



**Economic and Social
Council**

Distr.
GENERAL

TRADE/2004/1
5 April 2004

ENGLISH ONLY

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE FOR TRADE, INDUSTRY AND
ENTERPRISE DEVELOPMENT

Eighth session, 11, 13 and 14 May 2004
Item 4 of the provisional agenda

**MATTERS ARISING FROM THE FIFTY NINTH SESSION OF THE
UNITED NATIONS GENERAL ASSEMBLY OF PARTICULAR
RELEVANCE TO THE COMMITTEE FOR TRADE, INDUSTRY
AND ENTERPRISE DEVELOPMENT**

DOCUMENT FOR DISCUSSION

This document contains a summary of decisions made during the February 2004 session of the Economic Commission for Europe (UNECE), which may affect the work of the Committee for Trade, Industry and Enterprise Development.

In this context, particular attention should be paid to annexes I and II which reflect the agreement at the ECE session to further involve the principal subsidiary bodies of the UNECE in the budgetary process and the setting of priorities for technical cooperation activities.

Summary of Relevant Decisions and Actions taken by the Economic Commission for Europe at its 59th Annual Session

Policies to stimulate competitiveness and growth (Agenda item 3)

1. In the course of their discussions during the Round Table on “Regional Initiatives and Cooperation in the UNECE Region and the Role of UNECE in Stimulating Competitiveness”, panellists made the following points:^{1/}

- A key priority should be the promotion of free trade, market access and trade facilitation. Regional cooperation is especially important in this regard, for the development of infrastructure and the harmonization of regulatory frameworks.^{2/}
- Regional organizations like UNECE can provide a forum for the exchange of best practices in areas such as education, human resource management, entrepreneurship, science and technology management, ICT and the information society.^{3/}
- It is encouraging that existing regional initiatives are increasingly promoting the transition to knowledge-based economies via the promotion of education, human resources development and training, and research and development.^{4/}

2. UNECE has played an important role in promoting competitiveness and growth by supporting regional free trade, developing efficient infrastructure in transport and energy, and encouraging the transition to a knowledge-based economy. UNECE also provides a forum for discussing and exchanging best practices, encouraging and contributing to initiatives at the regional and sub-regional levels, and offering technical assistance. The significant role of the EU Lisbon Strategy for economic, social and environmental renewal was also mentioned by a number of speakers.^{5/}

The UNECE reform (Agenda item 4)

The Commission decided to commission a comprehensive report on the state of the UNECE with the aim of developing recommendations to determine what changes to the role, mandate and functions of the UNECE are necessary in light of the changes in the European institutional architecture since the UNECE was created almost 60 years ago. The report will be guided by the will of member States to avoid duplication, and ensure cooperation, complementarity and efficiencies among intergovernmental organizations.^{6/} All stakeholders will be consulted by the authors, which means that Principal Subsidiary Bodies, including the Committee for Trade, Industry and Enterprise Development will be consulted.

^{1/} Economic Commission for Europe, “Annual Report” covering the period from 7 March 2003 to 26 February 2004 (document number E/ECE/1416), paragraph 22.

^{2/} Annual Report, paragraph 22 (viii)

^{3/} Annual Report, paragraph 22 (x)

^{4/} Annual Report, paragraph 22 (xi)

^{5/} Annual Report, paragraph 23

^{6/} Annual Report, paragraph 26

3. The Commission endorsed actions proposed by the secretariat, and recommendations proposed by the Group of Experts on the Programme of Work, including recommendations calling for the Principal Subsidiary Bodies (PSBs) of UNECE to:
- Review biennially their intergovernmental structure, including related advisory groups, and report to the Commission at its Annual Session.^{7/}
 - Evaluate on a biennial basis their subsidiary bodies and their programme of work/activities. The results of these evaluations will be presented to the Commission.^{8/}

4. In addition, decisions were made to further involve the Principal Subsidiary Bodies in the programme planning process and the setting of priorities in technical cooperation. The basic content of these measures is set out in Annexes I and II of document E/ECE/1411 (which are further copied in annex to this report), however, the exact procedures for implementing these measures will be agreed between the secretariat and the Group of Experts on the Programme of Work later this year.

The UNECE's cooperation with OSCE (Agenda item 5)

5. During the discussion, it was stated that the Trade Development and Timber Division should examine the implications of the enhanced relationship with OSCE on its work.^{9/}

Preparations for, and follow-up to, global and regional conferences (Agenda item 7)

6. With regard to the World Summit on the Information Society, the Commission endorsed the secretariat's proposals that UNECE should:

- Participate in the high-level organizing committee (HLSOC) for the second phase of the WSIS;
- Participate in the three PrepCom meetings for the Summit;
- Liaise with the WSIS Executive Secretariat regarding the possible organization of preparatory meetings and side events at the Tunis summit;
- Further develop the e-assessment reports already agreed in the UNECE programme of work under the Committee for Trade, Industry and Enterprise Development; and that
- Member States will consult at an ad hoc informal meeting of the Commission regarding the possibility of developing projects with other regional commissions.^{10/}

7. The Commission also endorsed the Executive Secretary's proposal that UNECE help organize one or two sub-regional meetings in order to promote the implementation of the information society in the concerned countries as well as for them to benefit from an exchange of information on best practices and policies.^{11/}

* * * * *

^{7/} Annual Report, paragraph 28 (b).

^{8/} Annual Report, paragraph 28 (c) and document E/ECE/1415/Add.1

^{9/} Annual Report, paragraph 35

^{10/} Annual Report, paragraph 42

^{11/} Annual Report, paragraph 44

ANNEX I

(Document E/ECE/1411: The UNECE Reform, note by the Executive Secretary)

Proposal relating to Adjustments to the Programme of work planning process

It is proposed that the involvement of the different actors in the preparation of the programme budget narratives during a budget submission year be accomplished through the following framework:

- (i) The **Principal Subsidiary Bodies (PSBs)** would each prepare a note outlining: their directions and priority areas; proposals on what activities to continue, terminate or introduce; and possible streamlining of their meetings, documents and publications.
- (ii) At its annual session in the budget submission year, the **Commission** would, under a specific agenda item, provide guidance on the overall direction of the work of UNECE for the forthcoming biennium.
- (iii) The **Steering Group** would provide its advice, particularly in terms of cross-sectoral approaches and intersectoral activities.
- (iv) The inputs provided by the above three groups of actors would be taken into account in the draft programme narratives prepared by the **secretariat**.
- (v) The draft programme narratives would be reviewed by the **Group of Experts on the Programme of Work**, on the basis of which it would submit its recommendations for endorsement by the Commission.
- (vi) The **Executive Secretary** would take these recommendations into consideration in the finalization of the programme narratives prior to its submission to United Nations Headquarters.

* * * * *

ANNEX II

(Document E/ECE/1411: The UNECE Reform, note by the Executive Secretary)

Mechanism proposed by the Group of Experts on the Programme of Work to facilitate the implementation of technical cooperation priority setting

- each PSB, at its annual session, should inform the GEPW [Group of Experts on the Programme of Work] through the secretariat on the priority areas currently under-funded;
- on this basis, the role of the GEPW may be to: (a) prioritise those under-funded areas identified by the PSBs, if necessary; (b) to consider, in consultation with the Bureaux of PSBs concerned when necessary, areas to which any un-earmarked funds should be deployed, and to provide recommendations to the Executive Secretary accordingly; (c) ask the secretariat to submit project proposals in consultation with countries in the areas that the GEPW thinks are appropriate for funding;
- the secretariat would regularly inform the GEPW about project proposals, in particular those related to areas which are under-financed, in order to promote and facilitate their funding;
- the discussion at the GEPW may be used by its members to raise awareness in the capitals on under-funded technical cooperation activities;
- the GEPW will report to the Commission at the annual session on the results;
- the mechanism should not prevent countries or other relevant institutions from suggesting or funding specific projects related to UNECE core activities.

* * * * *