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Statement of the Executive Secretary – Opening Segment

Mr. Chairman,
Mr. Director General,
Excellencies, Ladies and Gentlemen,

I am pleased to welcome you to this biennial Session of the Commission. And I would like to extend special thanks to you, Mr Chairman, Minister of State de Croo for coming from Brussels to chair the 64th Session of the Commission. I would also like to thank you, Mr. Director General, for the support UNOG has given to UNECE throughout your mandate and wish you all the best for your future.

The biennial sessions of the UNECE constitute major landmarks for its work, placing it in the broader pan-European and world-wide context and providing guidance for the future. These sessions are also important because the UNECE's mandate, namely to facilitate greater economic integration, cohesion and cooperation among its fifty-six member States and to promote their sustainable development and prosperity, is today more relevant than ever before in the light of the persistent effects of the economic crisis and the pressing need to progress in addressing the challenges posed by climate change and use of natural resources - to mention only some factors from among many.

The debate this year will be centred on two topics at the core of UNECE's mandate: first, economic integration in the region: new developments and new challenges in light of the economic crisis; and, second, the role of regional integration and cooperation for promoting sustainable development in the region. And this last debate will look at two key components: transport and trade infrastructure, and energy cooperation.

The quality of the panellists is a demonstration of the importance attached to these subjects by member States, our partner organizations, businesses, research centres and think-tanks and I would like to take this opportunity to welcome and thank all of you for your contribution.

The economic recovery from the severe financial shock that began in 2007 has been quite diverse: while some countries' economies have bounced back, many countries are still facing difficult economic and fiscal adjustments, especially in the ECE region with additional complications caused by rising inflation and persistent unemployment. Differences in recovery speeds and in related national policies make international coordination and economic integration a very challenging task. However, the economic crisis itself has taught us an important lesson: during its height in 2008-2009, international coordination of economic policy was of paramount importance in limiting the damage created by this shock.

Moreover the risk of protectionism did not materialize to the extent expected. On the contrary, free trade agreements expanded in the Eastern part of the ECE region, for example through the strengthening of the Eurasian Economic Community (EurAsEC) and the creation of the Russian-Kazakh-Belarusian Customs Union. The crisis also stimulated important steps forward in financial regulation and coordination of economic policies. As documented by last week's EU summit, this will allow EU

member states and institutions to better address problems with EU's competitiveness as well as some of the problems of more fragile EU economies, challenged by their sovereign debt.

To deal with the significant long-term implications of the crisis across the region, both in terms of the population's living standards and the challenges posed by global and regional economic governance, we will have to continue to rely on this co-operative spirit to carry us forward.

UNECE supports this process, in particular through the further development of its normative instruments and support for their effective implementation. It does this work while taking into account and having a full understanding of the new parameters and, the emerging paradigms of the new post-crisis world where: economic growth needs to be both sustained and environmentally friendly; the most valuable capital is human capital; the innovative knowledge-based economy is the basis for countries' competitiveness; and competitiveness must go hand in hand with decent jobs and social security.

UNECE's pragmatic and concrete work in the normative field translates this overall approach into effective actions. For example; good quality, well-developed and safe transport infrastructure when combined with commonly agreed trade and transport facilitation standards facilitate trade flows and individual mobility between countries of the UNECE region. They also have a special importance for landlocked countries where they can provide access to new markets and support sustainable economic and social development by also providing increased access to employment, education and health services.

Recent natural catastrophes and political instability in neighbouring regions have had a profound impact on our national economies making an already uncertain

recovery still more vulnerable. In particular, the ongoing volatility of energy prices presents both risks and opportunities. Wide price fluctuations discourage large investments while high energy prices can be an effective incentive to foster energy efficiency and renewable energy investments. In this context, UNECE is maintaining and, where possible, strengthening the focus of its work on energy security, cooperation and efficiency, with a view to responding to the ongoing challenge of both ensuring access to energy for the region's citizens and mitigating the environmental consequences of energy production and consumption.

In short, the UNECE's practical, pragmatic work and approach to addressing today's issues contributes to enhancing our countries' economic potential and to putting them in a better position to act in the face of new economic and social realities.

Some of the UNECE's major achievements of the past two years illustrate well our range of activities and their concrete usefulness for the countries and populations in our region. Let me mention some of them:

- The General Assembly resolution of 2 March 2010, declared 2011-2020 the Decade of Action for Road Safety, and recognized UNECE's role in assisting notably our low-income and middle-income countries to set and achieve road traffic casualty reduction targets. This was recognition of our work over many years to improve road safety, not only through our technical and legal work, but also through our road safety campaigns and initiatives.
- In March of last year the 5th Ministerial Conference on Environment and Health, adopted a Declaration committing Ministers to act on key environment and health challenges, including the health and environmental impacts of climate change. To this end, two new bodies will be established to further strengthen the environment and health process: a European Environment and

Health Task Force, which will lead the implementation and monitoring of the process commitments and a European Environment and Health Ministerial Board, which will be the driving political force behind the process. UNECE is a member of these bodies.

- The United Nations Special Programme for the Economies of Central Asia (SPECA), jointly supported by UNECE and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) is an example of the role the United Nations plays in promoting peace, stability and economic cooperation among its members. Notably, at the last SPECA Economic Forum and Governing Council held in October 2010, SPECA was invited to join the Core Group of the Regional Economic Cooperation Conference on Afghanistan (RECCA). Also, in December of last year, the Ministerial Conference on the Aid-for-Trade (Aft) Road Map for SPECA, held in Baku, called for dynamic synergies between national and regional trade-related development initiatives and established a SPECA Regional Aid for Trade Implementation and Monitoring Council (SPECA Aft Council).

Cooperation with the other United Nations regional commissions was further enhanced last year, as joint projects such as Global Energy Efficiency 21, road safety and gender statistics made new progress. Furthermore, the Executive Secretaries of the five regional commissions have expressed their common willingness to engage in a strong partnership with UN Women, the newly established entity for promoting gender equality and women's empowerment.

The Regional Coordination Mechanism was revived in 2009, bringing together all the Directors for Europe and Central Asia of the United Nations' Funds, Programmes and Specialized Agencies, and gained momentum with the creation of two thematic Working Groups: one co-chaired with UNEP on climate change and adaptation and

mitigation measures and one addressing inequalities in health related MDGs. A major outcome of the RCM last year was the interagency MDGs report which was based on input from fifteen agencies active in our region.

Outside the United Nations family, the UNECE has worked on further strengthening ties with, among others, the European Union and the Organization for Security and Co-operation in Europe (OSCE). It also signed Memoranda of Understanding (MoUs) with the International Fund for Saving the Aral Sea (IFAS), EurAsEC, and the Eurasian Development Bank (EDB).

Looking forward, two highlights of the coming year come to my mind:

- The seventh Environment for Europe Ministerial Conference, which will be held in Astana, Kazakhstan, from 21 to 23 September. This Conference will address two main themes: the sustainable management of water and water-related ecosystems; and the greening the economy: mainstreaming the environment into economic development.
- The Rio +20 World summit on sustainable development and the Regional Preparatory Meeting which the UNECE will convene in December.

In conclusion, I would like to underline another strength of the UNECE – it represents an inclusive and neutral forum bringing together on equal terms all its member states to discuss issues of a transboundary nature and forging practical legal tools to address them. Predominantly normative and technical character of UNECE does not always make it known and recognised beyond the circle of experts. However, its numerous tangible products delivered within a rather modest budget show its cost effectiveness and relevance for its member states and their economic and social development, for broader cooperation, consolidation and integration in our region.

Indeed, the ECE is much more than a technical organization – we serve broader economic social and political purposes.

As times are changing, we need to regularly revisit the priorities of ECE. I therefore welcome the planned review by Member States with the participation of sectoral committees, working parties and, naturally, the secretariat. I am confident that it will further strengthen ECE's relevance and enhance its added value in the current circumstances of persistent budgetary constraints.

I wish all of us a fruitful and productive session.

Thank you for your attention.