Table of Contents

1. Introduction by the Executive Secretary

2. Towards a circular economy

3. Supporting countries to achieve the SDGs: UNECE highlights 2021
   3.1. Sustainable use of natural resources
   3.2. Sustainable and smart cities for all ages
   3.3. Sustainable mobility and smart connectivity
   3.4. Measuring and monitoring progress towards the SDGs

4. Climate Action

5. Supporting a gender-responsive recovery in the region

6. UN collaboration reinforced in new regional architecture

7. Supporting 17 UN Programme Countries in achieving the 2030 Agenda for Sustainable Development

8. UNECE member States

9. Budget
Introduction by the Executive Secretary

“The circular economy has emerged as a strategic area for our member States”

We are at a crucial moment for sustainable development. The impacts of the climate crisis — from wildfires to extreme weather events — are nature’s clear warning that time is running out to halt irreversible damage to our planet. The protracted COVID-19 pandemic continues to affect all societies and economies, threatening to undermine hard-won gains in our region, including — crucially — for gender equality.

In 2021, economic expansion resumed in the region. After plummeting by 4.4% in 2020, aggregate output rose by an estimated 5.5%. But for many countries, the legacy of the crisis will linger, as they struggle to move back to previous growth trajectories amid shrinking fiscal spaces. The disruption in supply lines continued to constrain activity and fed inflationary pressures. In this context, international economic cooperation remains critical to foster dynamism, tackle common problems and avoid the emergence of new divides.

To support countries’ sustainable response to the socio-economic challenges of the COVID-19 pandemic, the use of UNECE’s normative and policy tools to help governments facilitate connectivity, address transboundary and other risks, and support the green and digital recovery has become an integral part of our daily work throughout all our activities.

With less than a decade to deliver on the 2030 Agenda, we must intensify efforts for sustainable development in all 56 UNECE member states. We have a long way to go: if the region follows current trends, by 2030 it will achieve only 23 of 169 targets of the Sustainable Development Goals, according to UNECE’s 2021 regional SDGs report. For 57 targets, progress needs to accelerate, and for another 9 the current trend needs to be reversed.

This must serve as a wake-up call for the region to accelerate collective action or risk failing on our objectives.

Vitally, however, we have reason to hope, as commitment builds in the region for climate action — with COP26 as a key milestone — and to secure a resilient, green and inclusive recovery from the pandemic.

In particular, the circular economy has emerged as a strategic area for our member States.

At the 69th Commission session in April 2021, governments announced commitments for bold action to strengthen measures for circularity and sustainable resource use. Building on this strong engagement, let us raise our collective ambition and reach double digit circularity rates in all countries of the region by 2023, when we will review progress at UNECE’s 70th session. At the global level, the circularity rate (recovered materials as percentage of overall materials used) stands at 8.6%, according to the 2021 and 2022 Circularity Gap Reports.

2021 also marked 50 years of environmental action and of the integration of environmental concerns into economic decision-making. The Commission Session of 1971 was the turning point when UNECE became the centre of gravity for environmental cooperation in the region.
In 2021, UNECE was fully mobilized to support governments and assist Resident Coordinators and UN Country Teams in 17 Programme Countries in our region. To further sharpen assistance to countries, our cooperation with UN system entities has been further reinforced through the new architecture of the Regional Collaborative Platform (RCP) for Europe and Central Asia, and the recalibrated regional Issue-based Coalitions (IBCs).

I am proud to share with you some examples of the impact of our work in 2021:

- 42 countries completed their population and housing census for the 2020 round by the end of 2021, guided by CES Recommendations.
- A binding rapid response mechanism was established to protect environmental defenders under the Aarhus Convention.
- Over 100 countries stressed the value of the Water Convention for cooperation on shared water resources, on which over 40% of the world’s population depends.
- Our dialogue with Norman Foster, US Special Presidential Climate Envoy John Kerry and Mayors at COP26 showcased the power of climate action at the local level and resonated in media around the world.
- 14 countries in Eastern and South-Eastern Europe committed to restore over 4 million hectares of land by 2030 under the Global Bonn Challenge.
- The Trees in Cities Challenge expanded to 41 cities from 26 countries, with 15 cities joining the initiative in 2021.
- The #Housing2030 report by UNECE, UN-Habitat and Housing Europe highlighted solutions to the affordability crisis in the region, where approximately 50 million people live in inadequate housing conditions.
- The new legal framework for the full digitalization of the global TIR system for seamless freight border crossing entered into force.
- The World Forum for Harmonization of Vehicle Regulations endorsed a proposal for a new legal instrument to ensure minimum durability of batteries fitted in full electric and plug-in hybrid cars, estimated to reach a share of global car sales of up to 19% in 2025.
- Countries adopted the Pan-European Master Plan for Cycling Promotion to double cycling in the region by 2030. This could prevent 30,000 premature deaths, with indirect economic benefits of €78 billion each year.
- The UN Road Safety Fund launched 10 new projects in 14 low-and middle-income countries.
- 60 garment and footwear industry partners in 18 countries committed to The Sustainability Pledge, strengthening traceability and transparency in a 2.5 trillion USD sector that employs over 75 million people worldwide.
- Complementing a comprehensive package of technology briefs to inform countries’ carbon neutrality strategies— including hydrogen, nuclear and carbon capture, use and storage and lifecycle assessments — a UNECE study identified for the first time CO₂ storage potential of over 62,000 million tonnes in the eastern part of the region.

■ UNECE issued Guidelines to help countries systematically integrate population ageing in public policies. By 2050, about one in every four persons in the UNECE region will be over the age of 65.

You will find many more examples throughout this report.

In 2022, we mark 75 years of cooperation and achievements since the establishment of UNECE in 1947, which also gives us the opportunity to reflect on how we respond to the challenges and opportunities ahead.

UNECE also takes on the rotational coordination role among the five Regional Commissions, and we look forward to continuing our strong cooperation as we lead the efforts at the regional level on key global initiatives.

You can depend on UNECE’s commitment for our joint action for sustainable development in the year ahead.

Olga Algayerova
Executive Secretary
of the United Nations Economic Commission for Europe
As major users and producers of natural resources, the 56 countries of the UNECE region made a united call at the 69th session of the UN Economic Commission for Europe — UNECE’s highest institutional body — to accelerate the shift to a circular economy and greener, more responsible resource use.

At the session, governments announced commitments for bold action to strengthen measures for circularity and sustainable resource use:

- **Azerbaijan** pledged to restore 50,000 ha of degraded land and plant 4 million trees in 2021-2023.
- **The Russian Federation** pledged to construct 220 waste treatment, disposal and recycling complexes by 2030, ensuring 100% sorting of waste and halving the amount of waste sent to landfill. Through an action plan on energy efficiency, the country also pledged to reduce GDP energy intensity by 20% of 2017 levels by 2030 and cut electricity losses in the electricity grid to a maximum of 8%.
- **Israel** pledged to phase out energy generating from coal by 2025 (in 2019, coal accounted for 30% of the country’s energy production); to produce 70% of its energy from natural gas and 30% from renewable energy sources by 2030; and to generate 95% of electricity from renewable sources by 2050. The World Forum for Harmonization of Vehicle Regulations endorsed a proposal for a new legal instrument to ensure minimum durability of batteries fitted in full electric and plug-in hybrid cars, estimated to reach a share of global car sales of up to 19% in 2025.
- **The United Kingdom’s** Strategic Priorities Fund has allocated £30 million to establish five circular economy research centres and a central hub which will harness industry and academic expertise to help deliver a circular economy.
- **Austria** announced the development of a Circular Economy Strategy, to be opened for broad consultations.
- **Greece** aims at reducing the consumption of cups for beverages and food containers at least by 30% by 2024 and by at least 60% by 2026 compared to 2022.
- **Germany** announced it will provide extrabudgetary funding of €20 million for an energy efficiency project in the UNECE region, aiming to improve the performance of the construction industry in delivering products for high-performance buildings.
- **Voluntary commitments from Belarus** included to increase by 2025 the share of the secondary use of solid municipal wastes to at least 35% of total volume of generated waste.

These measures will complement a wide range of concrete experiences shared by countries, ranging from targeted actions — such as green public procurement (which in Latvia comprised 29% of total public procurements in 2020), the application of UNECE’s UNFC framework for sustainable resource management in Finland, and Estonia’s bottle deposit scheme through which 90% of plastic bottles and 86% of glass placed on the market are collected and recycled — to comprehensive circularity strategies and initiatives, including those aligned with broader frameworks like the EU’s circular action plan.
UNECE steps up support for circularity

Vehicle regulations, waste, forest certification, resource classification and traceability in supply chains are just a few of the areas where **UNECE is already contributing** to countries’ efforts.

To further harness this unique role, countries called on UNECE to consider in its normative work the regulatory gaps that currently prevent faster development of more circular and resource-efficient economies.

In 2021, UNECE continued advancing its support to countries’ circular economy transition across key sectors.

Examples include:

- Establishing a **new UNECE Task Force on Measuring Circular Economy**, led by Finland and composed of leading experts from countries, to define the measurement scope of circular economy and prepare practical Guidelines to support measurement in a systematic and internationally comparable way.

- Launching a **new 4-year capacity building project** “Accelerating the Transition to Circular Economy in the UNECE Region” to help countries address challenges and harness opportunities in key areas, including traceability of supply chains, innovation.

- Establishing a **Team of Specialists on Environmental, Social and Governance Traceability of Sustainable Value Chains in the Circular Economy**, to develop traceability approaches and systems for the exchange of data and information along global value chains in priority industries for the circular transition.

- Progressing towards the creation at UN/CEFACT of a **Sustainable Development and Circular Economy Reference Data Model Support** to ensure data compatibility and enable data interoperability among stakeholders in global value chains ensuring their compliance with sustainability requirements. UN/CEFACT also developed the **UN/eBasel standard** for exchanging electronic messages to support the control of transboundary movements of hazardous wastes and their disposal, which will be key to unlocking the circular economy at scale.


- Pushing ahead with the deployment of the UN Framework Classification for Resources (UNFC) and development of the UN Resource Management System, which can reduce resource pressure by facilitating recovery of otherwise unused materials, including for the critical raw materials required for the green energy transition.

- Strengthening the knowledge base with a **technology brief to help countries scale up Carbon Capture, Storage and Use**. Captured CO₂ has applications in the industrial, steel, cement and chemicals sectors. In a future hydrogen economy, this carbon could be used to make many of the chemicals and plastics currently made using fossil fuels.

- Implementing the **Guide to circular cities** produced by the United for Smart Sustainable Cities Initiative.

- Advancing policy dialogue on leveraging innovation for the circular economy, including through the platform and sharing economy.
The 2030 Agenda for Sustainable Development incorporates goals and targets that directly relate to a circular economy, such as those concerning waste or energy efficiency. Progress towards a more circular economy impacts favourably on many sustainable development goals (SDGs), including those related to food security and nutrition (SDG 2), water (SDG 6), energy (SDG 7), decent work and economic growth (SDG 8), industry, innovation and infrastructure (SDG 9), sustainable cities (SDG 11), responsible consumption and production (SDG 12), climate action (SDG 13), life below water (SDG 14) and life on land (SDG 15).

The circular economy offers a unique catalyst for cross-cutting progress towards the Sustainable Development Goals (SDGs), accelerating the move to greener and more resilient economies needed to recover better from the COVID-19 crisis.

By leveraging UNECE norms, standards and conventions, and by building capacities and providing policy assistance under the umbrella of the circular economy, UNECE is helping to accelerate countries’ implementation of the 2030 Agenda.
The extraction of raw materials worldwide has more than doubled since 1990 and could double again by 2060, fuelling environmental degradation and increased vulnerability to climate change. UNECE released a report calling for a “nexus” approach to identify and promote integrated planning, management, and governance of natural resources, in line with the circular economy, across sectors and spatial scales.
A new assessment report on ammonia under the Air Convention found that in order to avoid damage to ecosystems and health, a 30-50% reduction in ammonia emissions is required in areas of the region with a high density of livestock and use of nitrogen fertilizers. While the damage of ammonia emissions to public health and ecosystems costs €10–€25 per kg ammonia, abatement measures are cost-efficient and vary from €0 to €4 per kg ammonia for most countries, up to €15 per kg ammonia in some areas with a high density of livestock.

Scientists discussed data from 500 lakes and rivers in Europe and North America over almost 30 years (1990-2016) showing improved conditions for fish and other aquatic life linked to recovery from acidification, which can be attributed to reductions of sulphur dioxide emissions under the Air Convention over the same period. Recovery has slowed down in Europe but accelerated in North America since the early 2000s possibly due to climate change and land use.

UNECE supported Kazakhstan towards accession to key protocols, helped countries in Eastern Europe, the Caucasus and Central Asia to use advanced methods to estimate emissions from the road transport sector, and assisted Kazakhstan, Kyrgyzstan and the Republic of Moldova to prepare air pollutant emission inventories.

Parties to the Air Convention established a new Task Force for International Cooperation on Air Pollution to facilitate the sharing of experience and joint efforts worldwide. Under the Convention, emissions of harmful substances including particulate matter and sulphur have been cut by 30-80% since 1990 in Europe and 30-40% in North America have been cut by 30-80% since 1990 in Europe and 30-40% in North America.

Political attention continued to mount for the critical role of water cooperation for peace, resilience and sustainable development. As over 100 countries came together for the ninth session of the Meeting of the Parties to the Water Convention, they stressed the value of the Convention as a unique legal and intergovernmental framework to work together on shared water resources, on which over 40% of the world’s population depend.
Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czechia, Moldova, Montenegro, North Macedonia, Poland, Serbia, Slovakia, Slovenia, Turkey and Ukraine committed to restore more than 4 million ha of land by 2030 under the Global Bonn Challenge as part of the UN's Decade of Ecosystem Restoration.

Guinea-Bissau and Togo joined the Water Convention. The Gambia, Guinea Bissau, Mauritania and Senegal also broke new ground by agreeing to establish a legal and institutional framework for cooperation on shared groundwater reserves on which 80% of their populations depend. In a context of rising water stress, this resource is strategic for the region's adaptation to climate change, as it is less vulnerable than surface water. Ghana also launched its National Implementation plan for the two Global Water Conventions.

UNECE published guidance on Funding and Financing of Transboundary Water Cooperation and Basin Development to provide a comprehensive understanding of what financial resources can be mobilized for water cooperation processes and activities to contribute to conflict prevention and the promotion of cooperation and peace. Global estimates for financing needs for water-related investments to achieve SDG 6 on water range from $6.7 trillion by 2030 to $22.6 trillion by 2050, according to the OECD.

Albania and Montenegro agreed to establish a joint technical working group on Monitoring and Assessment and to develop and implement an information exchange protocol to operationalize their cooperation on the shared Cijevna/Cem River basin following joint consultations held by the Implementation Committee under the Water Convention.

The European Union adopted a new Drinking Water Directive, which refers to the UNECE/WHO Europe Protocol on Water and Health as an effective mechanism to assess access and define actions to ensure equitable access for all. According to the Right2Water European Citizens’ Initiative, approximately 2 million people in Europe do not have suitable water or sanitation.

Over 100 countries stressed the Water Convention’s value for the management of shared water resources.

Guinea-Bissau and Togo joined the Water Convention. The Gambia, Guinea Bissau, Mauritania and Senegal also broke new ground by agreeing to establish a legal and institutional framework for cooperation on shared groundwater reserves on which 80% of their populations depend. In a context of rising water stress, this resource is strategic for the region's adaptation to climate change, as it is less vulnerable than surface water. Ghana also launched its National Implementation plan for the two Global Water Conventions.

UNECE published guidance on Funding and Financing of Transboundary Water Cooperation and Basin Development to provide a comprehensive understanding of what financial resources can be mobilized for water cooperation processes and activities to contribute to conflict prevention and the promotion of cooperation and peace. Global estimates for financing needs for water-related investments to achieve SDG 6 on water range from $6.7 trillion by 2030 to $22.6 trillion by 2050, according to the OECD.

Albania and Montenegro agreed to establish a joint technical working group on Monitoring and Assessment and to develop and implement an information exchange protocol to operationalize their cooperation on the shared Cijevna/Cem River basin following joint consultations held by the Implementation Committee under the Water Convention.

The European Union adopted a new Drinking Water Directive, which refers to the UNECE/WHO Europe Protocol on Water and Health as an effective mechanism to assess access and define actions to ensure equitable access for all. According to the Right2Water European Citizens’ Initiative, approximately 2 million people in Europe do not have suitable water or sanitation.

14 Eastern and South-Eastern European countries committed to restore over 4 million hectares of land by 2030.

Commitments made at COP26 representing 90% of the world’s forests set a course to halt and reverse forest loss and land degradation by 2030. Forests in the UNECE region account for 47% of global forest carbon stock and provide 60% of the world’s industrial roundwood. The new UNECE/FAO Forest Sector Outlook Study supports a holistic policy framework required to maintain the delicate balance between conservation and production within the context of a changing climate.

To support countries in ensuring that their forest sector is fully integrated in the green economy, UNECE, FAO and Forest Europe launched joint Guidelines on the Promotion of Green Jobs in Forestry. Nearly 4.3 million people work in the forest sector in the region.

A UNECE/FAO study found that by-products and residues form an increasing part of wood energy consumed in the UNECE region. Wood energy has been the leading source of renewable energy in the region for more than a decade, accounting for 35.4% of renewable energy supply for 31 countries.

Policy discussions put the spotlight on solutions to tackle climate-related wildfires in the boreal biome, which constitutes the world’s largest terrestrial carbon storehouse. In 2021, clouds of toxic smoke from the boreal forested Sakha Republic in Siberia (Russian Federation), drifted as far as the North Pole.
The UNECE/FAO Team of Specialists on Boreal Forests also advanced cooperation to harness these forests’ cross-cutting contribution to the SDGs and climate action.

UNECE published the “Scenario Study on Future Land Administration” to facilitate dialogue among and within national land administration authorities and to guide them in the development of long-term strategies for sustainability. The Working Party on Land Administration also formulated a list of key effects of the COVID-19 pandemic on recovery opportunities, and of the challenges that emerged in land administration.

Ahead of the High-Level Dialogue on Energy convened by the UN Secretary-General ahead of COP26, UNECE called for bold, concrete actions on energy in three areas to deliver near-term climate outcomes: 1) achieving superior performance in buildings, 2) addressing growing concentrations of methane in the atmosphere, and 3) ensuring sustainable resource management, in line with the circular economy. Longer term, a policy paper outlined three further areas: 1) achieving carbon neutrality by 2030, 2) ensuring a just transition in real transformative action, and 3) enabling a hydrogen economy.

A UNECE technology brief put the spotlight on the key opportunities and challenges for the development of the hydrogen economy in the region. This will require public and private investment on a massive scale and sustained political commitment. UNECE also assisted Ukraine in developing a Roadmap for Hydrogen Infrastructure.

The Global Methane Assessment warned that human-caused methane emissions are rising and must be reduced by 40 to 45% by 2030 to limit global temperature rise to 1.5°C. Countries — led by the US and EU —stepped up to address this challenge at COP26. Readily available measures can reduce 2030 methane emissions by 30% if fully implemented, with nearly half of these technologies available to the fossil fuel sector. To support concrete action now, countries and industry can use UNECE’s Best Practice Guidance for Effective Methane Management in the Oil and Gas Sector. This complements UNECE guidance on recovery and use of methane from abandoned coal mines, as well as from operating coal mines.

UNECE guidance can help reduce methane emissions from the fossil sector, contributing to urgent 40–45% cut by 2030.

UNECE called for massively scaling up carbon capture, use and storage (CCUS) to meet climate neutrality targets. Experts evaluate that for Europe alone the cost of CCUS deployment planned to 2050 could amount to €320 billion, with transport infrastructure adding a potential further €50 billion.

Analysis by geological experts in a further UNECE study identified for the first time storage potential in oil reservoirs in excess of 62,000 million tonnes (Mt) of CO₂ in the eastern part of the UNECE region.

In the build-up to COP26, a UNECE technology brief noted that for countries wishing to deploy it, nuclear power can be seen as part of a broader portfolio alongside other sustainable low- or zero-carbon technologies to decarbonise the global energy system and energy intensive industries. Nuclear power currently provides 20% of electricity generated in the UNECE region and 43% of low-carbon generation.

UNECE Renewable Energy Hard Talks helped Albania, Georgia and Serbia to identify potential bottlenecks, find solutions and recommend strategies, policies and actions to increase their renewables uptake.

A new Online Toolkit and Training for Strengthening Mine Tailings Safety will help countries in the region and beyond to address key risks. With the severity of accidents increasing, especially due to climate change, and the demand for mineral resources set to continue rising, the urgency of prioritizing safety has never been greater.

With UNECE support, Tajikistan launched an inter-institutional working group to strengthen mine tailings safety and prevent water pollution — the first of its kind in the region.

In follow-up to the 2020 Beirut port explosion, a UN/OECD seminar called for action to better manage the risks of hazardous substances in port areas and beyond.

Serbia became the first country in the pan-European region to launch a National Policy Dialogue on Industrial Safety. Supported by UNECE in the framework of the Industrial Accidents Convention. The Dialogue process will help the country advance towards full implementation.

Some 46 countries and the European Union adopted a decision to establish a rapid response mechanism for the protection of environmental defenders under the Aarhus Convention. This is the first such mechanism specifically safeguarding environmental defenders to be established within a legally binding framework either under the United Nations system or other intergovernmental structure. The decision marks an important step for the advancement of environmental democracy, helping to uphold the universal right to a clean, healthy and sustainable environment — as recognized by the Human Rights Council in 2021.

A binding rapid response mechanism for protecting environmental defenders was established under the Aarhus Convention.

The Aarhus Convention marked 20 years since its entry into force. The seventh session of the Meeting of the Parties to the Aarhus Convention welcomed the accession of Guinea-Bissau to the Convention, the first country from outside the UNECE region to do so. The Meeting of the Parties to the Protocol on PRTRs agreed on the way forward for developing this treaty further in various areas, such as public health, resource consumption, urban planning, emissions reduction, and more.

The Task Force on Public Participation in Decision-making under the Aarhus Convention warned of impacts on procedural rights during the pandemic, calling for strengthened measures to ensure effective and inclusive engagement in environmental matters. The Task Force on Access to Justice assisted Governments and empowered the public to help address deficiencies with regard to compliance with environmental law, which can threaten progress towards a circular and green economy and sustainable development.
Urban areas host over 75% of the population in Europe, 80% in North America, and close to 50% in Central Asia, making cities crucial to address economic, social, and environmental challenges. They play a key role in accelerating the circularity transition. In 2021, UNECE’s nexus report stressed the need to localize SDGs at the urban level to deliver on the 2030 Agenda, advocating for a “cities-based” and “people-smart” approach to sustainable development.
Approximately 50 million people in the UNECE region live in inadequate housing conditions. Based on a survey analysing housing affordability challenges, policies and priorities for member States, the #Housing2030 report developed by UNECE, UN-Habitat and Housing Europe, presented solutions to the housing affordability crisis in the region. It highlights existing policy instruments and good practices in four areas: housing governance and regulation; access to finance and funding; access and availability of land for housing construction; and climate-neutral housing construction and renovation. An online database of instruments and best practices was also established.

The #Housing2030 Report highlighted solutions to the affordability crisis in the region, where some 50 million people live in inadequate housing conditions.

At the Ministerial Meeting on Housing and Urban Development, member States endorsed “Place and Life in the UNECE: Regional Action Plan 2030” to assist governments and cities in addressing the challenges brought about by the COVID-19 pandemic for an already stretched affordable housing system across the region. It aims to tackle inequalities, strengthen the capacities of local actors, and pursue a green, resilient and inclusive economic recovery.

A Regional Policy Brief analysed the impact of the pandemic on urban economic resilience and formulating policy recommendations in four thematic areas: urban governance; socio-economic impacts of the COVID-19 pandemic; nature-based solutions and climate neutrality for environmental quality; urban planning and transportation policies and programmes.

The UNECE “rapid response” project on building urban economic resilience during and after the COVID-19 pandemic focused on strengthening the capacities of local governments in cities of Tirana (Albania), Bishkek, (Kyrgyzstan) and Kharkiv (Ukraine). Local action plans for these three cities were developed.

To support the review of SDGs progress at the city level, UNECE published smart sustainable cities profiles for Bishkek (Kyrgyzstan) and Grodno (Belarus) based on the use of UNECE/ITU Key Performance Indicators for Smart Sustainable Cities. In cooperation with its partners in the United for Smart Sustainable Cities Initiative, UNECE developed a Compendium of Innovative Financing for Smart Cities Projects which uses the People-first Public-Private Partnerships Evaluation Methodology for the SDGs. Based on the use of the methodology, UNECE supported several cities including Bishkek (Kyrgyzstan) and Podgorica (Montenegro) in the preparation of bankable projects on urban infrastructure.

To further support the localisation of the SDGs, UNECE endorsed Guidelines for the Development of Voluntary Local Reviews – a useful tool for cities and subregions to catalyse action towards the SDGs and to support economic and social recovery efforts from the COVID-19 pandemic. Many cities in the UNECE region, mostly in Western Europe, have developed and published VLRs, however, very few cities in countries with economies in transition have yet made the most of this process.

UNICE continued expanding its network of Centres of Excellence on Housing - now comprising 8 centres - with three new partners. A centre of excellence was established in cooperation with York University (Toronto, Canada) which hosts a centre on Youth Homelessness Prevention. (In 2020, in the United States, the number of homeless people was approximately 580,000 and at least 235,000 Canadians experience homelessness every year). Another centre was established in cooperation with the Norman Foster Foundation in Spain which hosts a centre for the implementation of the Geneva UN Charter on Sustainable Housing. It provides best practices, research, support and training in the area of sustainable cities, sustainable housing and the organisation of the Second Forum of Mayors (4-5 April 2022). One more centre was established in cooperation with
LIUC – Cattaneo University in Italy which hosts a centre to advance sustainable finance for infrastructure and smart cities. Activities in 2021 included the creation of an online portal on Sustainable Finance for Infrastructure and Smart Cities and an international conference on sustainable finance and how it could support and stimulate the development of post-COVID smart cities.

UNEC re-launched its High-Performance Buildings Initiative at COP26 to deliver on the Paris Agreement and 2030 Agenda for Sustainable Development. Some 8 International Centres of Excellence on High Performance Building joined the network of centres that is at the heart of the initiative, and another 35 additional centres are in the process of joining. The built environment and construction sector are central to tackling climate change as buildings consume 70% of electricity globally and account for 40% of CO\textsubscript{2} emissions.

UNEC re-launched its High-Performance Buildings Initiative. The built environment accounts for 40% of CO\textsubscript{2} emissions.

A UNECE-led partnership was launched that will improve energy efficiency of the global building supply chain and its products to deliver high performance buildings in Armenia, Georgia, Kyrgyzstan, Republic of Moldova, Tajikistan, Ukraine, and Uzbekistan.

National studies will help Armenia, Kyrgyzstan, and the Republic of Moldova develop and implement energy efficiency standards for buildings.

UNEC issued Guidelines to support the development of a Strategic Framework for Mainstreaming Ageing to ensure its systematic consideration and integration in public policies. By 2050, about one in every four persons in the UNECE region will be over the age of 65. Because population ageing affects almost all aspects of society, the transformative change required to adapt societies to the implications of population ageing and living longer cannot be achieved without a whole-of-government and whole-of-society effort.

A seminar and Policy Brief on Ageing examined the ‘digital divide’ between generations and highlighted policy priorities for digital inclusion of older persons. As more and more everyday services move online, ‘offliners’ risk being excluded in an era that embraces fast-changing innovation in digital technology. Accelerated digitalization during the COVID-19 pandemic made this need even clearer. Yet today, only one in four older Europeans have basic or above basic digital skills, compared to two in three in the age group 35 to 44, three in four among 25-34 year olds and four in five among youth (16-24).

To strengthen the voice and agency of older persons in decisions that affect them, UNECE issued new guidance to facilitate the meaningful participation of older persons and civil society across the policymaking cycle.
In Serbia, UNECE supported the government to integrate gender equality in environmental policymaking at the local level, by developing guidance and strengthening capacities to use tools including programme screening, Gender Impact Assessment, Gender Responsive Budgeting, and Gender Monitoring. This built on assistance to mainstream gender equality in national environmental policymaking.

The Trees in Cities Challenge expanded to 41 cities from 26 countries, with 15 cities joining the initiative in 2021. Monitoring in 2021 found 8.1 million trees were planted in 2019 and 2020, 74.1% of trees pledged those years (increasing to 93% among cities providing monitoring data). To date, over 11.2 million trees have been pledged, in addition to qualitative sustainable urban forestry targets such as increased canopy cover. Building on strong engagement in the Challenge, an Informal Network of Experts on Sustainable Urban Forestry was formed in 2021 to facilitate peer exchange and capacity building for sustainable urban forestry.

15 cities joined the Trees in Cities Challenge, bringing the total to 41 cities from 26 countries.
Recognizing the vital importance of mobility and connectivity for sustainable economic development and the circular economy and taking stock of key challenges to recover better from the pandemic, UNECE’s “nexus” report examined how to better connect people, companies, governments, economies, while making mobility more sustainable. The study highlights in particular that the digitalization of many of these processes is key to improving efficiency and effectiveness.
The new legal framework for the full digitalisation of the TIR system (the so-called “eTIR”) entered into force, paving the way for paperless cross-border transit of goods, under the customs guarantee of the TIR system. By removing the need for physical contact between drivers and customs officers, eTIR can be a game changer in ensuring borders can remain open under emergency situations such as future pandemics. Countries including Azerbaijan, Georgia, Iran (Islamic Republic of), the Republic of Moldova, Pakistan, Tajikistan, Tunisia, Turkey and Uzbekistan, are already in the process of interconnecting their customs information systems with the eTIR international system. On behalf of its 27 member States, the European Union is in the process of finalizing a proof of concept to interconnect the European Union’s New Computerized Transit System (NCTS) with the eTIR international system.

The Inland Transport Committee adopted a resolution on strengthening intermodal freight transport. Its implementation will be key in the transition to sustainable and resilient freight transport.

The Inland Transport Committee endorsed a new Road Map to strengthen harmonization of Intelligent Transport Systems, which will be key to unlocking benefits in terms of safety, efficiency and environmental performance for mobility and the movement of goods.

UN regulations covering cybersecurity, software updates and Automated Lane Keeping Systems (ALKS) entered into force in 54 contracting parties to the 1958 Agreement, administered by UNECE’s World Forum for Harmonization of Vehicle Regulations. In November, the UN regulation on ALKS was extended to trucks, buses and coaches, making it the first legally-binding international regulation for the introduction of so-called “level 3” vehicle automation in heavy vehicles on the roads. The need to strengthen automotive cybersecurity alone is expected to trigger massive investments – increasing from USD 4.9 billion in 2020 to USD 9.7 billion in 2030.

The World Forum endorsed a proposal for a new legal instrument to ensure minimum durability of batteries fitted in full electric and plug-in hybrid cars. This marks the first international effort to regulate the issue of battery degradation. Sales of electric and hybrid vehicles are surging in major markets. According to IEA projections, their global market share could reach between 10.4% and 19% in 2025.

The entry into force of a new UN Regulation introduced Event Data Recorders (EDR) aboard vehicles will provide a better understanding of the circumstances in which crashes and injuries occur and will facilitate the development of safer vehicle designs.

Two new UN Vehicle Regulations will reduce the number and severity of collisions between vehicles moving off from a stationary position or in reverse manoeuvre.
at low speed, and pedestrians and cyclists. The European Union has decided to mandate the use of these two new Regulations as of 6 July 2022. Estimates by the European Commission show that these regulations could save some 860 lives and avoid some 10,000 serious injuries per year in the EU.

The World Forum initiated activities to develop a rigorous test procedure to measure harmful brake particle emissions. The share of this important source of particulate matter emissions from road transport is set to continue increasing with the foreseen growth in market share of electric and hybrid vehicles.

In a supporting event for the 2022 High-Level Meeting on Global Road Safety convened by the President of the General Assembly, UNECE pushed for increased financing and for road safety and multistakeholder collaboration to halve 1.3 million annual deaths by 2030.

As a unique financing mechanism connecting expertise across United Nations organizations and uniting governments, the private sector and all stakeholders, the UN Road Safety Fund can be a catalyst for investments in lifesaving interventions. The Fund mobilized USD 18 million dollars for its first phase 2018-2021 and launched 10 new projects in 14 low-and middle-income countries.

The UN Road Safety Performance Review for Ethiopia pinpointed concrete measures to holistically address its road safety situation that claims 13 lives every day. Among key recommendations, the review called for the country to join and apply the priority UN Road Safety legal instruments, which offer proven tools to address the major causes of crashes.

46 Ministers and State Secretaries and representatives of 41 countries adopted the Vienna Declaration – a milestone commitment to shift towards clean, safe, healthy and inclusive transport and mobility. Adopted at the Fifth High-Level Meeting on Transport, Health and Environment, key components of the Declaration are the first-ever Pan-European Master Plan for Cycling Promotion and the Recommendations for Green and Healthy Sustainable Transport.

Implementing the Master Plan, which aims to double cycling in the region by 2030, can unlock major benefits, for example: preventing 30,000 premature deaths (primarily from increased physical activity) with indirect economic benefits amounting to €78 billion per year; reducing GHG emissions by 8 million tonnes of CO₂ equivalent with indirect economic benefits of €1.1 billion per year; doubling the modal share of cycling in the EU would create an additional 400,000 jobs and an additional €3.5 billion turnover in retail bicycle sales.

Doubling cycling by 2030, guided by the Pan-European Master Plan, could prevent 30,000 premature deaths, saving €78 billion annually.

UNECE launched a 3-year project to support countries in Eastern Europe, Western and Central Asia to enhance the safety of their logistics chains by raising awareness and promoting use of the IMO/ILO/UNECE Code of Practice for Packing Cargo Transport Units, Safe Loading and Securing Cargo in Containers (CTU Code).

UNECE and the International Civil Aviation Organisation strengthened cooperation on air cargo digitalization, supported by UN/CEFACT standards. This will benefit safety, security, efficiency, and resiliency of supply chains.

With the adoption of policy recommendations, implementation guidelines, and an information exchange standard for traceability and transparency of value chains in the garment and footwear sector, The Sustainability Pledge provided a UN-brokered way for industry stakeholders to advance due diligence and responsible business models, and verify sustainability claims for conscious consumption choices.
In 2021, the project developed the UNECE blockchain platform and conducted pilots for the cotton and leather sectors. 60 industry partners are now engaged, covering the full spectrum of the value chain, in 18 countries and for 19 cotton and leather use cases (e.g., jeans, shirts, socks, bags, watch bracelets, shoes). 18 coaching sessions were conducted involving 75 industry actors.

To prevent vessels engaged in illicit fishing – costing some USD 23 billion annually – from using ports, landing catches and accessing markets, UNECE strengthened collaboration with FAO for the use of UN/CEFACT’s UN/LOCODE standard to identify all 462 ports (as of February 2021) within the framework of the Agreement on Port State Measures. The UN/FLUX messaging standard can further support parties by providing a cost-effective tool for required information exchange on port inspections. As of 2021, 40 UN Member States transmit fisheries data using the UN/FLUX standard, including all 27 EU member States, 5 other contracting parties to the North–East Atlantic Fisheries Commission (Denmark, Iceland, Norway, the Russian Federation and the UK), and the 8 signatories to the Sustainable Fisheries Partnerships Agreements with the EU (Cabo Verde, the Gambia, Guinea-Bissau, Mauritius, Morocco, Sao Tome and Principe, Senegal and the Seychelles).

To help manage complex global value chains more sustainably and to transition to a low carbon and more circular economy, UNECE established a Team of Specialists to improve environmental, social and governance (ESG) traceability and transparency. The Team will build on the wide range of UNECE and UN/CEFACT practical instruments including norms, standards and policy guidelines to provide the backbone for action in critical sectors like agri-food, garment and footwear, fishery and transport.

Close to 500 experts from over 50 countries came together to advance the work of UN/CEFACT in developing standards and recommendations to accelerate the sustainable and resilient pandemic response and recovery. Among many positive impacts of UN/CEFACT tools showcased were the use of a Single Windows in Kyrgyzstan to transfer permits for 308 million units of medical equipment and drugs during the pandemic; to provide over 180 services from e-invoices and waybills to e-advance customs declaration in Georgia; and to intensify usage of electronic procedures in Cameroon and the Dominican Republic.

Parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) moved towards more secure and efficient electronic permit exchanges, with the help of UN/CEFACT recommendations and guidance. Between 1999 and 2018, nearly 6,000 different species of illegally traded fauna and flora were seized worldwide. CITES provides protection to over 36,000 species of animals and plants.

Serbia will use UNECE recommendations to remove regulatory and procedural barriers to trade in goods, which affect particularly Micro, Small and Medium Enterprises.

To support the country’s sustainable economic recovery from the COVID-19 pandemic, UNECE and Kyrgyzstan launched the National Trade Facilitation Roadmap 2021-2025 – a comprehensive strategic framework to overhaul the country’s trade facilitation reforms. It provides a tool for all stakeholders to coordinate, monitor and track the implementation of all 59 activities covered. UNECE also teamed up with the Kyrgyz Economic University to build expertise on trade facilitation, harnessing UN/CEFACT tools.

Under a multi-agency UN COVID-19 response project, UN/CEFACT finalized a Package of Standards for Multi-Modal Trade and Transport Connectivity to ensure interoperability and facilitate digital exchange of data between modes of transport, sectors, companies, agencies, and countries. This can also support the implementation of principles to govern cross-border data use and digital trade agreed by G7 nations – 6 of which are UNECE member States.

The UN/eCERT standard developed by UN/CEFACT will underpin the paperless exchange of certificates for USD 1.8 trillion annual food trade, following the adoption of guidance by the Codex Alimentarius Commission.

The UN/eCERT standard will underpin digital exchange of certificates for the USD 1.8 trillion food trade.

Countries participating in the UN Special Programme for the Economies of Central Asia (SPECA) – Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, supported by UNECE and UNESCAP – strengthened their commitment to cooperation on sustainable connectivity for a greener, circular and inclusive economy. The country-led platform agreed to take first steps to create a SPECA permanent secretariat on a rotational basis, and to start working on creating a SPECA Fund to boost the Programme’s efficiency and jointly work on impact-oriented, practical regional projects and initiatives.

UN/CEFACT developed the UN/eBasel standard for exchanging electronic messages under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. This means that, with the required infrastructure in place, transboundary movements of waste and its disposal/exchange can be tracked and traced electronically. This will help tackle pollution and support the circular economy.

UN/CEFACT developed the UN/eBasel standard for exchanging electronic messages under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. This means that, with the required infrastructure in place, transboundary movements of waste and its disposal/exchange can be tracked and traced electronically. This will help tackle pollution and support the circular economy.
To strengthen the foundations for their COVID-19 recovery, UNECE initiated a project to assist Armenia, Belarus, Kazakhstan and Kyrgyzstan over the next two years to build resilient, diversified and sustainable value chains at the regional level, and to integrate into international value chains. This will help reap the benefits of UNECE norms, standards and analytical tools.

UNECE launched a project to accelerate circular economy progress in transition economies of the region. As one key deliverable, the project will create a multi-stakeholder knowledge sharing network to develop and disseminate evidence-based policy practices for piloting in selected UNECE programme countries.

The trade facilitation performance of 44 UNECE Member states improved from 72% in 2019 to 76% in 2021, according to the Regional Report on Digital and Sustainable Trade Facilitation 2021. The improvement in the UNECE region was evident despite the temporary disruption in supply chains in 2020 and apparent in all country groups across UNECE member States, except Eastern Europe.

44 UNECE member States' trade facilitation performance improved from 72% in 2019 to 76% in 2021.

Recognizing that the hundreds of regional trade agreements in place provided no guidance to countries on how to keep trade going during the COVID-19 pandemic, UNECE joined forces with ESCAP, UNCTAD and other UN Regional Commissions for a UN Handbook that will help countries negotiate trade agreements for increased resilience in times of crisis and pandemic.


Ahead of the UN Food Systems Summit, the 5 UN Regional Commissions launched a joint policy brief proposing harmonized pathways and strategies to overcome common challenges and transform food systems to be more inclusive, healthy, sustainable, and resilient.

Governments put the recommendations of UNECE's Innovation Policy Outlook into action. For example, Belarus developed new programmes on innovation and applied research and development, for final approval; Ukraine prepared new draft laws on innovation and technology transfer activities; Georgia piloted and built capacities for the systematic use of procurement to enable and promote innovation; Armenia launched a national innovation programme to fund technology start-ups; Azerbaijan advanced towards state programmes for innovative development that include efforts to increase R&D and venture capital investments; and Moldova drafted an action plan to map research and innovation infrastructure.

To guide reform efforts to foster the development of Innovative High-Growth Enterprises in Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine, UNECE published a policy handbook outlining principles, examples, and good practices for private sector support.

Armenian innovation stakeholders identified innovation infrastructure and engagement with the country’s diaspora as central to concerted efforts to promote innovation-led growth. These issues will be further assessed in the second Innovation for Sustainable Development Review for Armenia.

Innovation for Sustainable Development Reviews of Uzbekistan and the Republic of Moldova pushed ahead. Recommendations emerging from the review of Uzbekistan will feed into and help shape the country’s strategy for innovative development 2022-2030.

UNECE supported Kyrgyzstan with the development of an innovation Roadmap, drawing on recommendations of the UNECE Innovation for Sustainable Development Review of Kyrgyzstan, the SPECA Innovation Strategy for Sustainable Development and national priorities for innovation policy and sustainable development.

The UNECE People-first PPP Evaluation Methodology for the SDGs adopted in 2021 was used to rate 66 projects from 25 countries in a competition on initiatives to ‘build back better’ from the COVID-19 pandemic. It awarded first place to Nova Ceasa, a fruit and vegetable market project in Piaui State, Brazil, and joint second place to light railway project in Tenerife, Spain and a regional development programme in Caraga, the Philippines. The Methodology was also piloted in Ukraine to help guide investment for a resilient, inclusive and sustainable post-COVID recovery.

To support a greater contribution of international standards to a more sustainable and resilient recovery from the COVID-19 crisis, UNECE launched an online training course for Micro, Small and Medium Enterprises (MSMEs), which are more susceptible to shocks and disruptions compared to large enterprises. In Georgia, Serbia and the Republic of Moldova, MSMEs constitute over 90% of registered enterprises.

UNECE and the European Investment Bank strengthened cooperation to support countries’ sustainable development efforts, leveraging UNECE legal instruments.
More robust monitoring and measuring systems are required to meet the Sustainable Development Goals (SDGs), according to a UNECE report on Measuring and Monitoring progress towards SDGs that uses a “nexus” approach to chart a course for more “joined up” activities.
UNECE’s report on achieving the SDGs in the region found that if countries follow current trends, by 2030 the region will meet only 23 of the 169 SDG targets. However, only 89 targets can be assessed while for the remaining 80, no assessment can be made due to insufficient data. For 57 targets, progress needs to accelerate if we are to achieve the targets, and for another 9 the current trend needs to be reversed.

Progress in the UNECE region

During the last two decades, countries in the UNECE region have made significant strides in the areas of development laid out in the 2030 Agenda. One way to evaluate progress towards the SDGs is to estimate how likely it is the region will achieve individual SDG targets by 2030 based on the pace of progress since 2000. This pre-pandemic assessment indicates that the region will achieve only 23 targets by 2030. On 57 targets, progress needs to accelerate, and for 9 targets, the current trend needs to be reversed.

The Regional Forum on Sustainable Development (RFSD) 2021 highlighted the SDGs as a compass to recover better from the pandemic. The Forum brought together a record number of stakeholders – over 1,400 – to move ahead with the 2030 Agenda on Sustainable Development in times of crisis. From scaling up climate action, to measures to promote health and social protection during the pandemic, country representatives and other stakeholders shared policy actions, proposed solutions and discussed how best practices can be adopted by peers.

By the end of 2021, 55 out of 56 UNECE member States have carried out at least one Voluntary National Review of SDGs implementation, demonstrating strong commitment to the 2030 Agenda. Azerbaijan, Cyprus, Czech Republic, Denmark, Germany, Norway, San Marino, Spain and Sweden presented their reviews at the 2021 High-Level Political Forum, where highlights of UNECE’s cross-cutting engagement in the Forum to share regional perspectives included a solutions-focused dialogue on how advancing the circular economy can boost a sustainable COVID-19 recovery efforts and climate action.

UNECE’s Dashboard for SDGs was made available in Russian. The dashboard, launched in English in 2020, brings together available data for the 56 UNECE member States to provide a regional perspective on the global indicators. With data for 80 regionally-relevant indicators across all 17 goals, users can see snapshots of where countries stand for each indicator; view differences between women and men; create graphs and maps; compare countries; access definitions and explanations; and download full datasets for more in-depth analysis. Almost a quarter of users of the UNECE Statistical Database, are located in Russian-speaking countries.

The second report on SDG indicator 6.5.2 which measures transboundary water cooperation, published by UNECE and UNESCO on behalf of UN-Water, highlighted that while 153 countries share transboundary rivers, lakes and aquifers, only 24 countries report having operational arrangements in place for all their transboundary waters, contrasting with the SDGs’ vision to ensure that all these waters are covered by operational arrangements by 2030.

Countries celebrated 25 years of Environmental Performance Reviews at UNECE, which have provided some 25 countries with comprehensive policy recommendations and supported governments in their implementation. More than half of these countries have had their environmental performance reviewed three times. In 2021, the Committee on Environmental Policy adopted the recommendations of the 3rd EPR of Romania, while UNECE led a diverse international team of experts for the third review of Azerbaijan. Uzbekistan confirmed its commitment to implement the recommendations of its third EPR, which was officially launched in 2021. UNECE also supported Bulgaria, Georgia, North Macedonia and Uzbekistan to put energy-related recommendations of their EPRs into action.

In the run-up to COP26, UNECE published the first internationally agreed Set of Core Climate Change-related Indicators and Statistics, along with a set of Implementation Guidelines, both endorsed by the Conference of European Statisticians (CES). The Indicator Set provides the foundation for countries’ statistical offices to produce data on national progress towards Nationally Determined Contributions (NDCs) under the Paris Agreement’s Enhanced Transparency Framework.

In Uzbekistan, a comprehensive new law on official statistics adopted in August 2021 responds directly to recommendations from UNECE and partners. Regional adaptations of the UNECE region’s generic law have also been developed for Latin America and the Arab countries, and parts of it have been incorporated into the global United Nations Handbook on Management and Organization of National Statistical Systems. To date, at least 24 countries have revised their statistical legislation based on these guides, including Benin, Ethiopia, the Seychelles and the Maldives. A number of others plan to revise their laws in the coming years.

The value of UNECE’s Poverty measurement: Guide to data disaggregation is being felt by countries as they respond to growing demands for more disaggregated data to assess the impact of the pandemic on the most vulnerable. Seven countries (Armenia, Belarus, Kyrgyzstan, Republic of Moldova, Russian Federation, Ukraine, and Uzbekistan) received training and access to software tools developed by the Netherlands and Slovakia to optimize survey designs and enhance precision for non-response and calibration of weights for poverty data disaggregation, in accordance with one of the Guide’s recommendations.

UNECE published Guidance that will help countries measure the effects of international migration in societies over time. It consolidates the best available expertise on how to develop data sources and how to compile and disseminate key indicators and findings.

In the face of unprecedented challenges to the conduct of population and housing censuses in pandemic conditions, the 2020 round of censuses has taken place across the region, with 42 countries having completed their census by the end of 2021, guided by the CES Recommendations.
A spring 2021 survey on the use of UNECE’s generic models showed that at least 30 countries make use of the Generic Statistical Business Process Model to modernize their statistics.

UNECE released a country-level snapshot of key transport data with its new Transport Statistics Infocard. UNECE compiles and publishes detailed data on the principal inland modes of passenger and freight transport, and on road safety performance, for its 56 member States.

UNECE and FAO launched the platform “INForest”, which provides the most up-to-date information on forests in the UNECE region, changes and uses over the past decades. Forests in the region account for 42% of forests worldwide, and their area has increased over the last 3 decades, growing by an area about the size of Germany. Data is presented in an innovative way, giving users the flexibility to define the scope, format, and geographic coverage of the data they are looking for. “INForest” is currently available in English, French, Russian, Czech, German and Polish.

470 economic statistics experts from around the world took part in discussions that led to the development of the UNECE Guide to producing CPI under lockdown, which provides practical guidance on how to adhere to international standards to continue producing high quality, comparable consumer price statistics under pandemic restrictions. More than 4,000 visits to the online guidance notes and examples of good practice attest to the value of these resources.

UNECE initiated work with 20 countries to begin developing international guidelines on measuring new forms of employment and to assess the impact of the pandemic on quality of employment.

UNECE has played a key role in the international effort to review and revise statistical standards on economic statistics to better highlight aspects of globalization, digitalization, wellbeing, sustainability, and the informal economy. In 2021, UNECE’s Group of Experts on National Accounts provided a forum for 370 experts from 67 countries and 19 international organization to contribute to the revision process.
CLIMATE ACTION
The UNECE region is a major source of greenhouse gas emissions, responsible for 34% of the world’s CO₂ emissions from fossil fuel combustion. The people of the region are increasingly feeling the impacts of climate change – from wildfires to flooding, heatwaves and drought.

Through its norms, standards, conventions and policy assistance, UNECE provides key tools to support countries in their climate change mitigation and adaptation efforts in all its areas of work.

As a key milestone in 2021, COP26 – hosted in the region – offered an important opportunity to UNECE member States and all Parties worldwide to scale up commitments to deliver on the Paris Agreement.

Among highlights of its support for climate action in 2021, UNECE:

- Issued the first internationally agreed Set of Core Climate Change-related Indicators and Statistics, along with a set of Implementation Guidelines, supporting reporting under the Paris Agreement.
- Launched a Carbon Neutrality Toolkit for policymakers to make informed decisions on how nations can accelerate the energy transition towards attaining carbon neutrality.
- Convened a COP26 dialogue with Norman Foster, US Special Presidential Climate Envoy John Kerry and Mayors from around the world to showcase the power of climate action at the local level and foster the exchange of best practices amongst cities.
- Mobilized partners within and beyond the UN system around the findings of the #Housing2030 report to scale-up climate-neutral and energy efficient housing while ensuring inclusiveness and accessibility.
- United all the UN Regional Commissions to provide solutions on how to bridge the gap in climate finance as a follow-up to our work on scaling up carbon dioxide removal.
- Spoke up for more ambitious water action at COP26 and, as part of the Marrakesh Partnership, highlighted the importance of transboundary water cooperation to accelerate climate change adaptation. Over 100 countries came together to recognize and seize the benefits of the Water Convention’s legal and intergovernmental framework to work together on shared water resources, on which over 40% of the world’s population depend.
- Brought to the fore transboundary water cooperation as a requisite for meeting the goals of the Paris Agreement at the very first Water & Climate Pavilion and made the voices of basin organizations heard.
- Supported 14 countries in Eastern and South-Eastern Europe in their commitment to restore over 4 million ha of land by 2030 under the Global Bonn Challenge at a Ministerial meeting organized by UNECE and FAO as part of the UN’s Decade of Ecosystem Restoration.
- Advocated for placing forest management at the head of the international climate change agenda, and for recognizing the crucial role of Boreal forests, which account for 27% of the global forest area and constitute the largest terrestrial carbon storehouse in the world.

Established the High-Performance Buildings Initiative with 10 International Centres of Excellence, mobilizing partners to share best practices and inspire the next generation of energy professionals in Scotland (University of Glasgow), Northern Ireland (South West College) and beyond.

Provided solutions for how countries can reduce methane emissions – a key action area post-COP26 – with best practice guidance on undeveloped coal seams, operating coal mines, and mines out of operation.

Shaped global conversations about the net-zero energy mix of the future highlighting that climate objectives will not be met if nuclear power is excluded.

Teamed up with Ministers to prepare the adoption at the 9th Environment for Europe Conference in October 2022 of the strategic document on Education for Sustainable Development for the Region, to strengthen implementation at national level and increase youth engagement.

Supported the Climate and Clean Air Coalition Ministers’ strategy to significantly cut short-lived climate pollutants this decade, for which the Gothenburg Protocol will be central. Guidance adopted in 2021 under the Air Convention will help Parties cut black carbon emissions from priority sources.

Adopted a proposal for a new legal instrument to ensure minimum durability of batteries fitted in electric vehicles, the first international effort to regulate the issue of battery degradation.

Looking ahead, UNECE will continue to offer a neutral platform for inclusive and transparent multilateral dialogue, exchange of best practices and lessons learned to support all countries in the region to build resilience and to accelerate the transition towards carbon neutrality.
Supporting gender equality in the region

UNECE is committed to supporting its member States to advance women’s economic empowerment to drive the inclusive COVID-19 recovery needed to deliver on the 2030 Agenda.

UNECE’s regional 2021 SDGs report showed that redoubled efforts will be required to robustly monitor progress towards targets on gender equality in the region, which faces persistent data gaps.

Supporting these efforts, new guidance from UNECE on measuring the impact of the COVID-19 pandemic on women and men provided practical support for countries to produce data on the gendered impact of the crisis on work (paid and unpaid), health, violence against women, and the gender digital divide.

More than a quarter of a decade since the adoption of the Beijing Platform for Action, the most visionary agenda for women’s rights and the empowerment of women, UNECE renewed its call for bold action to accelerate and promote women’s full participation in decision-making at all levels as an important step towards gender equality and women’s empowerment.

To achieve this, the Executive Secretary issued a call on International Women’s Day to prioritize gender-balance in leadership, but warned that we still have a long way to go: in most countries, women are the minority in decision-making positions, in parliaments and executive boards. The proportion of female parliamentarians varies across the UNECE region, with the greatest shares in the Scandinavian countries, followed by Western Europe. Countries such as Sweden, Finland, Norway and Switzerland each have more than 40% of women among members of parliament. But women are in a minority in local governments across the UNECE region, reaching 29% on average, with only four countries at the threshold of 40%.

Policymakers and civil society throughout the region can make the most of the comparable sex-disaggregated data and gender indicators in the UNECE Statistical database to monitor progress and inform further efforts towards achieving gender equality.

To further support efforts, UNECE issued the first of its kind guidance to help National Statistical Offices measure gender equality in decision making within households.

In 2021, UNECE jointly undertook policy analysis and research with UN Regional Commissions and in collaboration with the UN Women Regional Office for Europe and Central Asia as part of the UN Development Account project ‘Strengthening social protection for the pandemic response’, with a focus on integrating gender and care dimensions in the economic and social policies in response to COVID.

A regional overview of policy initiatives and measures to mitigate the impact of the pandemic was complemented by regional and country specific analysis of women’s economic empowerment and the care economy, highlighting key gender inequalities that have been exacerbated by the pandemic.

Two regional studies — on empowering women through reducing unpaid care work and on public investments — identify the opportunities and challenges to gender equality in the economy, and three national assessments detailed further childcare and women’s empowerment in Kyrgyzstan, Serbia and the Republic of Moldova.
In 2021, UNECE continued to advance the mainstreaming of gender equality considerations in all areas of its work. Examples include:

- Advancing policy dialogue on women’s economic empowerment at the SPECA Working Group on Gender and SDGs and the 2021 SPECA Economic Forum. Highlighting the importance of investment in the care economy for countries’ sustainable pandemic response, policy exchanges drew on the report Opportunities and challenges for gender equality in the COVID-19 recovery.

- Pushing forward work on sex-disaggregated data on road crash statistics, and helping to strengthen the gender equality focus in transport, health and environmental policies in the Pan-European Region under THE PEP.

- Supporting gender equality under the Water Convention including through the adoption of a Handbook on Water Allocation in a Transboundary Context, focusing on the role of women and youth among specific stakeholder groups.

- Helping Romania and Morocco address gender-related SDG targets thanks to Environmental Performance Reviews.

- Supporting member States towards commitments for gender equality and women’s empowerment in preparations for the 2022 Ministerial Conference on Ageing, through the Standing Working Group on Ageing. The integration of gender equality considerations within UNECE policy guidance on ageing — including on system-wide mainstreaming, meaningful participation in decision making, and digital inclusion — provided further resources to help translate this vision into practical measures.

- Demonstrating with the results of a pilot study in Georgia how existing data sources can be used for the analysis of gender equality in international trade and respond to the emerging policy demand for statistics on gender-in-trade.

- Providing practical support for gender equality in the energy sector ranging from its integration in updated guidance for MSMEs in delivering energy efficient products and in providing renewable energy equipment, to analysis of renewable energy financing and investment in Albania, Georgia, Kazakhstan and Serbia, and Expert Group policy discussions on gender mainstreaming in resource management.

- Welcoming additional signatories to the Declaration on Gender-Responsive Standards and Standards Development in 2021, bringing the total to 80 standard setting bodies and specialised agencies.

- Developing Innovation for Sustainable Development Reviews of Georgia and the Republic of Moldova (forthcoming) that provide gender analysis of the labour market and educational attainment accompanied by policy recommendations to improve gender-disaggregated statistics and to further seize women’s potential in the enterprise sector and in science, technology and innovation.

- Ensuring gender equality considerations in regional action plans and studies for affordable housing and sustainable urban development.

- Raising awareness of women’s role in the future of the region’s forest sector and integrating gender equality within UNECE/FAO’s leading work on forestry in the region for the next 3 years.

- Building capacities — including for ICT use — of women entrepreneurs in South-East Europe, Central Asia and the Caucasus together with Israel’s development agency MASHAV and the International Training Centre in Haifa.

- Carrying out survey-based COVID-19 impact assessments targeting female-owned micro, medium and small enterprises (MSMEs) in the Republic of Armenia and the Republic of Moldova, providing recommendations to bolster women’s economic participation.
Cooperation between the regional UN entities saw a strong momentum in 2021, the first year of the Regional Collaborative Platform (RCP) for Europe and Central Asia. Formally created in December 2020, the RCP is the central UN platform at the regional level for promoting joint action and facilitating integrated policy advice as well as normative and technical support to partners. Transitioning to a longer-term COVID-19 recovery, opportunities to accelerate SDG progress, and addressing human rights challenges and political crises and conflicts were among the major issues of concern.

Additionally, the UN in the region recalibrated the regional Issue-based Coalitions (IBCs) and groups, its main substantive and operational arm, to ensure they are agile, demand-driven and interconnected.

The IBCs and groups co-chaired by UNECE achieved progress in some key areas:

- The Issue-based Coalition on Environment and Climate Change provided guidance to help countries better integrate environmental and climate change perspectives in their COVID-19 recovery plans, as well as guidance to strengthen the integration of these key topics in the development of UN Sustainable Development Cooperation Frameworks, which offer a strategic plan to support national development priorities and strategies.

- The UN Regional Digital Transformation Group published a report taking stock of solutions related to information and telecommunication technologies supported by the UN system at the country and regional level.

- The Regional Coordination Group on Data and Statistics was enlarged in 2021 to include key non-UN agencies active in data and statistics in the region, including EFTA, the Eurasian Economic Commission, Eurostat, OECD and the Organisation of Islamic Cooperation. This has helped to improve coordination, particularly in the area of capacity development.

The 2021 Regional Forum on Sustainable Development, with its mix of hybrid and virtual sessions, demonstrated the ability of the regional UN system to deliver joint results adapted to COVID-19 circumstances.
Supporting 17 UN Programme Countries in implementing the 2030 Agenda for Sustainable Development

In 2021 UNECE continued its efforts to strengthen collaboration with the 17 programme countries in the region: Albania, Armenia, Azerbaijan, Republic of Belarus, Bosnia and Herzegovina, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Montenegro, Serbia, North Macedonia, Tajikistan, Turkey, Turkmenistan, Ukraine and Uzbekistan.

UNECE fully rolled out the extension of support to Resident Coordinators provided by its Regional Advisers, now acting as focal point for 3 countries in addition to their substantive sectoral expertise. This approach is aimed at fostering coordination and increased use of UNECE tools and normative work at the country level. Moreover, a new Regional Adviser on Forests, land and housing will join in 2022.

UNECE has continued to implement targeted field projects in response to the impact of COVID-19, funded from the UN Development Account (UNDA), in cooperation with other UN entities and national governments and agencies: “Transport and trade connectivity in the age of pandemics”, “Social protection for pandemic Responses: From identifying the vulnerable to building resilience”, “Global Initiative towards post-COVID-19 resurgence of the MSME sector” and “Building Urban Economic Resilience During and After COVID-19” (lead agency).

UNECE also launched five cross-sectoral small-scale field projects, funded from the Regular programme on technical cooperation (RPTC), in the areas of energy, transport, environment, housing and innovation, complementing the regular services provided by the Regional Advisers.

In 2021 UNECE successfully fundraised for the project “Green Finance Facility to Improve Air Quality and Combat Climate Change in North Macedonia” funded from the Joint Fund for the 2030 Agenda. The project will be implemented jointly with UNDP, IOM and EBRD.

Finally, UNECE was actively engaged in providing support to the 17 programme countries in the implementation and preparation of the new cycle of the UN Sustainable Development Cooperation Framework (UNSDCF). This included participation in the result groups, integrating UNECE activities in the Joint Work Plans, annual UNCT reporting, and active engagement to develop 6 new UNSDCFs for 2022-2026 and 2023-2027 for 6 countries (Albania, Kyrgyzstan, Moldova, Montenegro, Tajikistan, Ukraine). UNECE also provided substantive contributions on quality assurance through the inter-agency Peer Support Group for Europe and Central Asia.
Examples of support to countries throughout the year include:

**Gender mainstreaming in environmental policies in Serbia**

UNECE continued to advance mainstreaming gender in environmental policies by hosting a series of training sessions for the integration of gender aspects into environmental policies in Serbia, organized in collaboration with the Resident Coordinator’s Office in Serbia, UN Women and UNDP, and by developing a toolbox and guidance materials.

**Supporting Uzbekistan’s green transition**

UNDP Uzbekistan, the Government of Uzbekistan, the European Union and UNECE organized an international forum to initiate multistakeholder dialogue on the country’s transition to a green economy and sustainable development. Under the leadership of UNDP Uzbekistan and the World Bank, UNECE participated in the coordination mechanism for the preparation of a Green Growth Strategic Framework.

**Preparing a Roadmap for roadside technical inspection of vehicles in Bosnia and Herzegovina**

Based on the recommendations of the draft Framework Road Safety Strategy and the Roadmap for accession to and implementation of the 1997 Agreement for Bosnia and Herzegovina, UNECE supported the preparation of the country’s Roadmap for roadside technical inspection and strengthened capacities to update national legislation.

**Developing a draft road safety strategy in Georgia**

In 2021, Georgian experts completed the draft national road safety strategy, drawing on findings and recommendations of the 2018 UNECE Road Safety Performance Review. UNECE expert analysis on seat belts on rear seats, child restraint systems and speed management, together with a report on international best practice and potential benefits, supported Georgian legislators to decide on the introduction of proposed measures.

**Delivering technical cooperation on sustainable energy**

UNECE issued a study on Renewable Energy Financing and Investment in Albania, Georgia, Kazakhstan and Serbia. Under a UN Development Account project, UNECE issued Updated Guidelines and Best Practices for MSMEs in delivering energy efficient products and in providing renewable energy equipment, along with nationally customized Guidelines and Best Practices for North Macedonia, Georgia, Albania, and Kyrgyzstan. Customized Guidelines and Best Practices for MSMEs to boost resilience and progress towards a circular economy in sustainable resource management and critical raw material supply chains have been developed for Tajikistan and Ukraine.

**Contributing to smart and sustainable urban development and innovative financing in Bishkek, Kyrgyzstan**

A Smart Sustainable City Profile for Bishkek provided an in-depth analysis of the social and economic situation and policy recommendations. Based on these, UNECE and partners developed a pre-feasibility study on the integrated development of 5 informal settlements, representing a population of 75,000 people. Activities to be supported include sanitation, stormwater management, drainage, district heating, power supply, waste management, paved roads, green open spaces, schools, medical facilities and green buildings for job creation based on informal workers’ skills.

**Strengthening statistical capacities in Armenia, Kyrgyzstan and Montenegro**

In partnership with the UN Country Team, UNECE provided expert support to review migration statistics in Armenia, which will inform the planning for the country’s 2022 population and housing census. To implement the recommendations of the 2021 Global Assessment of the National Statistical System in Kyrgyzstan, UNECE helped identify priority actions on the formulation of legislation and integrating the assessment’s outcomes into its national strategy for statistical development. UNECE assisted the National Statistical Office of Montenegro to modernize its activities in line with international best practices. This will support the greater use of electronic data collection methods and tools.

**Scaling up efforts to restore degraded forests and landscapes in Eastern and South-Eastern Europe**

UNECE/FAO strengthened capacities and provided policy advice for the development of national and regional strategies, technical monitoring and finance, contributing to pledges at a ministerial meeting to restore more than 4 million hectares of land under the Bonn Challenge by 2030. The study Forest Landscape Restoration in Eastern and South-East Europe identified key drivers of forest degradation and assesses the potential for forest landscape restoration in 17 countries.

**Developing policy frameworks and national strategies for forest landscape restoration in the Caucasus and Central Asia**

UNECE/FAO continued to support countries of the Caucasus and Central Asia to turn into action their commitments to restore 3 million hectares of forests by 2030 (announced at the Ministerial Roundtable in 2018), including through the development of a knowledge platform, the translation of e-learning and other training materials into Russian, regular webinars on financing and monitoring, and the development of national policy frameworks in several pilot countries.
<table>
<thead>
<tr>
<th>Member States</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALBANIA</td>
</tr>
<tr>
<td>ANDORRA</td>
</tr>
<tr>
<td>ARMENIA</td>
</tr>
<tr>
<td>AUSTRIA</td>
</tr>
<tr>
<td>AZERBAIJAN</td>
</tr>
<tr>
<td>BELARUS</td>
</tr>
<tr>
<td>BELGIUM</td>
</tr>
<tr>
<td>BOSNIA AND HERZEGOVINA</td>
</tr>
<tr>
<td>BULGARIA</td>
</tr>
<tr>
<td>CANADA</td>
</tr>
<tr>
<td>CROATIA</td>
</tr>
<tr>
<td>CYPRUS</td>
</tr>
<tr>
<td>CZECHIA</td>
</tr>
<tr>
<td>DENMARK</td>
</tr>
<tr>
<td>ESTONIA</td>
</tr>
<tr>
<td>FINLAND</td>
</tr>
<tr>
<td>FRANCE</td>
</tr>
<tr>
<td>GEORGIA</td>
</tr>
<tr>
<td>GERMANY</td>
</tr>
<tr>
<td>GREECE</td>
</tr>
<tr>
<td>HUNGARY</td>
</tr>
<tr>
<td>ICELAND</td>
</tr>
<tr>
<td>IRELAND</td>
</tr>
<tr>
<td>ISRAEL</td>
</tr>
<tr>
<td>ITALY</td>
</tr>
<tr>
<td>KAZAKHSTAN</td>
</tr>
<tr>
<td>KYRGYZSTAN</td>
</tr>
<tr>
<td>LATVIA</td>
</tr>
<tr>
<td>LIECHTENSTEIN</td>
</tr>
<tr>
<td>LITHUANIA</td>
</tr>
<tr>
<td>LUXEMBOURG</td>
</tr>
<tr>
<td>MALTA</td>
</tr>
<tr>
<td>MONACO</td>
</tr>
<tr>
<td>MONTENEGRO</td>
</tr>
<tr>
<td>NETHERLANDS</td>
</tr>
<tr>
<td>NORTH MACEDONIA</td>
</tr>
<tr>
<td>NORWAY</td>
</tr>
<tr>
<td>POLAND</td>
</tr>
<tr>
<td>PORTUGAL</td>
</tr>
<tr>
<td>REPUBLIC OF MOLDOVA</td>
</tr>
<tr>
<td>ROMANIA</td>
</tr>
<tr>
<td>RUSSIAN FEDERATION</td>
</tr>
<tr>
<td>SAN Marino</td>
</tr>
<tr>
<td>SERBIA</td>
</tr>
<tr>
<td>SLOVAKIA</td>
</tr>
<tr>
<td>SLOVENIA</td>
</tr>
<tr>
<td>SPAIN</td>
</tr>
<tr>
<td>SWEDEN</td>
</tr>
<tr>
<td>SWITZERLAND</td>
</tr>
<tr>
<td>TAJIKISTAN</td>
</tr>
<tr>
<td>TURKEY</td>
</tr>
<tr>
<td>TURKMENISTAN</td>
</tr>
<tr>
<td>UKRAINE</td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
</tr>
<tr>
<td>UNITED STATES</td>
</tr>
<tr>
<td>UZBEKISTAN</td>
</tr>
</tbody>
</table>
# Budget

## Financial Resources
(in thousands of US Dollars)

<table>
<thead>
<tr>
<th>Type of budget resources</th>
<th>2021 Appropriation/ Allotment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regular Budget</strong> (Section 20)</td>
<td></td>
</tr>
<tr>
<td>Post items</td>
<td>34,760.0</td>
</tr>
<tr>
<td>Non-Post items</td>
<td>1,488.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>36,248.5</strong></td>
</tr>
<tr>
<td><strong>Regular Programme Of Technical Cooperation</strong> (Section 23)</td>
<td></td>
</tr>
<tr>
<td>Other staff costs</td>
<td>1,400.7</td>
</tr>
<tr>
<td>Non-Post items</td>
<td>702.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,103.3</strong></td>
</tr>
<tr>
<td><strong>United Nations Development Account</strong> (Section 35)</td>
<td></td>
</tr>
<tr>
<td>Non-Post items</td>
<td>4,862.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,862.6</strong></td>
</tr>
<tr>
<td><strong>Extrabudgetary - Technical Cooperation &amp; General Trust Funds</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>18,641.3</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>61,855.7</strong></td>
</tr>
</tbody>
</table>
Media impact in 2021

- Over 12,000 media stories
- 4bn people reached
- 136,000 You Tube views
- 183 million people reached on social media
Find out more: