

CHECK AGAINST DELIVERY

Statement

by

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at

High Level Virtual Conference of the BSEC Member States

**“The intensification of regional cooperation for the implementation of Sustainable
Development Goals”**

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Excellencies, dear colleagues,

It is a great pleasure to join you today.

Now, more than ever, we need to break our isolation and reach out to each other – both as organizations and as individuals. We need to find the solutions to our common problems together, and also put them into practice together.

This pandemic has been a painful but powerful reminder that cooperation is essential to address the multiple challenges we face. But cooperation will also bring other benefits - the ones that we can reap by working together towards more environmentally sustainable, prosperous and inclusive economies.

COVID-19 has undermined the very fabric of international economic relations: transport and trade. In the early days of the crisis, UNECE moved quickly to create an Observatory that could monitor the disruptions in border crossings. This facilitated the understanding of a quickly evolving situation and the emergence of more coordinated approaches.

Trade has plummeted worldwide, as a result of falls in demand and mobility constraints. In the Black Sea and Economic Cooperation (BSEC) region, the volume of exports of goods and services is anticipated to drop by around 12% this year, roughly in line with projections for the UNECE region as a whole. Thus, we need to ensure that trade and connectivity quickly regain their role as engines of growth and shared prosperity in the region. Even before the crisis, the

potential of further expansion of commercial relations remained untapped, in particular for SMEs. UNECE has been working together with various countries in the region to identify and propose regulatory changes that facilitate trade recovery.

This is a time that requires strong and determined public action on many fronts. General uncertainty is weakening demand. Some sectors like tourism, travel and hospitality, are suffering particularly. Increased public spending and lower fiscal revenues are leading to significant growth in public debt. The median increase in the ratio of public debt to GDP in the BSEC region is estimated at around 12 percentage points in 2020. The stimulus packages adopted must become an opportunity to advance sustainability, including by addressing climate change, resource use and other environmental concerns. As we address the pressing needs of the present, we need to build more solid foundations for a sustainable future.

Infrastructure can play an important role in fostering economic dynamism and generating employment. A well-developed transport infrastructure, in particular, is essential to fully exploit the strategic position of this region as a transit point.

The decisions we take today, regarding the type of infrastructure and how it going to be built, will have implications for many years. They will affect critical issues such as energy consumption, environmental impact and resilience. So this is something we need to get right. We cannot just plug holes. We should be building better. UNECE offers multiple normative frameworks that facilitate the adoption of informed decisions, with full consideration of environmental factors and transboundary risks.

Subregional and regional cooperation are the building blocks of effective multilateralism, given shared problems and the obvious benefits of concerted action. The Regional Forum on Sustainable Development for the UNECE Region, which we host every March, provides a platform that seeks to incorporate multiple perspective in its discussions, including by incorporating a specific subregional focus. I would like to invite you to join us in shaping the 2021 Regional Forum and bring this particular focus from your subregion.

As we seek to relaunch our economies, we should be mindful of the need to preserve natural capital and avoid the continued pressure on natural resources. The BSEC region has certainly become more efficient: GDP produced per unit of energy used has increased by around 20 per cent over the last decade. But this relative decoupling is not yet sufficient to contain environmental damage. As in other parts of the UNECE region, we continue to use too many resources and to generate too much waste, which is not yet appropriately treated. We need to work together to develop innovative solutions that make possible a more sustainable use of resources.

And when we speak of innovative solutions, if you will permit me, I will mention one topic which is close to my heart: circular economy. I believe that efforts to achieve a circular economy can make a significant contribution towards the SDGs. UNECE member States are also of this opinion, as they have decided that the theme of the 2021 Commission session will be “Promoting circular economy and sustainable use of natural resources in the UNECE region”. I hope we will see all of you there to discuss this important topic, and I call on governments here to reflect on how this could be done in the region.

I wish you fruitful discussions and success in our common endeavors.

Thank you.