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**RECOMMENDATIONS OF THE GROUP OF EXPERTS ON THE
PROGRAMME OF WORK TO THE COMMISSION ON THE
UNECE PROGRAMME BUDGET NARRATIVES 2006-2007**

(adopted by the Commission on 7 December 2004)

1. The Group of Experts on the Programme of Work (GEPW) analysed the draft budget narratives 2006-2007 and the additional documentation presented by the secretariat, and heard the considerations and explanations of the representatives of the secretariat including the heads of the Divisions responsible for the implementation of the subprogrammes. Taking all this into account, the GEPW recommends to the Commission the following.

I. GENERAL ELEMENTS

2. The comprehensive report on the state of the UNECE and the possible subsequent decisions by the member States may have an important impact on the programme of work of the UNECE. In order to take this into account the budget allocation, the programme of work and the expected outputs for 2006-2007 may have to be modified at a later stage. If member States decide that as a result of the review, modifications are required, the secretariat should ensure implementation of these modifications as a matter of priority.

3. The UNECE needs to work on the basis of priorities clearly defined by the Commission and its Principal Subsidiary Bodies (PSBs), and the Executive Secretary may want to reorganize existing staff structures accordingly. The PSBs should continue in their efforts to prioritize more clearly within their respective subprogrammes. Member States request the Executive Secretary to seek a more priority-driven approach from PSBs.

4. In addition, while acknowledging that the implementation of the Memorandum of Understanding between the OSCE and UNECE secretariats could have consequences for

UNECE's workload, the Memorandum of Understanding should not be carried out at the expense of other agreed programme activities and outputs.

5. As a number of UNECE activities rely on extrabudgetary resources, member States encourage the secretariat to share best practices on extrabudgetary fundraising among its different Divisions.

6. In view of the current priorities of member States, the UNECE secretariat should amend the programme budget narratives 2006-2007 in order to reflect the following considerations and proposals.

II. SPECIFIC ELEMENTS

(a) Transport

7. The member States consider this subprogramme to be a priority activity of the UNECE.

8. The member States acknowledge that an additional P-staff post in the Transport subprogramme is required to cope with the increased needs under the UNECE 1998 Agreement on global technical regulations for the construction of wheeled vehicles. Although this activity goes beyond the regional dimension of the UNECE, member States consider the reallocation of staff from other sections of the UN budget to the UNECE secretariat unlikely. Therefore, they strongly recommend that the Executive Secretary reallocate resources from within the secretariat to cover this post.

(b) Environment

9. The member States consider this subprogramme to be a priority activity of the UNECE.

10. Ministers decided at the Conference "Environment for Europe" and at the "World Summit on Sustainable Development" to increase UNECE activities in the field of environment. In order to deliver the increased expected outputs, the Executive Secretary may need to allocate additional staff to the Environment subprogramme. In this case, the secretariat should inform member States if the additional work could be covered by extrabudgetary sources only or from the regular budget as well. In the case of the latter member States would welcome the Executive Secretary's proposals on internal redeployment.

(c) Economic Analysis

11. As the member States believe that redeployment is necessary in order to deliver the expected outputs, in particular in the priority areas of transport and environment, the member States would accept a reduction in the number and volume of outputs under the subprogramme economic analysis as follows:

- (i) Shorter and more focused first issue of the Economic Survey with reduced coverage¹
- (ii) Discontinue the second issue of the Economic Survey
- (iii) Suggest to the ECOSOC that the new version of the Economic Survey may replace the Summary of the Economic Survey at present prepared for ECOSOC sessions

12. The reduction in the number and volume of outputs should help free some resources needed to assist in staff redeployments (cf. II(a) and II(b)), continue to deliver the agreed expected outputs, allow for the production of short updates on the ongoing economic developments within the specific subregions and to implement the relevant tasks required by the Memorandum of Understanding with the OSCE. In addition, member States are ready to consider any other measure that the secretariat may propose in order to free the needed resources.

(d) **Sustainable energy**

13. Since the responsible Division in the secretariat needs sufficient G-Staff in order to deliver the expected outputs, member States invite the Executive Secretary to take the necessary steps to ensure that the expected outputs will be delivered.

(e) **Trade development**

14. In order to ensure the best use of resources, the UNECE secretariat should continue to work with the WTO to avoid any duplication of efforts in particular in the field of trade facilitation.

(f) **Industrial restructuring and enterprise development**

15. Member States support the streamlining efforts undertaken under the subprogramme Industrial Restructuring and Enterprise Development.

(g) **Other subprogrammes**

16. Member States support the budget narratives as proposed by the secretariat and are confident that the secretariat will be able to deliver the expected outputs within the existing P- and G-staff resources. In this respect, the competent PSBs should clearly define the activities and outputs that are of the highest priority.

(h) **Activities under the UN Regular programme of technical cooperation**

17. Currently Regional Advisers are funded through the UN Regular programme of technical cooperation. Taking into account an expected vacancy in 2005, member States invite the secretariat to present advantages and disadvantages of a reallocation of funds in favour of activities in the field of transport compared to the current resource allocation.

¹ Member States are willing to cooperate with the secretariat in order to define the elements of the reformed Economic Survey.

III. PRIORITIZATION BETWEEN SUBPROGRAMMES

18. In the opinion of the member States, when compared to other subprogrammes of UNECE, the subprogrammes for Transport and for Environment have the highest priority. The member States note that additional resources are required for these subprogrammes and call upon the Executive Secretary to draw additional resources from the subprogramme on Economic Analysis, for which restructuring has been recommended in section II(c).

19. Member States consider also that from a functional point of view, the setting, updating and harmonization of standards should remain a core activity of the UNECE and that work in this area should continue to deserve high priority and adequate resources.
