I. PROJECT WORKING GROUP ON WATER AND ENERGY RESOURCES

The Project Working Group met the last time in Almaty on 20 November 2013 and the following session is planned for 4 December 2014 in Bishkek.

The focus of the work in 2014 has continued to be on water and dam safety cooperation between SPECA countries. Important developments in the region linked to the SPECA activities are the preparations to institute an IFAS working group on dam safety and support to the establishment of a national agency in Tajikistan responsible for the safety of hydro-technical infrastructure.

**Dam Safety in Central Asia: Capacity-building and Subregional Cooperation**

The project aiming to improve safety of dam operations in Central Asia started in 2006. Project results of previous phases include a model national law on safety of large hydraulic facilities, including dams, intended to be a base of national harmonized legal frameworks for dam safety; a draft regional agreement on cooperation on dam safety, which stipulates, inter alia, exchange of information and notification of other countries in case of accidents with dams; expertise provided to the development of dam safety legislation in Kazakhstan, Tajikistan and Uzbekistan as well as joint training for experts in the region.

The third project phase started in 2012 with the main focus on cooperation on training of experts and students in the region and to continue the work to safeguard the safety of individual dams. A grant from the Russian Federation provides the main funding.

In 2014, three international training courses were organized in Kazakhstan by UNECE and national partners and one course for Central Asian experts and decision makers was organized by ESCAP in cooperation with UNECE in Moscow. A regional project meeting took place in Bishkek on 11-12 November 2014. Information about the project can be found at: [http://www.unece.org/env/water/damsafety.htm](http://www.unece.org/env/water/damsafety.htm).
Development of Cooperation on the Chu and Talas Rivers

In 2006, the Kazakh-Kyrgyz Chu and Talas Rivers Commission was inaugurated with the support of UNECE and ESCAP. The establishment of the Commission created a mutually beneficial way for Kyrgyzstan and Kazakhstan to share responsibility for water infrastructure used by both countries. Project support has also contributed to the further broadening of cooperation to improve the joint management of the Chu and Talas rivers.

Funds have been approved for continued support by the Global Environmental Facility to broaden the bilateral cooperation, including on environmental issues, and after the development of the project document in 2014 the project will be initiated in 2015.

Information about the work under the Commission as well as the project results can be found at http://www.chutalas-commission.org/.

Promoting Cooperation to Adapt to Climate Change in the Chu-Talas Transboundary Basin

This UNECE-UNDP project aims to improve the adaptive capacity of Kazakhstan and Kyrgyzstan, to support dialogue and cooperation on assessing impacts of climate change on water resources and identification of possible adaptation measures in the transboundary context and thereby prevent controversy on the use of water resources.

A final report of the project, including a vulnerability assessment, was completed in 2014, and is available in Russian as an electronic document. The information presented includes e.g. a review of past climatic changes, predictions for the coming decades and consideration of economic implications of climate change on agriculture. A range of possible adaptation measures in the basin was also identified.

A visual brochure summarizing the findings and illustrating them with maps and graphics has been produced in 2014.

The final workshop of the project, involving the concerned authorities of the two countries and other relevant stakeholders, was held in Bishkek on 27 February 2014. A concept for a possible follow-up project was developed, with a proposed focus on assessing in detail and implementing selected adaptation measures as well as awareness raising.

Regional Dialogue and Cooperation on Water Resources Management in Central Asia

The Programme “Transboundary Water Management in Central Asia” was launched in 2008 by the Government of Germany. A Programme component “Regional dialogue and cooperation on water resources management” has been implemented since 2009 by the UNECE, with the aim to empower the countries of Central Asia to develop and implement mutually acceptable, long-term solutions to improve cooperation on transboundary water resources. Enhancing the regional dialogue and strengthening the capacity of regional institutions for water resources management were the major objectives.
Phase II of the project that is concluded in 2014 has aimed to achieve the following objectives:

- The capacity of the International Fund for saving the Aral Sea (IFAS), including its organizations and institutions, is improved and the process of modernization of their legal basis is continued.

- The capacity of Central Asian governments to apply international water law is improved and the relevant instruments and best practices are increasingly used in interstate relations.

- Improved application of the principles of integrated water resources management (IWRM) at the river basin and regional levels in Central Asia.

In 2014, activities have supported EC-IFAS in the preparation for the implementation of the Aral Sea Basin Programme 3, and contributed to capacity-building on international water and environmental legislation and as well as the development of a regional space for information on water resources and the environment. For more information see http://www.unece.org/env/water/cadialogue/cadwelcome.html.

**Water Quality in Central Asia**

The United Nations Development Account made funding available to UNECE for a project to improve cooperation and policy related to water quality in Central Asia. The project, implemented in collaboration with the Regional Environmental Centre for Central Asia (CAREC), started in the beginning of 2009 and was concluded in the autumn of 2012.

In cooperation with authorities from all countries the project developed common principles for measurement, exchange of information and joint assessment. In 2012-2014, work is underway to establish a political platform for continued regional cooperation on water quality in cooperation with the Interstate Commission for Sustainable Development and to raise funds for continued project activities.

**Strengthening Cooperation on Transboundary Watershed Management Between Afghanistan and Tajikistan in the Upper AmuDarya River Basin**

The project supports Afghanistan and Tajikistan in the development of hydrology and environment cooperation in the upper Amu Darya basin. The Ministry for Water and Energy and the National Environmental Protection Agency of Afghanistan and the Committee for Environmental Protection and the Hydromet of Tajikistan are project partners. On the basis of existing bilateral agreements the two countries aim to strengthen their cooperation and information exchange.

Previously three bilateral meetings have been held, two of which took place during 2013, in Kabul in January and Dushanbe in March. The main directions of future cooperation to address pressing issues on the shared upper part of the AmuDarya river basin have been
outlined and a bilateral working group is being established. In summer - autumn 2014, two expeditions and two bilateral meetings were organized. Planned further work includes joint hydrological monitoring and exchange of information on the shared river basin.

More information including an “Atlas of cooperation” can be found at http://www.unece.org/env/water/centralasia.html

Development of a Methodology to Assess the Safety of Class IV Low Pressure Hydro-technical Systems in Central Asia

The ESCAP Subregional Office for North and Central Asia in collaboration with the Russian Federal Budgetary Institution “Science and Technical Centre for Energy Security” and the Russian Presidential Academy of National Economy and Public Administration (RANEPA), with support of the International Fund for Saving the Aral Sea (IFAS), the Eurasian Development Bank (EDB) and UNECE organized the Seminar on Ensuring the Safety of Small Hydrotechnical Installations (HTI) in the countries of Central Asia, held on 30 June - 2 July 2014 in Moscow.

The aim of the seminar was to develop common approaches to safety assessment of Class IV low pressure hydro-technical systems, the exchange of advanced experience and practice in this sphere in the countries of the region: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan and the Russian Federation.

The participants heard reports on various issues of dam safety in Central Asia and Russia. These included the development and improvement of a legal framework for public regulation of dam safety, development and operation of information and diagnostic systems for safety control, and other pivotal aspects of dam status monitoring.

The participants visited a dam in the Krasnogorsky District, Moscow Region, where they had an opportunity to familiarize themselves with a safety evaluation techniques in practice.

The final report of the project is available both in Russian and English as an electronic document, that includes general summary of the seminar, recommendations made by national experts, programme of the seminar and list of participants.

For more information see: http://www.unescap.org/events/seminar-ensuring-safety-small-hydrotechnical-installations-hti-countries-central-asia

Advisory Mission by the UNECE Regional Advisor on Environment

For support of SPECA countries, 9 missions have been organized in 2014, mostly in direct connection with the implementation of the above projects.
Energy for Sustainable Development: Policy Dialogue on Opportunities for Cooperation in North and Central Asia

Following up the first Asian and Pacific Energy Forum (APEF) organized in May 2013 in Vladivostok, Russian Federation, ESCAP has initiated regular meetings of government officials and energy experts from Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan, Turkmenistan and Uzbekistan to discuss the status of the energy sector and its contribution to the social and economic development of their respective countries. Last session was held in Almaty on 18-20 November 2013.

Promoting Energy Efficiency Investments for Climate Change Mitigation and Sustainable Development

The project funded by UN Development Account has been implemented jointly by all five UN Regional Commissions. In 2013-2014, UNECE and ESCAP jointly organized several workshops and group trainings on business planning for energy efficiency projects. Government officials, energy specialists and project developers from Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan have participated in the project, along with major domestic and foreign investors to facilitate exchange of expertise and best practices and promote greater investment flows into energy efficiency projects. The outcomes of the project were reported at the 5th International Sustainable Energy Forum on 4-6 November 2014 in Hammamet, Tunisia.

Database of Policies and Regulations on Sustainable Use of Energy and Renewable Energy Sources in Countries of North and Central Asia

As one of the outcomes of the ESCAP project “Enhancing energy security through regional cooperation” funded by the Russian Federation, the Database of policies and regulations on sustainable use of energy and renewable energy sources in countries of North and Central Asia has been developed and is now openly available online at www.asiapacificenergy.org.

The database currently contains over 1000 documents from Azerbaijan, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan and Uzbekistan, it is continuously updated and reflects the current policy and regulatory framework for energy efficiency (EE) and renewable energy sources development in North and Central Asia.

The database has been developed to serve as an information tool for policymakers and researchers to compare policy and legal frameworks of the countries covered by the project and to identify the trends in their development. It can be a useful source of information on the experiences and the approaches of the countries in developing relevant national policies and legislation. There are plans for further expansion of database to cover more countries of the subregion.
II. PROJECT WORKING GROUP ON TRANSPORT AND BORDER CROSSING

Efficient international and regional transport links play a key role in addressing the economic, social and environmental challenges faced by the landlocked SPECA countries. Therefore, transport infrastructure development and facilitation of border-crossing and transit procedures represent priority programme areas for cooperation in the SPECA subregion. Since 1998, the UNECE and ESCAP secretariats offer continuous support to the SPECA Project Working Group on Transport and Border Crossing (PWG-TBC).

The 19th session of SPECA PWG-TBC was held on 18-19 June 2014 in Almaty, Kazakhstan. It was hosted by the Ministry of Transport and Communications of the Republic of Kazakhstan. Representatives of Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan participated in the session, which was also attended by representatives from the UNECE, ESCAP, the Asian Development Bank, the Islamic Development Bank, the Eurasian Development Bank, IRU and representatives of the private sector.

The items covered during the 19th SPECA PWG-TBC session included review of the latest transport infrastructure development, including terminals/dry ports, removal of major bottlenecks along major transport corridors and border-crossing issues, road safety as well as the projects and initiatives relevant to the SPECA region. In its major conclusions and recommendations the Project Working Group:

- invited SPECA countries to exchange information on key national and regional road and rail infrastructure projects and dry ports of international importance as well as road transport flows through key border crossing points. Furthermore, collection and exchange of quality road safety data to facilitate the monitoring of progress in road safety at national and regional levels are required;

- invited SPECA countries to accede to and implement the major UNECE and ESCAP international legal instruments in the field of transport;

- encouraged those SPECA countries to take measures towards acceptance, approval, accession or ratification of the intergovernmental agreements on the Asian Highway network and the Trans-Asian Railway network. The PWG also encouraged SPECA countries to take necessary actions to become Parties to the Intergovernmental Agreement on Dry Ports and to participate actively in the ESCAP secretariat’s activities related to the development of dry ports of international importance;

- invited SPECA countries to delegate members to the ESCAP Regional Network of Legal and Technical Experts on Transport Facilitation and to further participate in its activities;

- encouraged the relevant governments to support further the clusters’ activities for practical implementation of action plans on transport facilitation at both national and
corridor levels developed under the UNDA Project on the application of the transport facilitation toolkit and encouraged SPECA countries to use ESCAP transport facilitation tools and the published UNECE/OSCE Handbook of Best Practices at Border Crossings.

- gave its support to the Euro-Asian Transport Linkages work plan and encouraged governments to participate more actively in the activities of the EATL Group of Experts;

- encouraged SPECA countries to take actions to respond to the Decade of Action for Road Safety and to continue to mobilize resources for road safety activities. The need for collection of quality road safety data for the regular monitoring of the progress in improving road safety at national and regional levels was also emphasized;

- advised SPECA countries to conceive and plan the facilitation measures in line with the ESCAP Regional Strategic Framework for the Facilitation of International Road Transport to achieve synergies among facilitation measures; and

- stressing the vital role of availability of financial support for its efficient functioning, the PWG expressed its appreciation to the IDB for its continuous support to its activities.

Following the established practice to increase visibility of the SPECA PWG-TBC, all documents and presentations of the 19th session were posted on the UNECE and ESCAP websites related to SPECA http://www.unece.org/trans/main/speca/speca_19.html and http://www.unescap.org/events/project-working-group-transport-and-border-crossing-pwg-tbc-19th-session.

Activities of the SPECA PWG-TBC were focused on better availability and improvement of exchange of relevant transport information, identification of possibilities for improvement of road safety and security as well as accession and implementation of relevant international legal instruments in transport. During the 19th session of the SPECA PWG-TBC, national representatives shared information on development of transport infrastructure and future plans of their respective countries. It was agreed that the Kazakh Transport Research Institute (NII TK) would disseminate questionnaire to collect basic statistical data on road transport flow through key border crossing points for the preparation of the overview of the transport sector in the SPECA countries. As integral part of activities related to road safety management system analysis and a regional road safety workshop held in Belgrade, Republic of Serbia, 15-16 October 2014, analysis of road safety management system in the SPECA countries was performed. It will serve as basis for road safety management capacity-building workshop scheduled for 2015.

In this period, capacity-building workshop devoted to international transport of dangerous goods by road was held in Almaty (Kazakhstan) in October 2013. Workshop carried out by the UNECE Transport Division aimed to promote accession to UNECE legal instruments related to transport of dangerous goods and reduce the gap between being a
Contracting Party of an International Convention or Agreement and implementing them effectively.

Reports describing road safety management situation in the SPECA countries was presented by Kazakhstan at regional road safety capacity-building workshop in Belgrade in October 2014. Regional workshop covered topics of road safety management, establishment of a lead road safety agency, developing a national road safety strategy with realistic and long-term targets, road safety funding sources and data bases for monitoring and evaluation.

ESCAP has supported the formulation of the Inter-Governmental Agreement of the Shanghai Cooperation Organization Member States on the Facilitation of International Road Transport, involving Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan since its initiation in 2004 by providing technical and financial assistance for the negotiation and drafting of the Agreement and its annexes. The Agreement was signed on 12 September 2014 during the Meeting of the Council of Heads of State of the Shanghai Cooperation Organization (SCO) in Dushanbe, Tajikistan.

Within the course of implementation of the Development Account Project entitled “Capacity Building for Control Authorities and Transport Operators to Improve Efficiency of Cross-border Transport in Landlocked and Transit Developing Countries” by the ESCAP secretariat, involving Kazakhstan, Kyrgyzstan and Tajikistan as pilot countries for implementation of the transport facilitation toolkit developed under the project, three inter-country level meetings of clusters were held in 2014, respectively: in Dushanbe (February 2014), in Almaty (May 2014), and in Bishkek (August 2014).

The delegations of Armenia, Georgia, Kyrgyzstan and Tajikistan participated in the Regional Meeting for Cooperation on Facilitation of International Railway Transport organized by the ESCAP secretariat in October 2014 in Bangkok.

III. PROJECT WORKING GROUP ON TRADE

Projects on Trade Facilitation, e-Business and the Single Window

At the eighth session of the SPECA PWG on Trade in November 2013 in Dushanbe, the Chairperson of the Group Mr Nazriev, Vice Minister of Economic Development and Trade of the Republic of Tajikistan, and UNECE suggested developing a regional SPECA strategy for trade facilitation and development. The UNECE secretariat prepared an outline and a first draft. This strategy will combine the goals of the national trade and development strategies. It focuses on the current situation with trade procedures, using available trade procedures indicators (from the World Bank Doing Business and Logistics Performance Indexes, the OECD surveys and UNECE trade barrier assessments), and will propose concrete benchmarks for improvement in the years to come. The other SPECA countries are invited to join this work, notably the co-chair of the PWG on Trade, Turkmenistan. UNECE plans discussions with the missions of the SPECA countries in
Geneva on this issue. The development community will also be invited to support this work.

UNECE is also working together with UNCTAD and other partners in support of national trade and transport facilitation bodies in the SPECA countries, in compliance with UNECE Recommendation 4 and art. 23.2 of the WTO Agreement on Trade Facilitation. A request has been received for support on this issue by Tajikistan.

UNECE, working with various partners, organized or participated in six seminars and trainings on trade facilitation and planning for the Single Window in the last year, which involved various SPECA countries.

Heads of projects on Single Window and other trade facilitation instruments from Kazakhstan, Kyrgyzstan, and Tajikistan, received training and advisory services at three seminars organized by UNECE on Trade Facilitation and Master Plans for Single Window Implementation, on 23-28 November 2013, 23-26 April 2014, 4 September 2014, and 19-20 November 2014. Among the speakers and trainers were key experts and managers of Single Window projects from the European Commission, WCO, the United States, Korea, France, Singapore and other countries. For information see: http://www.unece.org/index.php?id=33993. The event on Trade Facilitation and the Single Window took place on 23-26 April 2014 in Almaty, Kazakhstan. The UNECE prepared its policy recommendations. It was open by the DG of the Kazakhstan Customs, and Kazakhstan played a key role in this event.

The UNECE organized a three-day training on the UNECE Trade Facilitation Implementation Guide (TFIG), working with the OSCE Border Management Staff College in Dushanbe on 20-24 July 2014, and identified follow-up activities. It explored interest in further cooperation on the Trade Facilitation (TF) and the implementation of the WTO Trade Facilitation Agreement (TFA). Training on the TFIG was well organized in perfect cooperation between the UNECE and the OSCE (Border Management Staff College, Dushanbe). The participants (middle-level managers from Ministries of Economy and Trade, Customs, other government agencies and the business community in Afghanistan, Kyrgyzstan and Tajikistan) demonstrated real interest and capacity to use the Guide at the end of the training. The participants expressed their wish that on the basis of its capacity, mandate and the TFIG, the UNECE assists their countries in the assessment of needs and the implementation of the WTO TFA.

Uzbekistan launched the first phase of its Single Window project and UNECE continued to provide technical assistance. The Uzbekistan Single Window (for exports only) is now listed in the World Bank repository of Single Window projects. UNECE, in collaboration with UNCTAD, UNDP, the Czech Republic, the Ministry of Foreign Economic Relations and the Chamber of Commerce and Industry of Uzbekistan, had organized a number of capacity-building activities that led to the launching of this project. Currently, Uzbekistan has an agreement with the Korean Aid Agency KOICA to develop further the Single Window facility in the country, notably, to cover imports and transit.
The UNECE made keynote presentations on the development of a Single Window as a key instrument for trade facilitation and on the regional dimension of information exchange among Single Window facilities at a Regional UNDP-BOMCA, USAID Round Table on the Single Window in Central Asia, held in Tashkent, Uzbekistan, 5-8 May 2014. The participants discussed possible further projects and cooperation with other agencies in Central Asia. The organizers (UNDP-BOMCA and USAID) expected from the Regional Adviser ideas and input in the further activities in support of the Single Window in Uzbekistan and Central Asia in general. Mario Apostolov suggested, the UNECE in cooperation with the ESCAP initiate a conference in 2015 entitled “Single Window in Central Asia – Nine Years Later” to take the stock of achievements and the road ahead. The Kazakhstan delegation suggested holding it in Almaty, as the first seminar. UNDP, USAID and others will support it. The participants agreed on holding a seminar on planning for the Uzbekistan Single Window with KOICA and the other development partners.

UNECE and UNCTAD are further advancing the project proposal for simplified data exchange for customs transit for Afghanistan, Tajikistan and other SPECA countries.

The UNECE Regional Adviser discussed with the ECO secretariat possibilities for collaboration in the SPECA countries, in line with the overall UN policy of cooperation with ECO.

Building-Capacity for Trade Process Analysis in Kyrgyzstan

At the request of Kyrgyzstan, ESCAP organized a workshop on business process analysis for trade facilitation in 2013. Following the workshop, business process analyses of export of textile from China to Kyrgyzstan and import of processed fruits from Kyrgyzstan to Kazakhstan were conducted with the support of ESCAP in 2014. The report is expected to be made available in October 2014 at: http://unnext.unescap.org/tools/business_process.asp.

Facilitation of the SPECA Countries Participation in Regional Asia-Pacific Trade Facilitation Events

As in previous years, ESCAP, in collaboration with the Asian Development Bank, sponsored the participation of officials from SPECA countries in the Asia-Pacific Trade Facilitation Forum (APTFF) 2014 and 11 side events held from 23 to 27 September 2014 in Bangkok, Thailand, including a capacity-building workshop on implementation of Single Window and perishable goods provisions of the WTO Trade Facilitation Agreement. The EEC Secretariat also participated in the APTFF. Training material in the Russian language is under preparation for delivery of subregional workshops on agrifood trade facilitation and paperless trade for SMEs in the first half of 2015.
Involvement of SPECA Countries in Cross-border Paperless Trade

ESCAP also facilitated participation of those SPECA countries who had nominated focal points for the implementation of ESCAP Resolution 68/3 on Enabling Paperless Trade and the Cross-Border Legal Recognition of Trade related Data and Documents to related subregional and regional consultation and capacity-building events on cross-border paperless trade facilitation. A follow-up resolution (70/6) was adopted in August 2014 and more support to SPECA countries on paperless trade are therefore expected in 2015, in particular to participate in the development of the regional arrangement on cross-border paperless trade.

Projects on Overall Trade Development, Aid-for-Trade, and Standardization

The UNECE has undertaken a series of studies on regulatory and procedural barriers to trade in SPECA countries. These extrabudgetary studies include Kazakhstan (completed in 2013) and Tajikistan (completed in 2014). The secretariat is currently working on a study on Kyrgyzstan. The studies on Overcoming Trade Barriers in the Republic of Kazakhstan are available at: http://www.unece.org/index.php?id=33126. See the Regulatory and Procedural Barriers to Trade in the Republic of Tajikistan at: http://www.unece.org/fileadmin/DAM/trade/Publications/Tajikistan-Study-F4_CLEANENGLISH.pdf

Training on standards-setting and technical regulations for Central Asian countries was held for all CIS countries in Warsaw. To compete on world markets, countries of the SPECA region need to participate as full players in standards-setting and technical regulations activities at the regional and international levels. This requires expertise in public administration and business in standards and technical regulations. Training in this domain is an important priority. UNECE is working with UNIDO and contributing to training activities for the countries of Central Asia on these topics. Risk management is another area of activities for the UNECE regulatory cooperation programme. Best practices in this area allow authorities to choose actions that are optimal for the achievement of policy goals. Authorities in the SPECA countries are invited to join in the activities of the UNECE Group of Experts on Risk Management in Regulatory Systems, which has developed guidance and recommendations in this domain.

Agricultural Quality Standards

The Specialized Section on Standardization of Fresh Fruit and Vegetables finalized work on the UNECE Standard for Quince. Following up on UNECE promotional activities in Central Asia, Tajikistan submitted drafts of two new UNECE standards for quince and persimmons - important regional products having a high export potential. UNECE worked on them and submitted the texts to the November 2013 session of the Working Party on Agricultural Quality Standards for adoption as recommendations for a one-year trial. The Specialized Section made good progress on developing the UNECE Standard and Explanatory Brochure for Persimmons, also initiated by Tajikistan. The first draft of the brochure will be discussed at a workshop in Spain in November this year, after which
Tajikistan will host another workshop in the autumn of 2014 to finalize the brochure and submit it to the Working Party for approval. Tajikistan’s participation in these activities is supported from the Russian Voluntary Fund contribution to UNECE. UNECE also helps Tajikistan accept UNECE Standard for Dried Apricots (8.1% of Tajikistan’s exports) as the national standard. Tajikistan has already adopted UNECE standards for dried plums and dried apples.

**Project on Trade Policy and Economic Integration**

The ESCAP Trade and Investment Division, working with ESCAP subregional offices, is providing ongoing assistance to regional economies through several modalities.

a) Under the ‘Bridging the Gap’ programme of trade and investment related assistance for landlocked and least developed countries ESCAP has provided assistance to Afghanistan across a range of areas. Following a request for assistance from the Ministry of Commerce and Industry of the Islamic Republic of Afghanistan, and a needs assessment, ESCAP has agreed to provide ongoing technical assistance through capacity-building programmes conducted by ESCAP and other regional experts. ESCAP initial training will target employees in the Ministry of Commerce and Industry who will be in a position, subsequent to the training and supported by the ESCAP Trade and Investment Division, to transfer knowledge to other working units in the Ministry.

- An advisory study on the potential benefits to Afghanistan available through preferential trade schemes such as the Generalized System of Preferences and Duty Free Quote Free schemes available for LDCs.
- Guidance on international best practice in trade promotion as inputs into Afghanistan’s 2014 Trade Promotion Strategy.
- A successful Fellowship placement with ESCAP – A nominated official from MoCI spent two weeks with ESCAP during which time he received bespoke training and worked closely with ESCAP experts to identify critical issues for Afghanistan around WTO accession.
- The ESCAP Subregional Office for South and South-West Asia (ESCAP-SSWA) has delivered a series of Technical Capacity Building (TCB) workshops to support Afghanistan’s accession to the WTO, with the latest delivered in March 2014. In total, nearly 82 officials both from public and private sectors have participated in this programme.
- ESCAP-SSWA prepared a study on ‘Doing Business with Afghanistan: Harnessing Afghanistan’s Economic Potential,’ which provides an overview of the business environment in Afghanistan. It was produced in collaboration with the Federation of the Indian Chambers of Commerce (FICCI) in New Delhi.

1 This programme began in 2012 and is being delivered in partnership with the International Trade Centre, Geneva
• Policy advisory services on accession of Afghanistan and discussions during the Working Party on WTO Accession, especially with regard to the Scheduling of Commitments of Afghanistan (Services commitments under GATT and Tariff commitment under GATT).


• Inputs on Afghanistan’s effort to create enabling environment for enhancing the craft sector and business-women in the handicraft sector.

b) ESCAP is also undertaking analytical work on the integration of Central Asian economies with global and regional trade. These include:

• A study on ‘Strengthening trade and economic ties between Afghanistan and neighbouring countries in Central Asia.’ This paper will review Afghanistan’s trade and FDI links with regional partners and consider barriers to further integration including: tariff barriers; non-tariff measures; trade finance restrictions; infrastructure constraints and bottlenecks; business sector capacity. The paper will make recommendations on mechanisms to promote further integration and will be presented at the session of the SPECA Project Working Group on Trade in 2015. This project is being conducted in cooperation with the ESCAP Subregional Office for North and Central Asia (SONCA).

• A completed review of Kazakhstan’s accession to the Eurasian Customs Union (ECU), including consideration of the impact of this on future trade prospects. The review also considered the consequences of ECU membership on Kazakhstan’s application for WTO membership.

IV. PROJECT WORKING GROUP ON STATISTICS

The objective of the SPECA PWG on Statistics is to strengthen the statistical capacity of countries of the UN Special Programme for the Economies of Central Asia (SPECA) to produce statistical information in order to monitor demographic, social and economic progress and the regional integration of their economies. It aims particularly to implement international standards and guidelines for enhancing the capacity of the SPECA countries to produce internationally comparable and reliable data. Particular attention is paid to promoting the UN Fundamental Principles of Official Statistics, which provide the basis for a sound legal and institutional framework for national statistical systems.

UNECE technical cooperation delivered senior government officials and professionals from SPECA countries with high-level expertise in the field of statistics.

UNECE provided the following main types of technical cooperation services:
a) Advisory services, aimed at assisting beneficiary countries on the implementation of international guidelines and methodology, and formulation of specific technical cooperation projects/programmes.

b) Capacity-building workshops, seminars, study tours and training courses aimed at promoting international guidelines, stimulating the exchange of national best practices and supporting the establishment of an active network of experts at subregional level.

c) Technical cooperation projects, including those with multi-sectoral and/or subregional focus, in areas where the UNECE has a mandate and expertise.

Technical cooperation activities conducted by UNECE are demand-driven, results oriented and strongly rely on recent reviews of national statistical systems (Global Assessments).

To accomplish these tasks in an efficient and effective way, linkages are actively developed with other multi-lateral and bilateral involved in statistical capacity-building activities in the subregion.

The annual meeting of the SPECA Project Working Group on Statistics (PWGS) on “Environmental Information systems: from Environmental Indicators to the System of Environment-Economic Accounting (SEEA)” took place in Baku, Azerbaijan, on 25-27 June 2014. It was jointly organized by the Statistical Committee of Azerbaijan, the United Nations Economic Commission for Europe (UNECE), the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and the European Free Trade Association (EFTA). The meeting’s goal was to address the call of the Rio+20 Summit and the post-2015 development agenda aimed at providing support to governments in integrating relevant data into national statistics for monitoring sustainable development in all its dimensions, particularly green growth/economy and the preservation of ecosystems. For the first time, the representatives of Afghanistan participated in the meeting of the Project Working Group on Statistics and they exchanged experiences with other SPECA representatives on how technical challenges have been overcome would be one of the best ways for building capacity.

Results from the Global Assessments (GAs) undertaken in the region show that in the area of environmental statistics, strengthening and consolidation is recommended with a focus on their usability for both environmental indicators and environmental-economic accounts. Technical cooperation activities in the field of environment statistics should not only cover SPECA countries but all EECCA countries in order to better share good practices and experience. SPECA countries also stressed the importance of technical support from international and bilateral partners during the process of the implementation of the SEEA.

In 2014, SPECA countries have benefited from several UNECE workshops and advisory missions. The High-level Workshop on Modernization of Official Statistics (Nizhny Novgorod, June 2014) promoted discussion on recent ideas and approaches and
encourage sharing of good practices in modernizing and streamlining statistical processes, to improve the efficiency of statistical production and strengthen the coordination of national statistical systems.

During the Workshop on Migration Statistics, SPECA countries exchanged experiences on the methods and techniques used for the collection, processing and dissemination of data related to international migration statistics (Chisinau, September 2014). The workshop reaffirmed the need on future work on developing a common definition for labour migration across the region and development of a handbook to improve the use of administrative data and household surveys in measuring migration.

In advisory mission to Kyrgyzstan, UNECE provided support the process of the revision of the Law on State Statistics (LSS) in order to bring the scope and the institutional framework of official statistics fully in line with the UN Fundamental Principles of Official Statistics and the European Statistics Code of Practice. In advisory mission to Azerbaijan, UNECE aimed to strengthen statistical capacities for producing indicator used for monitoring the Millennium Development Goals. Involvement of the UNECE Statistical Division in producing national MDG reports is important to guarantee the correct use of data and the inclusion of proper metadata.

Beside regular capacity-building activities, and at the request of all SPECA countries (with the exception Uzbekistan), the UNECE, jointly with Eurostat (Statistical Office of the European Union) and EFTA (European Free Trade Association), conducted recently global assessments of national statistical systems. The objective of such assessments, covering all national producers of official statistics, including the National Bank and the Ministry of Finance, is to provide a comprehensive analysis of institutional, organizational and technical capacity of a country to produce official statistics and comply with international standards and recommendations. Global assessment reports provide detailed recommendations for the further development of national statistical capacities with the objective to help national authorities, as well as international organizations and other bilateral partners, to better coordinate and prioritise statistical capacity-building programmes.

Global Assessments reports for SPECA countries provided detailed recommendations for the sustainable development of national statistical systems that were incorporated into statistical capacity-building programmes and strategies (e.g. Master Plans or National Strategies for the Development of Statistics from the WB). These strategies were then made operational through annual statistical programmes of work and implemented by the beneficiary countries, with the support of the multi-lateral and bilateral partners, including the UNECE and ESCAP.

In Kyrgyzstan, the National Strategy for the Development of Statistics (NSDS) developed jointly by national statistical authorities and the WB builds on findings and recommendations provided in the Global Assessment (GA) report. The Ministry of Foreign Affairs of Norway decided to start an ambitious 10-year statistical capacity-building programme (twining) in Tajikistan that strongly rely on the outcome and
recommendations of the GA report. In 2015, UNECE and UNDP are jointly conducting the Global Assessment in Turkmenistan.

In 2014-2017, the implementation of recommendations from conducted GAs in EECCA countries will be supported thought UNDA 9th tranche Project on Statistics. The project aims to strengthen national capacity of selected SPECA countries for sustainable development of statistics. During the implementation phase, UNECE will provide advisory services and organize national and subregional workshop and training seminars, in particular on the development of web-based dissemination and communication tools and strategies. In 2015, UNECE plans to organize subregional meetings on the implementation of the System of Environment-Economic Accounting (SEEA), on the institutional arrangements and harmonization of key macroeconomic statistics and a Meeting on data sources and data collection, including hot topics such as “data revolution” (post-2015 development agenda), big data and e-data collection which will be held in Turkmenistan.

The project will draw on existing mechanisms and established partnerships with national and international statistical agencies under the Conference of European Statisticians and the UN Special Programme for the Economies of Central Asia (SPECA).

ESCAP capacity development work is guided by the leaders of national statistical systems comprising the ESCAP Committee on Statistics and the subordinate domain-specific steering/technical advisory groups (where several SPECA countries are represented, e.g. disaster-related statistics and population and social statistics) and it spans the provision of technical advisory services, long-term and short-term training courses designed and organized by the Statistical Institute for Asia and the Pacific (SIAP) (using face-to-face, e-learning or blended modalities) and the implementation of regular or extrabudgetary projects. SPECA countries, as all member States, benefit from these activities, e.g. a recent example is the Workshop on Time Use Analysis (October 2014, Bangkok).

ESCAP activities designed specifically for SPECA countries in 2014 have focused on economic statistics within the Regional Programme for the Improvement of Economic Statistics in Asia and the Pacific (RPES). The Regional Programme and its core set are endorsed by the Committee on Statistics of the ESCAP and their implementation is overseen by a Steering Group comprising heads of macroeconomic statistics departments from national statistics offices and selected central banks. At the end of 2013, ESCAP prepared a concept note delineating the priorities for economic statistics improvement in North and Central Asian countries, including SPECA countries, based on earlier assessments and consultations with statisticians from these countries. In 2014, two activities specifically targeting SPECA countries and neighbouring countries were organized by ESCAP on economic statistics within the framework of RPES. In addition, all meeting/advocacy materials were produced in/translated into Russian and background/methodological documents relevant for economic statistics in Russian were made available on the ESCAP website, e.g. national summary sheets on the status of economic statistics based on an ESCAP-administered survey and various manuals.
In an effort to support the implementation of the 2008 System of National Accounts (SNA) in SPECA countries and neighbouring member States, the ESCAP Statistics Division and SIAP and the IMF organized the Subregional Training Workshop on Changes in the 2008 SNA Affecting GDP Compilation on 30 June - 4 July in Astana, Kazakhstan. The training workshop brought together 25 participants from 9 countries to tackle a range of GDP-related issues (e.g. military expenditures, research and development, non-observed economy, financial services, etc.) through lectures, hands-on exercises and an open consultation session with the experts where countries sought advice on GDP compilation issues that they face. At the end of the workshop, the participating countries prepared a roadmap on how the learnings from the training could be put into practice in their respective countries.

ESCAP in cooperation with the Federal State Statistics Service of the Russian Federation, IMF, UNSD and the National Research University Higher School of Economics organized the High-level Meeting for Coordinated Implementation of International Standards for Macroeconomic Statistics on 3-4 September 2014 in Vladivostok. The meeting brought together about fifty high-level officials from national statistical offices, central banks and ministries of finance of ten countries. The sessions focussed on the links between changing economic policy needs and economic statistics; the coherence among the macroeconomic statistical frameworks and; the recent updates to the standards on national accounts, balance of payments and government finance statistics. Country teams then discussed concrete mechanisms and strategies for mobilizing political and financial support for the implementation of the international standards and the draft Vladivostok Outcome Statement summarizing decisions and actions emanating from the deliberations. The Outcome Statement that was adopted at the end of the meeting will serve as reference at different international forums at the national level to guide the planning and implementation of the changeover to the up-to-date international standards.

Currently, ESCAP is in the process of confirming the funds and the scope for the follow-up project on economic statistics which will be implemented in 2015-2016 and will again give priority to SPECA countries. In addition, several SPECA countries are being consulted to implement projects on national accounts, environmental-economic accounting and, time use, etc.

V. PROJECT WORKING GROUP ON KNOWLEDGE-BASED DEVELOPMENT

Fifth and sixth sessions of the SPECA PWG on KBD

Two sessions of the SPECA PWG on KBD have been held since the eighth session of the SPECA Governing Council on 22 November 2013 in Almaty, Kazakhstan.

The fifth session of the SPECA Project Working Group on Knowledge-based Development (PWG on KBD), jointly organized by ESCAP and UNECE and hosted by the Government of the Republic of Azerbaijan, was held in Baku on 4 December 2013. In conjunction with
the session, ESCAP organized an Expert Consultation on the Asian Information Superhighway and Regional Connectivity in collaboration with the Ministry of Communications and Information Technologies of the Republic of Azerbaijan in Baku on 3 and 4 December 2013. The PWG welcomed a decision by the Government of the Republic of Azerbaijan to establish a Specialist Centre on PPPs in the ICT sector in Baku as part of the UNECE International PPP Centre of Excellence, as well as recent positive developments in the Trans-Eurasian Information Superhighway (TASIM) project, in particular the signing of a Memorandum of Understanding among operators aimed at creating a transnational fiber-optic backbone between Europe and Asia.

The sixth session of the SPECA Project Working Group on Knowledge-based Development (PWG on KBD) was jointly organized by UNECE and ESCAP at the invitation of the Government of Turkmenistan in Ashgabat on 11 June 2014. In conjunction with the session, UNECE organized a High-level Meeting on Science, Technology and Innovation for Sustainable Development in SPECA countries in collaboration with the Ministry of Economy and Development of Turkmenistan in Ashgabat on 11 June 2014. At this meeting, experts noted the central importance of innovation for sustainable development in SPECA countries. With competition that is increasingly global in nature, knowledge-based development is moving up on the policy agenda. SPECA countries are moving away from resource-led to efficiency-led models of economic development. Increasing the capacity to innovate, including through the successful adaptation of foreign technology, supports increased living standards and contributes to addressing environmental and social challenges. Experts also noted that, when making policy recommendations, it is essential to take into account national specificities of SPECA countries.

The PWG supported the request of Azerbaijan for SPECA countries to consider the possibility of their participation in the Eurasian Connectivity Alliance. The PWG emphasized the importance of implementing UNECE Innovation Performance Reviews for SPECA countries. Extrabudgetary funding for an Innovation Performance Review of Tajikistan has been secured, with a preparatory mission by the UNECE secretariat on 24-28 November 2014, and an official UN publication expected in 2015.

This progress report contains activities carried out/to be carried out by the UNECE and ESCAP secretariats either within the framework of the SPECA Project Working Group on Knowledge-based Development (PWG on KBD), or addressing topics within its thematic areas that were held since the eighth session of the SPECA Governing Council in Almaty, Kazakhstan, 22 November 2013.

These activities are in line with the Programme of Work of the PWG for 2014-2015 which was adopted at the fifth session of the PWG on KBD, held in Baku on 5 December 2013. The UNECE and ESCAP secretariats carried out the following capacity-building activities in SPECA countries:

- **Completion of the project “Building the capacity of SPECA countries to adopt and apply innovative green technologies for climate change adaptation”, funded by the**
Implementation of the UNECE project “Innovation performance reviews”. Within the framework of this project, Innovation Performance Reviews of Kazakhstan and other CIS countries have been completed. Reports are available in English and Russian. Ongoing implementation was discussed during the eighth session of the UNECE Committee on Economic Cooperation and Integration, Geneva, Switzerland, 13 February 2014. A number of follow-up activities to the Innovation Performance Review of Kazakhstan were organized jointly with the National Agency for Technological Development. Policy advisory workshops were held in Astana on “Public support to venture capital financing” on 28 May 2014, and on “Strategy for International Cooperation in Science, Technology and Innovations and International Technology Transfer: Policies and Practices” on 29 October 2014. The Preparatory mission for the Innovation Performance Review of Tajikistan will be held on 24-28 November 2014 in Dushanbe.

Implementation of the UNECE project “PPP readiness assessments in countries of Central Asia”. Consultations and Dialogue on the PPP Readiness Assessment of Kazakhstan were organized by UNECE and the PPP Centre of Kazakhstan in Astana, Kazakhstan, 9 April 2014. PPP readiness assessments of Kazakhstan, Kyrgyzstan and Tajikistan have been finalized. These reports are available online in English and in Russian.

An Expert Consultation on the Asian Information Superhighway and Regional Connectivity and the fifth session of the SPECA Project Working Group on Knowledge-based Development were held in Baku on 3-4 December 2013.

A High-level meeting on Science, Technology and Innovation for Sustainable Development in SPECA countries and the sixth session of the SPECA Project Working Group on Knowledge-based Development were held in Ashgabat on 11 June 2014.

Implementation of the ESCAP project “Expanding connectivity of North and Central Asia with the Asia-Pacific region through the development of ICT infrastructure and networks”. Within the framework of this project, a comprehensive report on Internet infrastructure in Azerbaijan, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan, Turkmenistan, and Uzbekistan has been completed. The report is available online in English and Russian. An additional report on Internet infrastructure in Afghanistan is currently under preparation.

Implementation of the ESCAP project “Strengthening information and communications technology capacities for disaster risk reduction and development: addressing information, knowledge and policy gaps in Asia”. ESCAP is further developing the Asia-Pacific Gateway for Disaster Risk Management and
Development, an online knowledge platform for mainstreaming disaster risk reduction into national development processes.

- **Expert Group Meeting on Capacity Development on Disaster Information Management in North and Central Asia.** ESCAP provided technical assistance and facilitated a meeting of disaster information management officials and experts of Central Asian countries on 26 – 27 February 2014.

- **Regional Consultations for Central Asia and South Caucasus on the Post-2015 Framework for Disaster Risk Reduction (HFA2).** ESCAP led the consultation on the subregional cooperation on disaster information “Generation and access to information as a cornerstone for effective DRR” jointly with Ministry of Emergency Situations of the Government of the Republic of Armenia and UNOCHA, Almaty, Kazakhstan, 12-13 March 2014.

- **2nd Regional Ministerial Conference on Disaster Risk Reduction in the framework of “Central Asia + Japan” Dialogue.** Responding to the request of the Ministry of Emergency Situation of the Kyrgyz Republic, ESCAP extended technical support to the subregional cooperation initiative on disaster risk reduction, held in Bishkek, Kyrgyzstan, on 18 September 2014. This is being followed through by ESCAP co-sponsoring and supporting a working level meeting to develop the regional cooperation framework on 24 – 25 November 2014.

- **High-level Regional Roundtable on Telecommunications Connectivity in Central Asia, Almaty, Kazakhstan, 3 June 2014.**

Representatives from the SPECA countries participated in the following events:

- Eighth session of the UNECE Committee on Economic Cooperation and Integration, Geneva, Switzerland, 12-14 February 2014.


- Seventh session of the Team of Specialists on Innovation and Competitiveness Policies, Geneva, Switzerland, 16-17 October 2014.


- Expert Consultation on the Asia-Pacific Information Superhighway and Regional Connectivity, Paro, Bhutan, 1-2 October 2014.
V. WORKING GROUP ON GENDER AND ECONOMY

A key challenge for the SPECA Working Group on Gender and Economy (WGGE) continues to be securing funds for joint project activities. The UNECE secretariat organized a meeting of the countries of the SPECA WGGE which preceded the Beijing+20 Regional Review Meeting on 6-7 November 2014. At this meeting the following countries were represented: Azerbaijan, Kazakhstan, Kyrgyzstan, and Tajikistan. The governments were represented by the Heads of the national machineries (respectively, the State Committees for Women Affairs in Azerbaijan and Tajikistan, the Deputy Minister for Social Affairs as the responsible Ministry for gender policy in Kyrgyzstan and the Head of Administration of the State Committee on Women in Kazakhstan). A brief summary of the discussion is summarized below.

Meeting of the SPECA WGGE in November 2014

The Working Group on Gender and Economy met on 5 November 2014 in Geneva, Palais des Nations. The meeting was chaired by Ms. Hijran Huseynova, Chairperson of the WGGE and Chairperson of the State Committee for Family, Women and Children Affairs of the Republic of Azerbaijan. During the meeting, the WG reviewed the activities over the period 2013-2014 and discussed key steps in the implementation of the policies towards achieving gender equality and the empowerment of women in their respective countries for the last two years. The Group shared examples of gender-sensitive economic policies in Central Asia, identified priorities, discussed setbacks in the implementation of gender mainstreaming in their national policies. Ms. Huseynova proposed to organize an international conference to focus on the means of economic independence for women, including entrepreneurship through networking and joint activities. The conference will be jointly organized by UNECE and the SPECA WGGE. At the meeting, it was agreed to continue exchange of information through working on the access of women to resources as a key condition for empowering women and girls and building inclusive societies. The outline of the country’s contribution and the background information will be prepared and sent out by the secretariat to the SPECA WGGE members.

Sharing Experience and Knowledge on the Economics of Gender

In 2013-2014, broad exchange of information among the members of the network of the SPECA WG on Gender and Economy continued. In the area of the economics of gender, special attention was given to the information on new regulations and implementation of policies promoting women entrepreneurship development in the SPECA countries, including policies enabling the business environment of women entrepreneurs in the region. Many of these examples were discussed at the International Conference on Women’s Entrepreneurship Development held in Baku, Azerbaijan, on 24 April 2014. The conference was organized by the State Committee for Family, Women and Children Affairs of the Republic of Azerbaijan and the SPECA WGGE. Discussions were held with representatives of women associations and entrepreneurs from various regions in Central Asia on the barriers that women face when setting up and/or expanding their activities.
In 2013-2014, UNECE continued to organize and facilitate various forms of exchange of information and sharing good practices among women entrepreneurs and institutions working in this area in the SPECA countries, thus supporting women entrepreneurs, institutions and women’s business associations with practical tools. The interactive discussions at the Roundtables in the areas of the economics of gender in Central Asia facilitated by UNECE provide a platform for sharing information among representatives of member States in different sectors. During the review period, three Roundtables were organized on key issues, such as current gender-sensitive polices and emerging issues at local and national levels; specificities in the design and implementation of these policies in the countries in Central Asia; gender differences in the perceptions of entrepreneurs in rural and urban areas, in different economic sectors with various levels of education and of different age. These Roundtables took place in January and May 2014, in Haifa, Israel, during the workshops for women entrepreneurs in Central Asia (see the part on Capacity-building below).

**Capacity-building Activities to Support Women Entrepreneurs in the SPECA region**

UNECE continues the cooperation with the Centre for International Cooperation of the Ministry of Foreign Affairs of Israel and the Golda Meir Mount Carmel International Training Centre in organizing biannual international training workshops on “Women entrepreneurs and information communication technologies” (29 April – 16 May 2014) and on “Support systems for women entrepreneurs at national and local levels” (13 – 30 January 2014).

Two workshops for training women entrepreneurs are planned in 2015.

The capacity-building workshops are targeted mainly at women entrepreneurs from Central Asia, but participants include also government officials from various institutions providing directly support and managing entrepreneurship activities of women at local and national levels. In such a way, the groups discuss further cooperation between sectors and countries as well as exchange good practices from the public and private sectors within the region and develop project proposals for various businesses based on the knowledge they have received during the workshops. In addition to developing project proposals, the participants are provided support, guidance and managerial tools on the use of new technologies in the set up and management of small businesses. The workshops further addressed government institutions in charge of small and medium-sized enterprise development at national and local levels, women’s business associations and other civil society organizations to build their capacity and strengthen the support environment for women entrepreneurs. The workshops provided the participants with knowledge and skills to analyze the role of managers and ICTs in small business management; to get support in setting up and/or growing up a company, including technological incubators, as well as to build and strengthen support systems for small-scale entrepreneurs as a tool for regional and local development.