

NATIONS UNIES

ОБЪЕДИНЕННЫЕ НАЦИИ

UNITED NATIONS

COMMISSION ÉCONOMIQUE POUR L'EUROPE ЕВРОПЕЙСКАЯ ЭКОНОМИЧЕСКАЯ КОМИССИЯ ECONOMIC COMMISSION FOR EUROPE

PLEASE CHECK AGAINST DELIVERY

Statement

by Mr. Sven ALKALAJ

United Nations Under-Secretary-General Executive Secretary of the United Nations Economic Commission for Europe

at

The Dialogue of the Executive Secretaries with the Second Committee on Inter-regional Cooperation: An Enabler for the Post-2015 Development Agenda

October 31, 2013/New York, NY

Excellencies, Mr. Chairman, Dear Colleagues, Ladies and gentlemen,

The countries of the ECE region (North America, Europe, the Caucasus, and Central Asia) face a multitude of economic, environmental and social challenges. Increasingly these challenges cannot be addressed satisfactorily at the national level, but can only be tackled at the regional or global level. Strengthened inter-governmental cooperation will be essential. Not only must countries increase their bilateral cooperation, but institutional structures need to be enhanced that can better facilitate cooperation within regions, between regions and globally.

With regard to inter-regional cooperation, the experience within the ECE region over the last two decades has been somewhat unique. With the end of central planning, there was a significant level of disintegration amongst the transition economies, and several of the major economies dissolved politically which in some cases resulted in armed conflict; this not only reduced considerably their trade and financial integration but also lowered their cooperation in numerous other areas.

However, much progress has been achieved over the last two decades. Eleven of the former transition economies have been integrated into the European Union, and all of the south-eastern European economies are members of the Central European Free Trade Agreement and have Stabilization and Association Agreements with the European Union. Numerous integration efforts have been launched in the Commonwealth of Independent States, including the Russia-Belarus-Kazakhstan Customs Union which accounts for over 80 per cent of the GDP of the CIS. This customs union is moving progressively towards becoming an economic union. The EU, on its part, is negotiating Partnership and Cooperation Agreements with most of the former Soviet economies in Europe and the Caucasus. All of these agreements address far more than just trade issues and involve increased cooperation in numerous other areas such as investment, migration and technical cooperation.

The UN Special Programme for the Economies of Central Asia (SPECA) has strengthened cooperation amongst these Central Asian economies in the areas of water, energy, transport and border crossing, trade, statistics, knowledge-based development and gender. The advanced economies also continue to deepen their integration. An EU-Canada Trade and Investment Pact appears imminent, and the US and the EU are negotiating a Transatlantic Trade and Investment Partnership. The ECE work programmes have been intensively involved in promoting the integration and cooperation agreements and in helping countries take advantage of them.

Since these ECE programmes and activities address core developmental challenges faced by middle income countries, there is every reason to believe that they can be shared and replicated with other regions. Several have already been shared and for many others there is the potential to do so. Let me discuss a few.

One area in which the ECE has developed considerable expertise is in the area of managing transboundary water basins. Water scarcity is a problem of increasing importance in the region, especially in arid Central Asia. The scarcity is compounded by poor management domestically between competing users and the need for increased cooperation between neighbouring countries sharing the same water resources. The ECE and the OECD jointly coordinate The National Policy Dialogue (NPD) on Water which offers a platform for regular stakeholder discussion about national water policy priorities while also providing the opportunity for bilateral cooperation in managing transboundary rivers. This process has assisted the countries in the region in conducting the policy changes needed for implementation of the principles of integrated water resources management (IWRM).

The 1992 ECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes (Water Convention) covers practically the entire Pan-European region. Following the entry into force earlier this year of the amendments to the Convention, the Water Convention has become a global treaty open for participation by all UN Member States. With its global opening, the Convention will provide solid legal frameworks and an

intergovernmental platform for transboundary water cooperation at the global level.

The ECE established an Environmental Performance Review process for the former transition economies that evaluates how well national policies reconcile a country's environmental and economic goals and its progress in meeting international commitments. Almost all of the economies in transition have gone through at least the first cycle of these reviews. In 2012 the Economic Commission for Africa in cooperation with the ECE launched an Environmental Performance Review of Morocco; and the latest session of the Committee on Environmental Policy that was held last week has just approved the recommendations contained in that review. At the same Committee, the ECE was invited by ESCWA to undertake an EPR of Tunisia in close cooperation with them.

The ECE Statistics programme in cooperation with partner organizations and member countries develops statistical standards, manuals, guidelines, and recommendations that are applied not only in the ECE member states but also in countries outside the region and even globally. The National Statistical Offices of numerous non-ECE countries including Brazil, China, Mexico, Republic of Korea, and South Africa regularly participate in ECE statistical activities.

The ECE Transport Division administers a large number of legal instruments to facilitate transport activities; currently there are over 32 transport conventions, protocols, and agreements which involve non-ECE Member States, mostly developing and least developed countries. These agreements cover border crossing facilitation, road traffic and road safety, the design of road vehicles, and the transport of dangerous goods. A good example of inter-regional cooperation is the Euro-Asian Transport Links (EATL) project which started in 2002 as a joint undertaking between ECE and ESCAP aimed at the coordinated development of coherent Euro-Asian inland transport links. In close cooperation with designated national focal points, the project to link the two continents has identified nine rail and nine road corridors composed of 311 specific projects.

The ECE developed its *Trade Facilitation Implementation Guide* to help countries, decision-makers, policy analysts and traders find out

about important trade facilitation issues in a user-friendly way. The *Guide* helps the users identify, examine and implement trade facilitation solutions. The ECE has organized training sessions regarding this Guide in all the regions of the world and it is available in English, French, Russian and Spanish. The ECE has also developed *Guides* to assist Government officials and private stakeholders in addressing managerial issues that may affect the planning, development and operation of Single Window systems, including their cross-border interoperability. In addition the ECE has produced guides for policymakers in the design of regulatory systems that result in an efficient, effective and transparent management of risks. The approach and best practices described in these publications are also highly applicable to the situation in many developing countries outside of the ECE region.

Our Public-Private Partnership programme, which was originally focused on the transition economies, is now developing global PPP best practices and standards with countries outside the ECE region. This is in part because the use of the PPP model has spread, and several developing countries such as the Philippines, Indonesia, and Morocco have joined ECE PPP programmes. In addition many of the ECE countries themselves see the ECE as a vehicle for developing best practices and then disseminating these not only in the ECE region but globally. This development has, to date, been based on the traditional good cooperation that exists between ECE and the other Regional Commissions. The latter have appointed focal points to the ECE international PPP Centre of Excellence and regularly organize joint PPP activities with ECE.

Our UNDA project, "Building the capacity of SPECA countries to adopt and apply innovative green technologies for climate change adaptation" will be concluded with a regional meeting next month in Almaty to identify areas for cooperation as well as good practices derived from the exchange of national experiences. These good practices will, undoubtedly, be transferable to other low and medium income countries.

Our programme of Innovation Performance Reviews for the economies in transition assesses the factors that drive innovation activity in these countries and provides policy recommendations. These *Reviews* take into account the specificities of countries in transition and draw

policy recommendations that reflect the lessons derived from the analysis of the experience of similar countries. The *Reviews* consider the role of cooperation with other economies in transition in fostering innovation and provide policy recommendations to better use this potential. The peer-review process, which is part of the preparation of these *Reviews*, and the composition of the teams of experts involved in the preparation of these *Reviews* also contribute to the exchange of experiences among these economies. Similar *Reviews* may also be useful for other developing countries since promoting innovation will be a necessary component for addressing many of the goals likely to be incorporated into the post-2015 agenda.

Energy efficiency was quite low by global standards throughout the transition economies; in fact energy efficiency was less than half of that of western European economies. Therefore a major challenge of the last decade has been to increase energy efficiency in housing, industry and transport in these economies. As a result, the ECE instituted a number of programmes in order to promote energy efficiency and several of these have been adopted globally. For example, it was found that in the transition economies there were many energy enhancing projects that could easily pay for themselves, but they were not being undertaken because of some market failure regarding financing. As a result the ECE established its Energy 21 programme which provided technical assistance in preparing bankable projects and in obtaining financing for projects that increased energy efficiency. Based on the success of this in the transition economies, a Global Energy Efficiency 21 programme was created in 2012, led by the ECE and jointly implemented by the other regional commissions.

The ECE Real Estate Market Advisory Group recently developed a *Policy Framework for Sustainable Real Estate Markets* which offers guidance for policy action aimed at building a sustainable real estate sector. A number of non-ECE countries have expressed an interest in that *Policy Framework* and it has been presented to governments or real estate stakeholders in countries such as Brazil, China, Indonesia, and Malaysia and translated into Chinese, Italian, Portuguese, Russian and Spanish.

Non-ECE Member States also regularly participate in many other activities of the ECE including our Working Party on Agricultural Standards, our Centre for Trade Facilitation and Electronic Business, and our Expert Group on Resource Classification.

Given the limited time, I have only been able to mention a few of the many programmes and activities that have been implemented by the ECE that promote cooperation and integration. Several of them have more recently been extended to other regional commissions or globally. Therefore the ECE has a lot to offer in terms of expertise and programmes regarding the environment, energy, transport, trade, innovation, housing, land management, population aging, and statistics.

However, I should also mention that the ECE does not work on social issues and our Member States could possibly benefit from programmes developed in the other regional commissions. In particular, addressing poverty and inequality are issues which the ECE does not address to any significant degree.

Finally, any discussion of inter-regional cooperation must include the partnership for development between the advanced economies and the emerging and developing economies. This has been a critical component of the Millennium Development Goals and will be equally important for achieving the goals in the post-2015 agenda. Although this partnership has contributed much to the progress that has been made in regard to the MDGs, there are many areas where this partnership has been inadequate. ODA levels have lagged targets, the Doha Development Agenda has made little progress, debt levels have been creeping up again largely as a consequence of the global financial crisis, the international monetary system remains unstable, and more could have been done in increasing access to essential medicines and information technology. In creating a post-2015 agenda, more attention will need to be given towards creating measurable goals and targets to ensure more accountability regarding this global partnership.

In conclusion, there is considerable potential for more interregional cooperation if the proper resources and institutional support is made available. Not only would this inter-regional cooperation assist countries in achieving what are likely to be the goals or targets incorporated into the post-2015 agenda, but the post-2015 agenda itself may provide a scaffolding or justification that could further enhance this cooperation.