an optimal balance between decisive emergency measures to protect citizens' health and the economic and social costs of these measures. UNECE has updated its existing guidance on crisis management, which should become an integral part of good regulation in every sector. The guidance will be incorporated Recommendation, to be tabled for adoption by UNECE's Working Party on Regulatory Cooperation and Standardization Policies (2-3 November 2020). To finetune the proposed Recommendation, the group is conducting an international survey.

Fighting counterfeit and non-compliant medical goods and equipment

In many countries an array of adulterated products including COVID-19 test kits, medicines and medical equipment, masks and even cleaning products have found their way to markets and even to hospitals. Surveillance authorities are understaffed and underequipped, in some cases even in normal times, and have been left with minimal resources during the

pandemic. UNECE's Recommendations (on "Good Market Surveillance Policies and Practices" and "Applying Predictive Risk Management Tools for Targeted Market Surveillance") help these authorities adopt guidance on risk-based decision-making to establish appropriate controls. Supporting online training materials will be made available on the "Standards for the SDGs" platform.

Promoting gender responsive personal protective equipment

Roughly 70 per cent of the global healthcare workforce are women, according to a WHO analysis of 104 countries. While mortality is higher among men overall, women bear the brunt of the risks for essential health workers. In many cases, the personal protective equipment (PPE) used in hospitals, care homes, as well as other high-risk environments fail to adequately protect them, because PPE, like many products, is produced in compliance with standards based on the male body. Under the umbrella of the UNECE "Genderresponsive Standards Declaration", standards bodies work together to make standards - like those on filtering masks, medical gloves and protective clothing — gender responsive. Some 65 standards bodies have already formally signed the Declaration, taking concrete commitments for action.

Reducing risks and strengthening resilience across sectors

<u>UN/CEFACT standards</u> for traceability of agri-food (eCERT), fisheries (UN/FLUX) and wildlife (eCITES) supply chains, the Rapid Alert Systems for Feed and Food (RASFF) and the electronic Animal Passport (eAP), allow for the exchange of electronic permits, reducing the risk of animal-borne diseases (known as "zoonoses"), combating illegal trade and enabling efficient,

modern trade control procedures based on risk management.

The COVID-19 crisis is affecting millions of jobs in the global garment industry. An International Textile Manufacturers survey of 700 companies worldwide revealed that globally, orders dropped by 31 per cent on average during the confinement period. In Bangladesh, where the garment industry accounts for more than 80 per cent of the country's annual exports, the crisis is putting at risk about 4 million workers, mostly women, with one million garment workers having already lost their jobs.

Better transparency and traceability of garment and footwear value chains can help to quickly identify risks and impacts, as well as devise actions to mitigate business disruptions. UNECE's Policy Recommendation and Technical Standard for Transparency and Traceability of Information Exchange in the Value Chains of the Garment and

Footwear Industry will make supply chains more resilient and sustainable, especially in the upstream segments where small and vulnerable actors operate.

Alongside UNCTAD and all UN Regional Commissions, UNECE will contribute to a project addressing three areas of social protection impacted by the COVID-19 crisis: (i) strengthen social protection systems by extending coverage to the vulnerable groups likely to be impacted most by the pandemic — including workers in the informal sector and migrant workers; (ii) enhance gender-responsiveness in policies designed to combat the COVID-19 pandemic, especially the care economy; and (iii) improve data collection and analysis for rapid identification of vulnerable groups for better poverty measurement and targeting to extend social protection coverage.

SUPPORTING A GREEN AND RESILIENT RECOVERY

The economic disruption created by the crisis is leading to a reconsideration of resource use and the fragility of supply lines. We should use this opportunity to strengthen approaches that enhance both resilience and efficiency, such as the circular economy, which can be deployed in a regional context. The stimulus packages being adopted across the region must become an opportunity to advance sustainability, including by addressing climate change, resource use and other environmental concerns.

Infrastructure assessments at an early stage of planning should fully incorporate health and environmental aspects and build on existing normative instruments to consider transboundary impacts.

Fostering better management of natural resources

One of the fundamental challenges highlighted by the pandemic is to better manage natural resources. Today, the materials required for the much-needed green energy transition are often concentrated in a few countries only. These resources include copper, cobalt, lithium or rare earth elements that are used in solar photovoltaics, batteries, electric vehicle motors, wind turbines, and fuel cells. This is also the case for some key materials used in medicines.

UNFC

The United Nations Framework Classification for Resources (UNFC) can help to identify alternative production options covering both conventional and unconventional sources. It can also facilitate resource recovery from materials otherwise considered as waste, making the circular economy a reality. This tool is being increasingly used worldwide, including by the European Commission for its battery production strategy, and is ready to be scaled-up even further. UNFC allows the assessment and improved management of underground reserves, and can also be applied to renewable energy sources, such as geothermal, solar, wind and bioenergy.

Building a resilient, circular economy

Promoting the circular economy and sustainable use of natural resources in the UNECE region will be the theme of the sixty-ninth Session of the Commission, to be held in April 2021, which will build upon strong engagement from all sectoral Committees as well as from the private sector.

The region's circular material use rate has improved in recent years, but it remains at just 11.2% in the EU, according to the latest available data. In Europe and Central Asia, only around one third of waste materials are recovered through recycling and composting.

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UNECE is strongly engaged to develop the normative framework – including standards and guidelines – needed to <u>accelerate the circular economy shift</u>. This includes in the food and textile industries, and for UNFC standards for resource recovery from materials otherwise considered waste.

Confinement, social distancing and travel restriction measures have severely impacted the region's food and agriculture sectors and global supply chains. UNECE's Food Outlook web platform supports analysis and response to the situation, highlights significant effects on demand and supply, imports and exports, and work force shortages. Costs for EU growers, for example, increased by €1 billion in two months during the confinement due to logistics disruptions and increased workforce costs. The European food and agricultural sector, with an estimated turnover of more than €200 billion, generates around 5 million direct and indirect jobs.

In this challenging context, UNECE resources can help ensure food security by tackling food loss and waste along supply chains. This involves a three-pronged approach (the App, the Code, the website), offering systematic, targeted solutions for reducing food loss along supply chains. Such solutions help, e.g. in improving data on food loss and waste, and improving product handling, transport and storage along the different stages of the supply chain. Every year we lose about 14% of food produced before it is sold, and this does not even include the food never harvested, while even more is wasted at retail and consumer levels. At the same time, over 800 million people worldwide suffer from hunger, while food loss is a major contributor to CO₂ emissions and negatively impacts soil, water and biodiversity.

Supporting post COVID-19 green mobility

The transport sector accounts for <u>about a quarter</u> of <u>greenhouse gas emissions in the EU</u>. Major reductions in traffic during the lockdown period contributed to what is expected to be the <u>largest ever annual fall in CO₂ emissions</u>, but new approaches and sustained efforts will be needed to deliver lasting changes.

A <u>UNECE/ILO</u> <u>study</u> showed that a "green" structural transformation of the transport sector could create 10 million jobs worldwide - including almost 3 million in the UNECE region - if half of all vehicles manufactured were electric. Harmonized UN Regulations developed at UNECE cover electric and other sustainable fuel sources, making this possible on a large scale. In addition, almost 5 million new jobs could be created worldwide, - 2.5 million in the UNECE region - if UNECE countries doubled investment in public transport.

A "green" structural transformation of the transport sector could create 15 million jobs worldwide

UNECE member States have mobilized to create a Task Force to develop a set of principles for green and healthy sustainable mobility. This collective effort is being launched under the Transport, Health and Environment Pan-European Programme (THE PEP), jointly led by UNECE and WHO Europe — a unique regional platform for the development of sustainable mobility. To further support this shift, UNECE has issued policy guidance on reducing car use in cities after the pandemic, drawing on good practices from across the region.

Through THE PEP, measures to protect drivers and passengers of public transport will be promoted to restore public confidence to environmentally friendly modes of transport. Assistance from governments to operators of public transport will be encouraged to maintain this green mode of mobility.

Supporting the mass roll-out of connected and automated vehicles

Technical regulations under the 1958 and 1998 agreements on vehicles will be accelerated to support the mass introduction of connected and automated vehicles. Three Regulations adopted in June 2020 on Automated Lane Keeping Systems and Cyber Security and Software Updates became the first internationally harmonized binding norms in these areas and will help to spur significant innovation and investment. In the area of cybersecurity, this is projected to increase from 4.9 billion USD in 2020 to 9.7 billion USD in 2030. Regulations on traffic involving autonomous vehicles in connection with the Vienna Convention on Road Traffic will be formulated in parallel to support the safe use of autonomous vehicles on the road.

To help monitor the broader transport situation during the pandemic and to help devise policy responses, UNECE launched a <u>platform</u> <u>centralizing available data on the impact of COVID-19 on transport</u> in the region. This highlighted significant impacts: for instance, France & Sweden reported a 39% drop in road fatalities for March 2020 compared to March 2019. In Italy, vehicle registrations, which offer an insight into economic activity, were down 85% in March 2020 compared to 2019.

Building resilient cities

At the local level, UNECE's tools support performance evaluation of cities. This promotes holistic urban management and innovation, including for better preparedness to crises.

UNECE/ITU Key Performance Indicators (KPIs) for Smart Sustainable Cities are used by over 50 cities worldwide. As a result of our collaboration on its Smart Sustainable City Profile using the KPIs, Voznesensk in Ukraine put in place a range of measures to strengthen the local health system.

UNECE also works with cities to promote concrete climate action through tree planting with the <u>Trees in Cities Challenge</u>. A single tree can absorb up to 150 kg of CO₂ per year; trees can also reduce air conditioning needs by limiting the effects of urban heat islands. Urban tree planting can unlock additional benefits for clean air, resilience to erosion and landslides, biodiversity and wellbeing. Mayors in the UNECE region and beyond have pledged to plant over 10 million trees through the Challenge by the end of 2020.

UNECE Forum of Mayors

Local governments are on the front lines of addressing the COVID-19 pandemic. UNECE's first Forum of Mayors (6 October 2020) will bring together cities from Europe, North America, Central Asia and the Caucasus to share concrete experiences to strengthen local resilience to emergencies, including to COVID-19, climate change and natural hazards. With some 75% of the population living in cities, the UNECE region is among the most highly urbanized in the world, turning resilient cities into key drivers for sustainable development.

UNECE will further support cities in addressing COVID-19 economic and social consequences related to housing and to smart sustainable cities through the study on "#Housing2030 - Improving Housing Affordability in the UNECE region" implemented together with partners Housing Europe, UN-Habitat and others.

A project carried out by the five UN Regional Commissions in collaboration with UN-Habitat and UNCDF will pursue the following four interrelated dimensions of economic and financially resilient cities, with an explicit focus on digital and technology-based leveraging solutions and opportunities within the green economy: (i) reduce urban unemployment; (ii) mitigate effects of diminished local government revenue; (iii) strengthen productivity in urban centers (iv) develop financing instruments and frameworks, providing cities with the tools they need to withstand economic shocks, and specifically integrating the needs of urban centers into COVID-19 economic recovery and rebuilding planning.

Promoting nature-based solutions

UNECE supports countries of the region to harness cost-effective nature-based solutions, such as restoring degraded and deforested landscapes. This can bring significant benefits for climate action, biodiversity, and unlock green economic growth opportunities. UNECE has already assisted countries of the Caucasus and Central Asia in their commitment to restore over 3 million hectares of degraded land by 2030 and is working to scale up commitments across the region through the ECCA30 initiative.

Supporting smaller businesses

UNECE has launched a series of demand-driven national assessments on the impact of COVID-19 on micro, small and medium-sized enterprises (MSMEs), which constitute the backbone of most economies in the region's 17 programme countries. Assessments have been launched in Armenia, Georgia, the Republic of Moldova and Serbia, amid preparations for another 6 assessments (Albania, Belarus, Bosnia and Herzegovina, Kosovo ¹ , Montenegro and the Republic of North Macedonia). Georgia, the Republic of Moldova and Serbia have already indicated that they plan to incorporate the findings of these assessments in their national recovery policies.

UNECE is developing online training modules to support SME recovery. The modules will cover (i) dematerialization of documents and integrated services for MSMEs engaged in international trade (UN/CEFACT); (ii) agricultural quality standards and food loss and waste, with a view to MSME recovery and sustaining and building inclusive supply chains; (iii) enabling MSMEs to properly select and put into practice appropriate standards to survive the crisis and capitalize on emerging trade opportunities: (iv) gearing non-tariff measures towards supporting SMEs recovery from the COVID-19 induced crisis and long-term sustainable development.

The sharp reduction of employment opportunities caused by the COVID-19 crisis has hit women's financial security, exacerbating existing inequalities. Women are disproportionately employed in the worst-affected sectors, such as service, hospitality, tourism, care work (globally, 60-70 per cent of care workers are women). Over a quarter of

women employees in our region are in precarious jobs, compared to about 15 per cent for men. A strong focus on gender-responsive economic and social policies, especially in the care economy, is at the heart of a new project launched by UNECE in cooperation with the UN Regional Commissions, aiming to strengthen national capacities for the rapid recovery from the crisis and to build resilience against future shocks.

An assessment of the impact of COVID-19 on female-owned enterprises in Central Asia, the Balkans and the Caucasus is being launched in cooperation with UN Women. The survey will delve into the interplay between Non Tarif Measures, and trace how these combine with the global economic crisis to influence the enterprises' development prospects.

UNECE will also contribute to a multi-partner UN project to provide immediate advice, capacity building and support to governments and micro, small and medium enterprises (MSMEs) during the pandemic. The project will: (i) establish a virtual knowledge hub where all policy tools, training materials and capacity building toolkits can support the growth of MSMEs; and (ii) provide hands-on assistance to countries in need to quickly address specific challenges faced by **MSMEs** during the crisis, including entrepreneurship and business skills facilitation, and providing access to technology, financing and markets.

Assessing the impact of COVID-19 on regional integration in Central Asia

The COVID-19 crisis has strongly hit the countries of Central Asia. Trade, which has been severely disrupted, can make an important contribution to lift economic prospects in the subregion. To

¹ Reference to Kosovo should be understood in compliance with Resolution 1244 (1999).

support governments' response, UNECE has launched an assessment of the impact of COVID-19 induced non-tariff measures (NTMs), supplychain disruptions and economic crisis on trade patterns among the countries of the United Nations Special Programme for the Economies of Central Asia (SPECA) - Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.

The assessment will lead to action-oriented recommendations to help countries develop measures to improve economic resilience and further capitalize on trade growth opportunities as a means for achieving the SDGs.

With the support of the seven countries and of some international donors, UNECE has initiated the creation of a SPECA Fund.

Harnessing "people-first" Public-Private Partnerships

Resilient infrastructure and public services are key ingredients for sustainability in the face of pandemics and other emergencies (e. g droughts, floods, fires, water shortages, soil erosion, industrial accidents, etc.).

COVID-19 recovery plans will mobilise hundreds of billions of public and private investments.

UNECE's <u>People-First PPP Principles</u> and its project evaluation methodology, which place a strong emphasis on resilience and building back stronger, provide a toolkit for countries to use PPPs in compliance with the SDGs.

The Guiding Principles help prioritize resilience in legislation (principle No. 4), in project selection criteria (principle No. 7), and improve environmental sustainability (principle No. 8).

Accelerating the shift to energy efficient buildings

Countries can implement UNECE's <u>Framework Guidelines</u> for energy <u>efficiency standards in buildings</u> to unlock rapid climate gains. Today, buildings account for approximately one third of total final energy consumption and almost 40 per cent of CO₂ emissions. Deep energy retrofits of buildings can reduce energy demand linked to space heating <u>by two-thirds or more</u>. In advanced economies, retrofitting 20% of buildings over the next five years would reduce CO₂ emissions from space heating by around one fifth.

In advanced economies, retrofitting 20% of buildings over the next five years would reduce CO₂ emissions from heating by around 20%

Harnessing innovation to drive a sustainable recovery

Innovation can contribute both to the short-term pandemic response and to long term resilience. Recognising innovation as a prime driver for sustainable development, UNECE fosters innovation through regular policy dialogue and regional and national capacity building. National Innovation for Sustainable Development Reviews engage countries and leading experts in both a comprehensive analysis of the existing system and concerted, peer-reviewed policy recommendations. In response to the COVID-19 crisis, UNECE has added a substantive look at the

nature of the crisis and short-term responses in its on-going reviews of Georgia and Moldova as well as for the up-coming review of Uzbekistan.

UNECE is launching surveys on innovation in Eastern Europe and the South Caucasus to understand the specific challenges countries face and their policy responses. These will result in policy recommendations supporting countries in their recovery efforts and in building systemic resilience on the path to sustainable development.

Leveraging Multilateral Environmental Agreements to build back better

UNECE's multilateral environmental agreements offer proven tools to help countries "build back better" to deliver on the SDGs. These include the <u>Water Convention</u>, which provides a legal framework for countries to manage shared water resources, which is essential for climate change adaptation and can help channel investments for basin-wide measures.

While during lockdown European cities saw air pollutant levels for harmful substances like nitrogen oxides (NOx) — mainly caused by transport emissions — decrease by more than 50

per cent from one week to the next, emissions of other pollutants such as particulate matter from agriculture and buildings were not as affected, calling for cross-sectoral abatement strategies.

The <u>UNECE Air Convention</u> is a unique regional instrument to support such a comprehensive approach, delivering integrated action for health, the environment, climate and the economy. Its amended Gothenburg Protocol, in force since October 2019, establishes <u>legally binding emission reduction commitments</u> for almost all major air pollutants and their groups, for all economic sectors and emission sources. The Air Convention has helped to decouple economic growth from air pollution trends in the UNECE region over the last four decades and has achieved reductions of 30-80% in emissions of harmful substances including particulate matter and sulphur in Europe and of 30-40% in North America.

The Air Convention has helped to decouple economic growth from air pollution trends in the UNECE region

2. A multilevel response

UNECE is strongly engaged at the regional and country levels to contribute to a response to COVID-19 crisis that is well aligned with the Sustainable Development Goals (SDGs).

Facilitating this alignment and accelerating progress requires an integrated perspective that exploits the multiple synergies of the 2030 Agenda. This underlines the importance of the coordination of UN agencies, to which UNECE is actively contributing through its leading role in the <u>UN regional system</u>.

Regional level

At the regional level, UNECE has led and co-organized additional extraordinary meetings of the Regional UN System every 2-3 weeks since April 2020. The calls have focused on different aspects of the regional COVID-19 response, in particular the contributions of the Issue-based coalitions (IBCs). Issue-based coalitions are used

as the main vehicles to provide regional-level support and guidance on COVID-19 to the UN country teams. IBCs are regional inter-agency taskforces, clustered around cross-cutting policy issues. They facilitate concerted action between different UN agencies and partners on the operational level. All IBCs have aligned their activities to meet the needs and expectations at the country level and contribute to the COVID-19 response in various ways, through policy briefs, assessment tools and inputs to socio-economic impact assessments.

Two meetings included a subregional focus — on Central Asia and the Western Balkans - to facilitate policy discussions around common problems and appropriately reflect specific transboundary aspects.

Having well-established IBCs in place is a comparative strength of the UNECE region that facilitates an effective and coherent response to the ongoing crisis. UNECE participates in or coleads various IBCs including the recently established Coalition on environment and climate change.

How Issue Based Coalitions are supporting COVID-19 response in the region

<u>Issue-based Coalitions</u> are regional task forces to facilitate improved cooperation between different UN agencies and their partners, supporting Resident Coordinators (RCs) and UN Country Teams (UNCTs).

IBC	Finalized actions (or close to completion)	Proposed mid and long term actions
IBC Gender Equality	 Assist integration of gender aspects into country social economic impact assessments and analysis and national recovery plans Guidance Note on Gender and COVID-19 for the ECA Region Resource Repository on Gender Integration in COVID-19 Response Support integration of gender equality in second wave of Multi Partner Trust Fund (MPTF) funding Increased engagement with inter-agency UNCT Gender Theme Groups Mapping of gender-targeted COVID-19 interventions to shape further IBC-Gender engagement Webinar series on gender integration in COVID-19 response, covering gender-based violence and prioritizing gender equality in socioeconomic country responses 	 Document best practices and solutions for efficient gender mainstreaming into national response plans Develop guidance on COVID-19 recovery and transition to "new normal" with special attention to women and girls Prepare policy briefs and/or regional analysis on COVID-19 impact (i.e. economic crisis impacting women and business, on sectors dominated by women, migrant women, long term care, etc.) and SDG implementation with special attention to SDG 5
IBC Youth and Adolescents	 Adolescents and Youth in Socio-Economic Assessments of COVID-19 impacts: a regional guidance Compact for Young People in Humanitarian Action COVID-19 guidance 	 Support for integration of youth perspective into COVID-19 socio-economic impact assessments Engagement of young people at country and regional level in COVID-19 recovery policies and advocacy
IBC Health	 WHO-UN-Red Cross Regional Platform for COVID-19 integrated into the IBC Health, strengthening coordination in programming Support to implementation of the Country Preparedness and Response Plan (CPRP) 	 Outreach on "health first" to facilitate country action
IBC Social Protection	 Policy brief on COVID-19 effects and social protection options for governments (social insurance, labor market programs, social assistance programs, social services) Labour market assessment tool developed by ILO, shared through the IBC, which can provide expert support for assessments 	 Policy briefs on different aspects of social protection measures to support country plans
IBC on Large Movements of People, Displacement and Resilience	 Key Messages and Advocacy Points Policy brief (forthcoming) on inclusion of Asylum seekers, IDPs, migrants, refugees, stateless people and vulnerable host population, in coordination with other IBCs (initially IBC Gender) Online collaboration platform, feeding into regional Knowledge Platform 	 Mainstream key messages in socio- economic assessments and response Further contextual guidance/policy support to UNCTs/RCs

IBC	Finalized actions (or close to completion)	Proposed mid and long term actions
IBC on Environment and Climate Change	 Policy brief and technical information on health care waste management Subregional meetings with RCs and UNCTs in Central Asia, in South-Eastern Europe and in Eastern Europe, the Caucasus and Turkey Input to UN Development Coordination Office on the COVID impact on environment (June 2020) Development of draft summary recommendations on COVID-19 recovery for socio-economic assessments Collection of IBC members' COVID-19 resources, pending issue of the Coalition's own guidance Webinars and outreach 	 Policy and technical support on issues such as circular/green economy, including green jobs, green public procurement and use of economic instruments; sustainable consumption and production; nature-based solutions; and the sustainable development of territories and sites such as UNESCO biosphere reserves and world heritage properties Link and align recovery efforts with the Paris Agreement, notably in terms of low-carbon services and goods Promote exchange of scientific information and policy experience among countries and the role of science in addressing key global challenges
IBC on Food Systems Regional	 Repository of key UN messages and available evidence, analysis, tools, best practices on COVID-19 and Food Systems Technical Note to support adoption of a food systems lens e.g. in COVID-19 National Recovery Plans, CCAs/UN Sustainable Development Cooperation Frameworks (under finalization) Joint regional UN policy recommendations/key messages on food systems and COVID-19 (planned) Webinars on COVID-19 and food systems Mapping of the data and statistics activities of 	
Coordination Group on Data and Statistics	member organizations in response to COVID-19 Template to collect the information and a dashboard to visualize the results	

Country level

At the country level, UNECE participates in the meetings of the socioeconomic taskforces in various of the 17 programme countries. In many instances, the Executive Secretary has personally been involved in these meetings, introducing relevant UNECE initiatives, providing a regional context for country actions and discussing the demand from countries. Working with UN Country Teams (UNCTs), UNECE has provided contributions to response plans to the socioeconomic impact of the COVID-19 pandemic in six countries (Albania, Belarus, Bosnia and Herzegovina, Moldova, Serbia, Uzbekistan). Contributions to all programme countries are foreseen in the coming months.

The nexus approach

The strengthened engagement of UNECE at the country level, the participation in regional policy discussions and the access to additional resources have been facilitated by changes in working methods adopted over the past two years. The formation of cross-disciplinary teams in UNECE across four high-impact areas called "nexus" (sustainable use of natural resources; sustainable and smart cities for all; sustainable mobility and smart connectivity and measuring and monitoring SDGs), makes it easier to respond to the demands of different partners in an integrated and more cohesive way.

Conclusion

In parallel, the support to countries provided by UNECE's regional advisors has been extended, besides their sectoral expertise, to cover cross-sectoral perspectives. This will allow beneficiary countries to benefit from UNECE tools and expertise more comprehensively.

UNECE is now initiating a call for proposals to deliver targeted technical cooperation field projects. Such arrangements, funded from the Regular Budget on Technical Cooperation, are to be continued in 2021.

UNECE also participates in four of the five recently launched short-term projects addressing the impact of COVID-19 funded from the UN Development Account.

The projects will be implemented together with the other regional commissions and additional partners from the UN development system.

They concern key areas of UNECE expertise: trade and transport connectivity; social protection (statistics and gender); urban recovery and resilience building and support to medium and small enterprises (MSMEs).

UNECE is exploring the development of projects to be financed under the UN COVID-19 Response and Recovery Fund under Window 3: Recover Better.

The Fund offers a common financing mechanism for a cohesive UN System response to country needs that encourages joint projects, which are submitted by Resident Coordinators. One proposal for Ukraine was already accepted.

As the Secretary-General stressed in his Report on Socio-economic impact of COVID-19, "while we deal with the crisis, we must use the opportunity to recover better and build sustainable societies".

This implies reconnecting countries and societies and ensuring that recovery packages are mobilised towards investments for the future, well aligned with the green transformation and the SDGs.

The current crisis is raising uncertainty to extraordinary levels. A re-commitment to existing global and regional frameworks for cooperation to address emerging problems is therefore essential. A central role among these frameworks is the 2030 Agenda, our blueprint for collective action in support of sustainable development. This is the time to recall it, and to strengthen trust at all levels.

The post-COVID-19 era is also a call to increase the prominence of the regional level as a platform for policy action. The benefits of reconnecting economies, reversing the disruption of trade and transport links, and addressing transboundary challenges, offer immediate and clear benefits at this level. The critical task of strengthening trust in concerted action may yield clearer results in the context of regional frameworks of collaboration, which should be reinforced as a critical building block for multilateralism.

UNECE is committed to fully exploit the potential of regional collaboration to build back better and meet the promise of the 2030 Agenda for Sustainable Development.

















Information Service
United Nations Economic Commission for Europe

Palais des Nations CH-1211 Geneva10, Switzerland

Telephone: +41 (0) 22 917 12 34 E-mail: unece_info@un.org Website: <u>www.unece.org</u>