



United Nations Report Economic Commission for Europe

2005



UNECE Annual Report 2004-2005

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UNECE Annual Report 2004-2005

THE UNECE IN A NUTSHELL

The United Nations Economic Commission for Europe (UNECE) is one of the five regional commissions of the United Nations. Its major aim is to promote pan-European economic integration. To do so, UNECE brings together 55 countries located in the European Union, non-EU Western and Eastern Europe, Southeast Europe and Commonwealth of Independent States (CIS) and North America. All these countries dialogue and cooperate under the aegis of the UNECE on economic and sectoral issues.

To this end, it provides analysis, policy advice and assistance to governments, it gives focus to the United Nations global mandates in the economic field, in cooperation with other global players and key stakeholders, notably the business community. The UNECE also sets out norms, standards and conventions to facilitate international cooperation within and outside the region. The area of expertise of the UNECE covers such sectors as: economic analysis, energy, environment, enterprise development, human settlements, population, statistics, timber, trade, and transport.

UNECE - an analytical centre

The UNECE has a long-standing tradition of providing independent economic analysis. The UNECE remains uniquely positioned to perform cross-country comparative economic analysis covering the whole region. No other international organization or institution has either this type of accumulated assets and tradition (including economic expertise covering the whole UNECE region and the existing macroeconomic statistical database), or the institutional environment (including direct links with statistical offices in all UNECE member States) to undertake this type of analytical work.



UNECE a region-wide and neutral platform

The UNECE plays an important role as a neutral, region-wide forum for both normative and analytical work. Its convening power and catalytic role have been proven in organizing high-level meetings for discussing and adopting regional strategies, plans and programmes (for example the Beijing +10 Agreed Conclusions, the Regional Ministerial Declaration of the World Summit on Sustainable Development, the Ministerial Declaration on the Strategy for a Sustainable Quality of Life in Human Settlements in the 21st Century, the Declaration on Sustainable Energy for CSD-9).

It has to be underlined that the work of the UNECE involves, apart from government representatives, different stakeholders, particularly from civil society, the business community and academic circles, which thus have the opportunity to bring their contribution to policy making in the areas addressed by the UNECE.

UNECE - a link to the global level

The UNECE as a regional United Nations body acts as an interface with the global level in two ways: (i) prior to UN Conferences and following a bottom-up approach, UNECE organizes regional preparatory events which can set the tone for shaping global decisions, taking advantage of the fact that the UNECE, with a membership of the EU and non-EU West European and North American countries, is the regional commission representing most of the developed countries and the main international donors (this leadership was manifested, in particular, in shaping the agenda of the Beijing Conference and, more recently, of the World Summit on Sustainable Development); and (ii) following the UN Conferences, UNECE provides assistance to member States in the implementation of the commitments taken (such as those concerning the Millennium Development Goals, sustainable development, ageing, gender equality and financing for development.)

The UNECE is an important instrument for translating regional and global conventions into practical activities that serve to implement treaty obligations. For example, the UNECE is responsible for air pollution monitoring stations related to its Convention on Longrange Transboundary Air Pollution. Similarly, the UNECE Energy Efficiency 21 Project is promoting energy efficiency investment projects for climate change mitigation in economies in transition, a key step in actually applying the provisions of the UN Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol.

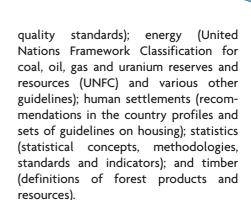
The networks of representatives from government, the enterprise sector and the NGO community, which the UNECE has built up over time in its areas of work, is of prime importance at a time when multistakeholder dialogues and partnerships are crucial to bring cooperative responses to the new challenges that the region has to face.

UNECE - developing legal instruments, norms and standards

The UNECE develops, and keeps up-to-date, legal instruments, norms and standards for the entire region. This work has proven to be of utmost importance to the economic development of the region, since it has allowed the progressive uniformization or harmonization of laws and practices in key economic sectors through a wide range of flexible mechanisms (recommendations, guidelines) or legally binding mechanisms such as European agreements and conventions.

In particular, it has served the interests of EU countries by facilitating the process of approximation of laws and integration of new members, and it continues to be essential for the definition of a global, mutually agreed, system of economic cooperation between EU countries themselves (for those areas of activity where EU legislation is related to the legal work of the UNECE) and between EU and non-EU countries.

This applies in particular to the fields of: environment (five UNECE conventions and nine protocols, and recommendations related to other activities such as the Environmental Performance Reviews); transport (fifty-five agreements and conventions, as well as a wide range of recommendations supplementing the legal instruments or in areas not covered by legal instruments); trade (trade facilitation recommendations and standards, including agricultural



Norms and standards developed by the UNECE offer the possibility to countries of the region to accede smoothly to the desired level of economic integration. Ratification of, or accession to, legal instruments demonstrate their commitment and ability to reach that level.

Although primarily developed for the needs of the regions, the norms, standards and legal instruments developed by the UNECE have proven to be of global relevance to the rest of the world, notably in the areas of transport, environment, trade, statistics, food and agricultural products, timber and energy. In certain inland transport areas (TIR Convention, road traffic safety, transport of dangerous goods, vehicle construction), the UNECE is the main forum of discussion at worldwide level and participation, as reflected by attendance at meetings and membership of conventions, extends far beyond UNECE countries. The same applies to certain trade facilitation standards (e.g. UN/EDIFACT). The application of UNECE legal instruments, norms and standards by non-UNECE countries of the developing regions and their participation in the development of these instruments enable them to benefit from the good practices of the developed world and avoid reinventing the wheel.

This global dimension of UNECE's work is expected to grow, as demonstrated, for example, by the globalization of vehicle construction regulations and the adoption of the UNFC framework by 60 countries worldwide.

UNECE a technical assistance provider

The UNECE actively promotes the implementation of its guidelines, norms and standards as well as policy reforms needed for economic transition through capacity building, particularly in the less advanced countries in the transition process. This technical assistance work has not been significantly changed after EU enlargement, as 19 transition economies still need such support from the UNECE. More broadly the UNECE plays a catalytic role by providing a multilateral forum for the exchange of experience among its members on progress made and obstacles encountered in implementing these norms and standards.

The UNECE also provides technical assistance to economies in transition through the involvement of the private sector. For example, the UNECE Gas Centre, that is supported by 22 eastern and western gas and oil companies, has largely accomplished its initial task of assisting the gas industry in central and eastern Europe to adjust to market economy conditions and it is now addressing a broader range of issues, including the security of gas supplies in the UNECE region. Similarly, legal consultancy firms provide advice to countries with economies in transition in such areas as the creation of real estate markets and the implementation of intellectual property rights.

The UNECE benefits from both an in-house accumulated expertise in its sectoral areas of activity and from the network of experts it has established and extended among all countries of the region for the same areas. This creates an important potential for increasing capacity building in transition economies which could be further utilized if more resources were made available for technical assistance activities.



INTRODUCTION



The unprecedented enlargement of the European Union (EU) in 2004 and the prospects for EU accessions in 2007-2008, together with the opening of negotiations with Turkey, have major implications for the UNECE region. The EU accession proved to be an engine for reforms for the new EU Member States and it is a driving force for reforms in the Western Balkans. The new Neighbourhood Policy of the EU will have an inevitable impact on the other UNECE member States located at the border of the enlarged EU. At the same time, new efforts are necessary in order to prevent new divisions between the enlarged EU and non-EU Member States, particularly from the CIS. This effort, as is now recognized, requires international and particularly regional cooperation. My immediate answer, therefore, to a very legitimate question - "Is UNECE needed after the EU enlargement - is "Yes". This is true, even more as UNECE is developing a legal framework for regional cooperation and assists in regulatory convergence, which stimulates markets and international trade. Therefore, I believe that while UNECE is approaching a mature age - its 60th anniversary will be celebrated in 2007 - it will continue to be a relevant, demand driven, efficient organization. To meet the needs of its membership, the UNECE should adapt to a changing environment, be flexible and be open to reforms.

UNECE reform. After the adoption of an in-depth reform of the UNECE in 1997, the UNECE initiated its Second Round Reform in 2002, in the context of the second round of the Secretary-General's reform, adjusting its programme of work, governance structure and secretariat to new demands. In February 2004, at the 59th Annual Session of UNECE, the decision was taken "to commission a comprehensive report on the state of the UNECE, with the aim of developing recommendations to determine what changes to the role, mandate and functions of UNECE are necessary in light of the changes in the European institutional architecture ...". The report is supposed to be submitted to member States by mid-2005. It is assumed that it will contribute to ongoing discussions of different UNECE intergovernmental bodies on the impact of the EU enlargement, developments in the countries with economies in transition, etc. upon the work of the organization. Reform of the UNECE, as an integral part of the United Nations, should also reflect the findings of the High-Level Panel appointed by the Secretary-General on Threats, Challenges and Change, particularly the recommendations to transform ECOSOC into a development cooperation forum and to take on board a more normative and analytical role. If agreed by the General Assembly, this will have significant implications on the work of the UNECE.

After the fall of the iron curtain, the UNECE concentrated its efforts on assisting the new democracies in their difficult transition from planned to market economies. Fifteen years later, we face:

Heterogeneity in transition and in development in the region. The transition process in the CEE and CIS has advanced considerably but the progress achieved is very heterogeneous. In this context, three categories of post-communist countries can be recognized: (1) newly emerging market economies; (2) countries with economies in an advanced stage of transition; and (3) countries with economies in an early stage of transition. Heterogeneity is further strengthened by a differentiation in economic and social development. Many of the countries in groups (2) and (3) have not achieved the pre-transition level of GDP per capita; some of them face extremely high unemployment rates and high poverty rates, many of them are still conflict-prone countries, etc. The varying progresses in transition and in economic development require different policies, different approaches in implementation, different actions and different assistance from international organizations. The priorities for international cooperation of the three groups differ from each other and - at the same time they differ considerably from the priorities of the most advanced UNECE member States. The differentiation in the development and priorities of the UNECE member States is a real challenge for a regional organization. How can UNECE, with its resources not only constrained but also reduced as compared to the 2002/2003 budget, respond adequately to the needs of its member States so that it meets their expectations? Its programme of work should continue to be demand driven but - as previously stated - priorities and needs sometimes compete for budget resources. The answer to this is sought repeatedly in the deliberations of member States in which the UNECE secretariat has a supporting role. In the area of technical assistance - as already decided - the prioritized members are lower income countries.

New focus on less advanced countries.

At its 59th Session, the General Assembly adopted a resolution on "Integration of the

economies in transition into the world economy". The resolution also stresses that international assistance should focus on countries with economies in transition which face particular difficulties in social-economic development, implementing market-oriented reforms and meeting internationally agreed development goals, including those contained in the United Nations Millennium Declaration. The UNECE therefore increasingly focuses on the less advanced countries in Central Asia, the Caucasus and South-East Europe. The UNECE/UNESCAP Strategy for Central Asia prepared for the 60th Annual Session illustrates this. We expect that a revised programme for the economies of Central Asia (SPECA) will be discussed and adopted on the margin of the international conference in Astana in May 2005 which, we hope, will be a nucleus for the future of the Central Asian Economic Forum, or Central Asian "Davos".

The Economic Survey of Europe, in this context, focuses more on the second and third group of countries with economies in transition, providing qualified analysis of economic reforms, economic and social developments and independent policy recommendations and policy options that should allow decision-makers to make their choice. Furthermore, a new instrument to better formulate long-term structural reforms and to disseminate this information to policy-makers is the latest initiative of the PTEPF (Post-transition Economic Policy Forum) - bringing together internationally well-known experts and policy-makers from governments. In addition, the UNECE strengthens its cooperation with some country-grouping initiatives, working inter alia with the Initiative for Social Cohesion of the Stability Pact, (Table II), on housing policy and on "women's entrepreneurship as an engine for job creation in the Balkans".

Strengthening the regional dimension. Strengthening the role of the regional level in the process of implementation of global commitments made at the major United Nations Conferences and Summits is increasingly requested. In addition to this the role of the regional dimension in providing input to global processes, shaping global decisions and drafting global binding and non-binding legal instruments, is expanding. In this context, at the request of the Commission on Sustainable Development, the UNECE organized the first Regional Implementation Forum for Sustainable Development in 2004, as a follow-up to the WSSD in Johannesburg in 2002, which provided the first opportunity to review the implementation of the commitments of the WSSD on water, sanitation and human settlements. The European Population Forum (January 2004), co-organized with the United Nations Population Fund (UNFPA) and the Government of Switzerland, assessed the implementation of the Programme of Action of the ICPD, Cairo 1994. Finally, the Regional Preparatory Meeting for the 10-year Review of Implementation of the Beijing Platform for Action (December 2004) discussed progress and challenges, particularly in the areas of women and economy, institutional mechanisms for promoting gender equality, and trafficking in the context of migratory movements.

The UNECE, in some fields, is becoming more global. A good example is the programme of work in transport. In addition to its World Forum for Harmonization of Vehicle Regulations and its work on the transport of dangerous goods, etc., the UNECE, with its existing expertise, will play an important role in improving global road traffic safety.

The regional dimension of achieving the United Nations Millennium Development Goals. The 2005 General Assembly will be marked by the first review of the commitments decided upon at the Millennium Summit in 2000 in New York. We can agree that to fulfil the goals is primarily the task of individual countries but the international community has an indispensable role to play. The UNECE offers assistance in achieving the Millennium Development Goals (MDGs) to individual member States through different programmes of work in environment,

trade, timber, transport, statistics, etc. In addition to this, it assists in shaping regional policies for achieving the MDGs, provides a forum for exchange of practices, and so on. In 2004 the UNECE, together with its sister regional commissions, made great efforts with the aim of ensuring that the regional dimension of the MDGs is included in global reporting.

The economic and environmental **dimension of security.** The UNECE makes continued efforts to integrate conflict prevention into its traditional mandate and its primary goal which is to encourage greater economic cooperation among its member States. The recognition of an economic, social and environmental dimension of security is a basis for a long-term cooperation between the UNECE and the OSCE, which has intensified since 2003, when the OSCE Strategy Document for the Economic and Environmental Dimension was adopted at the Eleventh OSCE Ministerial Council in Maastricht. The OSCE Strategy Document initiated the preparation of a Memorandum of Understanding (MOU) between the OSCE and the UNECE, in which the role of the UNECE was specified in the regular review of the OSCE commitments and in the preparation of an early warning mechanism. The MOU was signed at the Twelfth OSCE Ministerial Council in Sofia, in December 2004. The MOU starts a new round of review reports based on the OSCE Strategy Document, which the UNECE should submit to the Economic Forum upon the request of the OSCE. The 2004 interim review, prepared by the UNECE, focused on the Investment Climate. The 2005 review will focus on integration, trade and transport. A workshop on the development of an early warning mechanism in the economic and environmental dimension of security (Vienna, November 2004) opened an extremely challenging area of future cooperation between the two regional organizations.

I hope that the 2004/2005 UNECE Report will reassure the reader that my immediate affirmative answer to the question "Is the UNECE needed?" does not lack strong arguments. Together with the dedicated UNECE staff, who are competent and hard-working, we wish to continue to deliver to our shareholders - the UNECE member States.

Brigita Schmögnerová Executive Secretary

FOCUS ON ...

Sustainable development - concept and action

When the World Commission on Environment and Development (Brundtland Commission) published its report in 1987, it presented a new concept - sustainable development. The concept became one of the most successful approaches to be introduced in many years. In fact, it helped to shape the international agenda and the international community's attitude towards economic, social and environmental development.

The Brundtland Commission's report defined sustainable development as "development which meets the needs of current generations without compromising the ability of future generations to meet their own needs". The concept supports strong economic and social development, in particular for people with a low standard of living. At the same time it underlines the importance of protecting the natural resource base and the environment. Economic and social well-being cannot be improved with measures that destroy the environment. Intergenerational solidarity is also crucial: all development has to take into account its impact on the opportunities for future generations.

Hectic international and national debate and activity were triggered by the report's publication. Actors from the entire social spectrum saw opportunities for using the new concept. It was soon pointed out that the concept was both broad and vague - its content could be given different interpretations.

The Brundtland Commission, named after Norway's former prime minister, Gro Harlem Brundtland, who chaired it, found an eager audience for its proposals at the United Nations Conference on Environment and Development in Rio de Janeiro in 1992. The documents approved at the Conference, notably the comprehensive Agenda 21, included ambitious commitments by world leaders to



ensure sustainable development in many areas and on all levels of society.

The Rio Conference gave a boost to both national and local action. National committees for sustainable development were established on a high political level in many countries. Local Agenda 21 documents and action plans were drawn up in a great number of municipalities. Many corporations jumped on the bandwagon. And the newly established United Nations Commission for Sustainable Development started to scrutinize the implementation of the Rio decisions at its annual meetings.

At the same time a sceptical debate about the concept continued. One of the most striking characteristics of the term "sustainable development" is that it can mean all things to all people. In the environmental community many accused government and business of "cosmetic environmentalism" under the umbrella of the concept. Some felt that the term "sustainable development" was used as an alibi rather than as guidance for strong action.

Another critical argument was related to the de facto dominance of environmentally centred actors in the work. These critical voices demanded more emphasis on the economic and social "pillars" of the concept. More recently it has been argued that the political acceptability of sustainable development depends on its capacity to

respond to a country's persistent social problems. It has also been noted that the economic "pillar" has to be integrated in the concept as a whole and not be seen as an independent part of it. However, the term does not give any guidance on how to arbitrate between the unavoidably conflicting objectives of economic rationality/profitability, social justice and ecological equilibrium.

In particular the social pillar poses it own complex problems of measurement. There does not seem to be a consensus on what is to be understood by "social" in the first place. Moreover, most social phenomena are difficult, often impossible, to quantify.

Despite the cloud of ambiguity hanging over the concept of sustainable development, the international community has continued using it. The concept has been seen as inclusive and operational enough to make meaningful action in pursuit of sustainable development possible and broadly supported. The preparations for the 2002 Johannesburg Summit on Sustainable Development showed that the enthusiasm of Rio had started to wane, but high-level political support for the process persisted. The focus, however, clearly changed from all-encompassing attempts to cover a great number of areas simultaneously to a more practical approach with the emphasis on a limited number of substantive areas at a time.

Johannesburg also boldly highlighted the implementation of commitments rather than spending time on drafting new declarations. In this context the United Nations regional commissions were given stronger recognition than before. It was felt that better implementation demanded a devolution of the global process. The regions were seen to be quite diverse between them and within. Using the same global actions for all regions was considered to be too rigid. The regional contributions from the outset brought an additional dimension to the process, giving further emphasis to practical solutions that can be implemented on the ground. Also the identification of key problem areas has become more specific and the conclusions more action-oriented.



The decision to choose three different items for each two-year cycle of the Commission on Sustainable Development has helped greatly to focus the work. The items for 2004-2005, water, sanitation and human settlements, are not new, of course, but the sustainable development umbrella might be new for some of the actors. Even if these areas are also still quite diverse, they are more manageable than was the case with the pre-Johannesburg way of treating Agenda 21 at the level of the Commission on Sustainable Development.

More than a decade of experience of sustainable development work has produced both successes and challenges. One of the clearest successes is the widespread local activity. Thousands of municipalities have taken the promotion of sustainable development seriously, with subsequent increased awareness and improved performance.

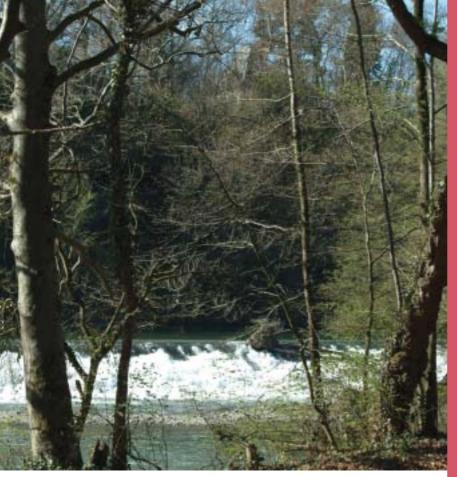
But, of course, many problems still persist. At a recent course for government officials from Central and Eastern Europe, participants raised a number of concerns: lack of understanding of the concept in administrations, insufficient political support, limited resources at different levels for effective action, inadequate involvement of civil society, inertia in education systems and various problems in specific sectors of the economy.

On the other hand, it was pointed out that different win-win solutions do exist. Active social housing policies promote social inclusion and equity, boost economic growth, and increase mobility and labour productivity. Likewise more sustainable transport leads to less pollution and fewer environmental and health problems, less congestion and fewer accidents.

One of the cross-cutting issues to promote sustainable development that has gained prominence recently is education. Even if sustainable development is not a scientific concept enabling understanding of the different interactions in relation to it, decision-makers and ordinary citizens would benefit from more learning. The United Nations Decade for Education for Sustainable Development starting in 2005 and led by the United Nations Educational, Scientific and Cultural Organization (UNESCO) illustrates the importance of education in achieving sustainable development.

The drafting of a UNECE strategy for education for sustainable development, which was initiated by the Environment Ministers at their Conference in Kiev in May 2003, shows that there is support in the region for an operational commitment to it. The cooperation between environment and education ministries in the drafting process has been very encouraging, but after the adoption of the strategy its application will constitute the real litmus test of countries' readiness to cooperate.

An enormous amount of academic, administrative and political effort has been put into trying to find a more precise definition of sustainable development than the one put forward by the Brundtland Commission, but to no avail. In these processes strong disagreements soon



crop up. This is the reason why some scholars support the original concept, which has been described as presenting a "constructive ambiguity". In a world with very varied political cultures and priorities the lack of definitional precision of the term 'sustainable development' may represent an important political opportunity.

Where does this "soft" approach lead us? An important conclusion is that sustainable development is a process, not an end in itself. It also implies that participation and genuine dialogue among stakeholders are key prerequisites for sustainable development. In brief, sustainable development needs democratic thinking, but it can also help strengthen democratic institutions through consensus-based public participation.

Some might say that this "constructive ambiguity" may lead to a certain level of "anarchy" in the practical application of the concept, but this does not need to be the case. For instance, the UNECE strategy for education for sustainable development was prepared by intergovernmental negotiations without an explicit definition of the concept. Experience of the implementation of Agenda 21 and the Johannesburg decisions also shows that the challenges are less related to the definition of the concept than to the political and practical preparedness for action within the consensus of the concept on which the Brundtland Commission agreed.

Kaj Bärlund

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FOCUS ON ...

Beijing +10
Gender mainstreaming and development strategies:
progress and challenges

Equality between men and women is among the "oldest" UN mandates. The Commission on the Status of Women was one of the first bodies established by the United Nations, in 1947. Its relevance well illustrates the fact that of the 160 signatories of the UN Charter in 1945 only four were women.

Since then the UN has been taking the lead in encouraging countries to eliminate inequalities in women's political participation, economic opportunities as well as family and social life. Civil society is a major partner in this process and many initiatives have been driven by NGOs. Global UN conferences on women have played a catalytic role in raising awareness, mobilizing political support and establishing policy recommendations on how to move towards gender equality.

The Beijing Conference in 1995 in particular is considered a success of the women's movement. Its outcome document, the Platform for Action, gave a strong political mandate for pursuing gender equality at national, regional and global levels. It provided a comprehensive policy framework and practical recommendations in each of the 12 critical areas for action. The Beijing process has a regional dimension, with regional commissions organizing the follow up and review process, such as the Beijing +5 review (January 2000) and the recent Beijing +10 review organized by the UNECE (December 2004).

Although gender equality is a clear concept in terms of human rights, its link to policies has substantially evolved. From a "soft" policy issue linked to social policies and an approach to women as a disadvantaged group, gender equality has moved to the centre of development strategies. This has been backed by lessons learned from development failures of the 1980s which stressed the role of investments in the social sphere (such as education and health) and links between the economic and social side of development. The change was also made possible due to progress in gender research and data, which document women's contribution to economic growth and development.

Gender mainstreaming is a way to achieve the change of policies. The concept was introduced by the Beijing Platform for Action and further developed by ECOSOC resolutions (1997 and 2001) and the General Assembly Special Session in 2000. This means making gender an integral part of decision-making, institutional structures and processes. It is defined as a process of assessing the implications for women and men in all actions related to legislation, policies and programmes in all areas and at all levels.

Now, gender equality is widely acknowledged as a key factor behind growth and the efficient allocation of resources, poverty reduction and social cohesion. This is reflected in strategy documents at the global level, such as in outcomes of global conferences on sustainable development, financing for and Millennium development Development Goals. But also at the regional and country levels, such as in the Lisbon Strategy for the EU, prepared with vision to improve the competitiveness of European economies in a global world.

Concrete actions and results, however, often lag behind policy statements and progress is uneven. Mainstreaming is often misunderstood as a concept and new priorities have to be set. But the main problem is how to redefine the traditional social contract based on a male breadwinner model and to adjust institutions which still reflect this arrangement to determine social benefits, pension systems, or priorities in hiring and job cuts (women as secondary



earners). This means making a link between so far separated areas of paid and unpaid work. But it also means deciding what should be the value of caring work and how to reflect this in a market- based system of benefits. Caring credits and more equal distribution of caring work among women and men are some avenues pursued by countries.

These challenges and a diversity of progress in mainstreaming gender into policy areas were seen during the recent meeting on the Beijing +10 review in the UNECE region. While most countries have advanced, the speed and areas of progress vary substantially among countries and sub-regions. Traditional views about women's roles are resurging in a number of countries, while in some gender equality is only emerging as a policy concept. There are also worrisome trends in most countries in Eastern Europe and the Commonwealth of Independent States (CIS), where women's position in the economy has deteriorated as a result of job losses, a move towards low-paid jobs in both the formal and informal sectors, and cuts in social protection. In these countries, women's access to health services has deteriorated and there has been a substantial rise in poverty.

On the positive side, in the most advanced economies, women's employability has improved and new measures have been introduced to help parents combine work with family responsibilities. Progress, although uneven, has been made in women's access to decision-making positions and the development of institutional mechanisms for the advancement of women. Legislation for gender equality has also been developed, but legal gains still have to be translated into de facto gender equality achievements.

Beyond uneven progress, all countries share similar areas of concern and similar problems in promoting gender equality. These concerns were reflected in the main themes of the meeting, that is: women and economy; institutional mechanisms for gender equality; and trafficking in the context of migration. Most countries remain concerned about poverty - especially among single mothers and older women - unemployment and inadequate social protection. There is still much to be done to improve national mechanisms for gender equality, which suffer from limited resources, isolation from

line ministries in many countries, and instability related to political changes. Violence is another key concern for all countries in the UNECE region as they face widespread domestic violence and increased trafficking in women, which has economic roots.

Further progress in mainstreaming gender into all policy areas is necessary to implement the Beijing commitments. But it is also closely linked with current dilemmas of policy makers throughout the region - that is, how to improve economic efficiency while maintaining solidarity and social cohesion in ageing societies. Countries in western Europe as well as eastern Europe and the CIS seek new approaches in economic thinking and policies and the best ways to reform welfare systems. Adopting a gender perspective thus seems to be a good policy option which makes economic sense.

The Lisbon Strategy for EU countries could illustrate this point as it draws on the mainstreaming approach and makes equal opportunities one of the four pillars of the European Employment Strategy (EES). Targets are set for increasing women's employment but also reducing inequalities in pay and employment opportunities as well as improving a coverage of childcare facilities. Increasing women's share in the labour market is an alternative to migration for EU countries with labour shortages but also an important factor ensuring sustainability of pension systems in ageing societies.

Another example could be provided by Canada, which has taken concrete measures to mainstream gender into employment policies with attention paid to supporting women's self-employment and entrepreneurship. Women-run businesses are an engine of job creation and growth of SMEs sector in Canada. This trend is also seen in many countries in western Europe (such as the United Kingdom, France, Poland, Spain and Sweden) but also in countries of eastern Europe and the CIS (such as Kazakhstan).

Similar problems have to be addressed by other countries, especially those with transition economies, which have to combine the process of industrial restructuring with reduction of poverty and inequalities in the context of moving toward a market based system in many welfare provisions.

The experience of the last ten years shows that effective mainstreaming of gender equality issues in economic decision-making is essential to make progress. This is a key area in which it is critical to develop ways of working with men, since key economic decisions in both government and business remain mainly in the hands of men.

While progress in mainstreaming gender in employment policy is encouraging, gender equality has only been a marginal concern in welfare reforms, an important arena for policy reforms throughout the UNECE region over the last decade. Women have been largely forgotten as partners of these reforms, which include changes in a number of areas vital for women's interests, such as family benefits and pensions. Reforms have been driven by a desire to reduce public funding of social security provisions. No attention has been paid to the implications of these reforms on the extent and distribution of the unpaid work of caring for families and communities. Pension reforms have particularly weakened the position of low-income women, making it likely that an even greater proportion of women will suffer poverty in old age. Businesses providing pensions are allowed to discriminate by gender in many countries in the region.

Adopting a gender perspective in the ways that the government raises and spends money is another area for more intensified efforts. Initiatives to promote Gender Responsive Budgeting (GRB) in the public sector have been undertaken in some parts of the region in the last few years, including the United Kingdom, Belgium, Canada, the Czech Republic, France, Spain and Switzerland. Many of these initiatives are still in the pilot phase and vary in scope and results. Broadening and deepening of these initiatives is necessary to effectively mainstream gender into economic decision-making.

GRB does not imply that 50 per cent of tax revenues ought to be paid by males, and 50 per cent by females. Or that 50 per cent of the expenditure on each programme ought to be distributed to males and 50 per cent to females. This is because men and women, boys and girls, are not positioned equally within the economy and society. The existing pattern of gender inequality has to be taken into account in judging whether a budget promotes the achievement of substantive equality. Government budgets need to be designed to offset pre-existing inequalities in the short run, and to reduce gender inequalities in the economy and society in the longer run, through incentives for change.

Also GRB does not imply that the budget must be presented showing a division of all tax revenues into the share paid by males and the share paid by females. This can be a useful analysis for some revenues. But a gender analysis of taxation also needs to examine: the content of tax rules in relation to the treatment of women as autonomous people; tax burden and incidence in relation to ability to pay; incentives effect in relation to participation in different types of paid and unpaid work and the redistributive effect - how far does it reduce the gender gap in incomes. Programmes vital for gender equality may include programmes specifically targeted to males or to females; and will certainly include programmes that are not gender targeted.

Gender equality is also of a growing interest to the private sector in the context of extending corporate social responsibility. Leading companies are discovering that it makes business sense to promote equal opportunities and family-friendly employment policies. And initiatives to mainstream gender in the economic decision-

making of the private sector are now beginning to emerge. This is happening in two ways:

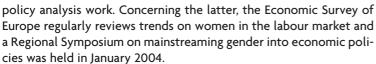
- -Inclusion of gender equality criteria in initiatives for corporate social responsibility;
- -Inclusion of gender equality criteria in measures for more effective development and management of human resources.

Progress in effective mainstreaming of gender equality issues in economic decision-making across the region, in both government and business, requires more research and developing a regional network of men and women economists to work on gender-sensitive economic policy, development of gender disaggregated data, but also more dialogue with policy-makers and exchange of good practices, many of which are just emerging.

In line with a major global UN mandate, the UNECE provides a regionwide platform for the follow-up to the Beijing process through raising awareness, promoting the development of gender data and research and policy dialogue, and the exchange of good practices. The Beijing Platform and the outcomes of regional meetings (chairperson's conclusions from the Beijing +10 meeting and the agreed conclusions from the Beijing +5 meeting) provide a useful road map for increasing awareness on key gender issues and for initiating measures in order to address them. A new geopolitical situation reflecting the EU expansion to include ten new member countries has increased the need to support dialogue among all groupings of countries, and initiate various forms of cooperation and solidarity in this wide geographical perspective. Considering its economic profile and expertise, the UNECE is well positioned to play this role in mainstreaming gender into economic policy-making and strategies.

In addition, based on the General Assembly request to all UN organizations, including the regional commissions, to introduce the gender perspective into their areas of work, UNECE has developed a number of gender-related activities which correspond to its mandated areas of work. This includes forums and meetings on women's entrepreneurship, the development of gender statistics and the creation of a website in this area, as well as





The reform of the UNECE in 1997 confirmed this direction by considering gender mainstreaming as a concern which should cut across all its activities. UNECE has a strong will to comply with this requirement of its member States.

Ewa Ruminska-Zimny



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UNECE WORKING FOR RESULTS IN ...

ECONOMIC ANALYSIS

In 2004 the two issues of the Economic Survey of Europe provided a review of current macroeconomic developments and an assessment of the short-run outlook in the UNECE region with special emphasis on south-east Europe and CIS.

For the eight east European countries that entered the European Union in 2004, a major challenge is to catch up with the higher real incomes in the existing Member States of the EU. In this context, the first issue of the Survey included a study analysing the problems and prospects of harmonizing the tax systems in these countries with EU norms and rules. A second study showed how product differentiation could contribute to the reduction of large disparities in per capita income and rates of growth between countries in the region. There was also a special chapter dealing with poverty in the transition economies.

One of the major challenges facing the member States in the UNECE region is finding ways to foster the competitiveness and growth of their economies as well as meeting the new challenges posed by the advance of the knowledge driven economy. Supportive public policy and efficient public institutions are important factors in shaping the competitiveness of nations and in accelerating economic development and growth. With the aim of identifying some of the main tasks and responsibilities of UNECE governments, the UNECE Spring Seminar 2004 dealt with the topic "The competitiveness of nations and economic growth in the UNECE Region". The participants at the Seminar discussed factors promoting economic catch-up processes, the determinants of competitiveness in the knowledge-based economy, and the role of governments in fostering competitiveness and growth in the private sector.

The second issue of the Survey 2004 included a study on various dimensions of competitiveness in the countries in the UNECE region.

This study, based on a paper presented at the Spring Seminar, showed that the deteriorating capacity competitiveness, especially in ICT infrastructure, is one of the main factors hampering the low income countries in the region. It concluded with some policy recommendations.

The UNECE contributed to the review of commitments of the OSCE by preparing a report on the "Investment climate" in the UNECE region which highlighted the current investment climate in eastern and central Europe and the CIS, discussed the prevailing bottlenecks in attracting foreign investment and suggested some policy recommendations. The UNECE has also been involved with the OSCE in jointly developing a conceptual framework for the early warning mechanism. A brainstorming seminar was held in Vienna in November to take stock of the existing early warning mechanism and decide on the future path of action.

The UNECE organized a Post-Transition Economic Policy Forum, which offered the opportunity for a wider public debate among policy-makers on major economic problems that are specific to the present stage of development in the countries that have basically completed the transition process towards market economy systems. The Forum's Expert Group aims to come up with policy conclusions and recommendations that are relevant to the post-transition phase.

Nobel Laureate Joseph Stiglitz delivered the 2004 Gunnar Myrdal lecture on "The Process of European Integration and the Future of Europe". In his presentation, Professor Stiglitz pointed out that information asymmetries often intervene in capturing potential gains from trade liberalisation, privatisation, and deregulation. While referring to European integration, he cautioned against a single rigid model of European integration based on ideology and encouraged the promotion of a pragmatic and flexible model such that the European institutions could effectively adapt to the changing landscape of the integration process.

The UNECE and the United Nations Population Fund (UNFPA) co-organized in cooperation with the Government of Switzerland the European Population Forum 2004 on the theme "Population Challenges and Policy Responses". Held in the context of the decennial review and appraisal of the implementation of

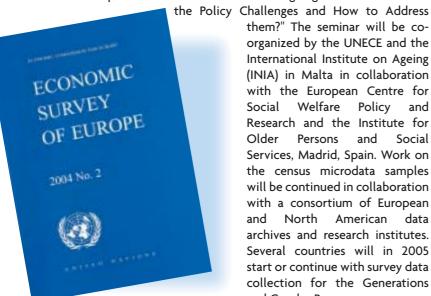
the Programme of Action of the International Conference on Population and Development (Cairo, 1994), the Forum considered important, newly emerging population changes, examined the challenges they pose and identified the best policy responses to them. Most of the work on population ageing carried out by the UNECE focused on the follow-up to the UNECE Ministerial Conference on Ageing (MiCA) (Berlin, 2002). A workshop on "Sustainable Ageing Societies: Indicators for Effective Policy-Making" was organized in Madrid, in April 2004. The UNECE also continues its work on the census microdata samples project, which is being funded by the US National Institute on Ageing, and its involvement in the Generations and Gender Programme (GGP).

Major challenges for 2005 remain ensuring that the Survey makes relevant contributions to the discussion of economic issues important to UNECE member States. Against this background, the first issue of the Survey 2005 will include a special chapter dealing with relative output and productivity growth in the US and three Nordic States. It will analyse whether reforms undertaken in these three countries have followed the US model or whether they provide a new European model of a reformed welfare State. With a view to contributing to financing for development as outlined in the Monterrey Consensus, an occasional paper on domestic savings in eastern Europe and the CIS will also be published.

The UNECE Spring Seminar 2005 will deal with the topic "Financing for development in the UNECE Region: Promoting growth in low-income transition economies". Major issues to be discussed are factors that affect strategies for development and growth, economic integration and trade, and financial management and sustainable growth in resource-rich economies.

In line with the Memorandum of Understanding between the Secretariats of the UNECE and the OSCE, the UNECE will contribute to as well as coordinate the preparation of the report on the monitoring and review of the economic and environmental situation in the UNECE region. In 2005, the UNECE will take the lead in the review of commitments in the areas of "Integration, trade and transport".

As part of the follow-up to MiCA an expert seminar will be held in April 2005 on "Care Provision in Ageing Societies: What are



them?" The seminar will be coorganized by the UNECE and the International Institute on Ageing (INIA) in Malta in collaboration with the European Centre for Welfare Policy Social Research and the Institute for Persons Older and Social Services, Madrid, Spain. Work on the census microdata samples will be continued in collaboration with a consortium of European North American archives and research institutes. Several countries will in 2005 start or continue with survey data collection for the Generations and Gender Programme.

ENVIRONMENT

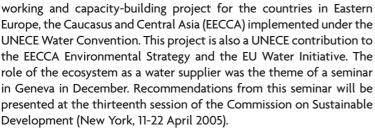
In 2004 the environmental performance reviews (EPR) of Bosnia and Herzegovina and Tajikistan were adopted. For the first time voluntary interim reports on the implementation of EPRs were provided to the UNECE, by the representatives of Armenia, the Republic of Moldova and Ukraine. All three countries indicated the usefulness of the reviews as the EPRs had had a significant influence on the actions taken to improve management of the environment and natural resources. They also contributed to strengthening cooperation among various sectors of the administrations and gave impetus to a better understanding of environmental problems in different institutions.

The first Regional Implementation Forum for Sustainable Development within the UNECE region took place in January 2004. The meeting provided a contribution in the form of a Chair's summary on the priority items, human settlements, water and sanitation and related cross-sectoral issues to the United Nations Commission Sustainable Development at its twelfth session in April 2004.

The Convention on Long-range Transboundary Air Pollution celebrated its twenty-fifth anniversary in 2004 and the Executive Body for the Convention celebrated the occasion by a special event. A book on the past and future of the Convention with foreword by the UN Secretary-General Kofi Annan was produced as part of the Anniversary activities. The Executive Body initiated new work on heavy metals for the Review of the Protocol on Heavy Metals that entered into force at the end of 2003, including activities to reduce the health impacts of particulate matter.

Early 2004 UNECE and UNESCAP published jointly the report "Strengthening cooperation for rational and efficient use of water and energy resources in Central Asia", which included an updated account of the situation in the Aral Sea Basin and a regional strategy for more sustainable use of energy and water resources that has been endorsed by four countries in the region. The project Capacity for Water Cooperation (CWC) was launched with a first Workshop in Kiev in November, which was the start of a three-year net-





The third meeting of the Parties to the Convention on Environmental Impact Assessment (EIA) in a Transboundary Context (Cavtat, Croatia, June 2004) included the first meeting of the Signatories to the Protocol on Strategic Environmental Assessment.

The third meeting of the Parties of the Industrial Accidents Convention was held (Budapest, October 2004) where an Internationally supported assistance programme for the Eastern European, Caucasian and Central Asian as well as South-Eastern European countries was launched to support countries in these subregions to enhance their efforts in implementing the Convention.

Major challenges for 2005 include, as mandated by the World Summit on Sustainable Development, that more efforts shall be undertaken to promote regional implementation of the Johannesburg Plan of Implementation, notably through providing an input to the UNECE Regional Meeting expected to be held towards the end of 2005. The focus will be on air pollution, climate change, energy and industry. Further input will also be provided to the Commission on Sustainable Development Preparatory Meeting in February/March 2005.

The second meeting of the Parties to the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention), to be held in Almaty, Kazakhstan, in May 2005, will provide an opportunity for the Parties to formally review the implementation of the Convention. It will be the first test of the Convention's innovative compliance and reporting mechanisms, both of which allow the public, including NGOs, to provide inputs. Parties will also aim to resolve the controversial question of whether the Convention should be



amended to give the public more concrete rights to participate in decision-making on activities with genetically modified organisms.

High-Level Meeting Environment and Education Ministries will be convened in cooperation with UNESCO on 17-18 March 2005 as a follow-up to the fifth "Environment for Europe" Conference in Kiev. The draft UNECE Strategy for education for sustainable development will be forwarded to the High-level Meeting for final consideration. The Strategy, a flexible framework to be adapted when implemented to each country's priorities, needs and circumstances, was felt to be a solid regional contribution for the UN Decade on Education for Sustainable Development with UNESCO as lead agency. UNESCO sees the UNECE Strategy as a possible example for other UN regions.

The environmental performance review programme will be continued with second reviews. Belarus and the Republic of Moldova will be reviewed in 2005.

Discussions will begin on the agenda and the overarching theme for the next Environment for Europe Ministerial Meeting, to be held in Belgrade in 2007.

The Steering Committee on Transport, Health and Environment Pan-European Programme (THE PEP) will implement priority items like the establishment of a clearing house mechanism and key policy relevant issues.

GENDER ISSUES

The UNECE Regional Preparatory Meeting for the 10-year review of the Beijing Platform for Action took place in Geneva in December 2004. It was the third milestone related to the Beijing process in the UNECE region, coming after the UNECE Regional Preparatory Meeting for the Beijing Conference (Vienna, November 1994), and the Preparatory Meeting for Beijing +5 (Geneva, January 2000). The UNECE Meeting gathered together some 600 participants representing governments and civil society from 53 member countries, with the support of other international organizations active on gender issues in the region, namely the Council of Europe, the European Commission, UNDP, UNIFEM and OSCE. This ten-year review focused on three areas of concern covered by the Platform for Action and of particularly high relevance for the UNECE region: women in the economy; institutional mechanisms to promote gender equality; and trafficking of women in the context of migratory movements. For each of these themes, the meeting identified good practices, remaining challenges and areas for further action; it also highlighted emerging issues since the adoption of the Beijing Platform for Action. The outcome of the meeting took the form of chairpersons' conclusions which will constitute the contribution of the UNECE region to the 10-year review at the global level, expected to take place at a highlevel session of the Commission on the Status of Women, in March 2005 in New York.



HUMAN SETTLEMENTS

In 2004 the UNECE discussed the necessity of revising its Strategy for a Sustainable Quality of Life in Human Settlements for the 21st Century, which was adopted at the UNECE ministerial meeting on human settlements in 2000, in order to better account for the new developments since the beginning of the century, as highlighted at the first regional implementation forum on sustainable development. In particular, member States saw a need for the Strategy to better incorporate the concerns of the countries of the Eastern Europe, Caucasus and Central Asia (EECCA) region. It was agreed that a high-level meeting may be organized in 2006-2007 to review the Strategy and that the implementation of the Strategy should be assessed with a particular focus on strategic issues, including the role of housing in the national economy, the new role of spatial planning, regional disparities in human settlements, and the role of human settlement policies for social cohesion.

An in-depth discussion jointly organized with ISOCARP, an international NGO of urban planners, helped to establish a common conceptual understanding of spatial planning systems and to foster a dialogue between government officials and urban planners for the management of urban areas. It was recommended that enhanced dialogues with practitioners should be sought also in the framework of UNECE other programme elements including the country profiles programme on the housing sector.

Conceptual changes have been implemented within the country profile programme in particular through a shift towards a more problemoriented approach. Country profiles on the housing sector were finalized

in 2004 for Armenia and the Russian Federation. Preparations for a country profile on Serbia and Montenegro are ongoing. Importance has been given to the follow-up of the implementation of past country profiles - a workshop on follow-up of the country profile on Albania has already been held.

The study on trends and progress in housing reforms in South East Europe is being carried out jointly with the Council of Europe Development Bank and the Council of Europe and in close cooperation with the Stability Pact for South East Europe. A land administration review was carried out for Lithuania and a high-level launching event organized to disseminate the findings of the land administration review on the Russian Federation which was carried out in 2003. Workshops have been held on concerns related to land registration, land and real property markets, and on real property administration for development of an information society. Guidelines on real estate units and identifiers are being published.

The UNECE land administration guidelines are in the process of being updated in order to reflect the new challenges the countries in transition are facing after having implemented a considerable number of transition policies, such as land transfer to the local level and privatization. Work is continuing on a study on housing finance systems for countries in transition, on guidelines on social housing, and on implementation of the guidelines on condominium ownership for countries in transition. These guidelines have been translated into several national languages.

Major challenges for 2005 include strengthening the link between the country profile programme, in which a number of countries, in particular from the EECCA region, have expressed an interest, and the land administration reviews. The study on trends and progress in housing reforms will be finalized and submitted to the Committee on Human Settlements as well as to the Council of Europe Group of specialists on housing policies for social cohesion. A task force will be set up for the preparation of guidelines on spatial planning.

A number of workshops will be held addressing the concerns highlighted in the review of the land administration guidelines. The guidelines on social housing will be finalized and adopted, including steps to be taken to support the implementation of the guidelines.



INDUSTRIAL RESTRUCTURING AND

ENTERPRISE DEVELOPMENT

In 2004 in response to relatively weak economic growth prospects in the UNECE region as a whole, the UNECE secretariat refocused the UNECE entrepreneurship programme on its key generic elements. The programme is designed to impact favourably economic growth, productivity and employment in the UNECE region as a whole with particular attention on emerging market economies.

There is considerable evidence to suggest that renewed focus on entrepreneurship could be key in addressing economic growth and employment issues in the UNECE region. The UNECE entrepreneurship programme could be a driving force not only in structural change but also in opening new growth avenues and in supporting desirable rates of economic growth, productivity and employment in the region.

The increasing subcontracting and outsourcing by the large information and communication technology companies have raised serious concerns in developed market economies, despite the fact that as a whole this trend could create tangible benefits for both developed market economies and emerging market economies and add to the growth and spread of Internet enterprise development in the UNECE region. UNECE is promoting Internet enterprise development through encouraging the adoption and implementation of e-Business standards, and favourable governmental regulation. The preliminary phase of the Internet Repository Project, which should foster enterprise development in particular in emerging market economies, was launched.

The lack of an internationally accepted framework for the definition, methodology and measurement of corporate governance acts as a drag on required improvements in the relationships



between corporate management, shareholders and public authorities. The UNECE has successfully addressed some of those key issues contributing to a better understanding of corporate governance in the UNECE region. In February 2004 UNECE held a Round Table of experts from leading world financial corporations/companies, who reviewed progress in the corporate governance area in the UNECE market economies. New valuable insights were provided on methodologies used in the assessment of corporate governance, its measurement and relationships with the insurance industry and financial markets institutional framework.

A major forum on Public-Private Cooperation in Industrial Restructuring was organized in Almaty, Kazakhstan in November 2004, focusing on issues of public-private partnership in fostering restructuring.

In the area of investment promotion, a number of successful activities in intellectual property rights (IPR), land for development, and public-private partnership (PPP) were undertaken in 2004. Three Advisory Groups undertook major events in 2004. The Advisory Group on IPR held its sixth annual session in September 2004, the UNECE PPP Alliance held its third meeting in September 2004 in Barcelona within the framework of the World Urban Forum, while the Real Estate Advisory Group (REAF) organized the Third Land for

Development Forum in December 2004; these all provided major related policy guidelines and recommendations.

Under Regional Advisory services, a number of activities on small and medium-sized enterprises, quality management and selected aspects of entrepreneurship, with a particular focus on emerging market economies were undertaken in 2004.

Major challenges for 2005 include paying greater attention to enterprise development, investment promotion, fostering of ICT development in the framework of knowledge-based economy, industrial restructuring and entrepreneurship. More emphasis will also be placed on economic development as called for in the Millennium Declaration, including above all entrepreneurship and related enterprise development fostering knowledge-based economy across the UNECE region. In the course of its activities in 2005, the UNECE will contribute to innovative analysis and policy dialogue on key enterprise development and investment promotion issues in line with the recommendations of the World Summit on Sustainable Development.

STATISTICS

In 2004 at its regular annual session the Conference of European Statisticians, which is the platform for coordinating the international statistical work carried out by many international and supranational organizations in the UNECE region, decided to modernize and streamline its main tool - the Integrated Presentation of International Statistical Work - which is publicly accessible on the web in a database format. Furthermore, the Conference approved new mechanisms for reviewing the various subject areas of the international statistical work. It also considered the coordination, independence, integrity and credibility of official statistics in a special seminar organized by Statistics Finland.

The measurement of services and the increasing importance of the service sector were also discussed. In many countries the service sector constitutes about 60-70 per cent of GDP. The difficulties encountered in the coordination of environment statistics were analysed and the Conference recommended that an Intersecretariat Working Group review the issues related to overlaps in data collection and improving coordination.

As one of the custodian organizations of the Fundamental Principles of Official Statistics (adopted by UNECE in 1992), the UNECE made a major contribution to the drafting of a declaration of similar principles for the statistical activities of international organizations (to be endorsed by the Statistical Commission in March 2005), and provided assistance and advice for implementation of the existing principles to Croatia, Serbia and Montenegro, and Slovakia. A seminar on the application of UN Fundamental Principles of Official Statistics in statistical planning for CIS countries was held in Moscow in collaboration with the Interstate Statistical Committee of the CIS, the World Bank and the PARIS 21 Consortium.

The transition from 2004 to 2005 saw the launching of public access to the macro-economic database on the web, using a user-friendly tool for selection and downloading. The main benefits of this database, compared to economic databases of other organizations, are timely and comparable statistics on the economic situation of CIS and South-East European countries. To increase user-friendliness, the dissemination of the UNECE's gender statistics database was also migrated to the new access tool.

Three major publications were released in 2004: "Nonobserved Economy in National Accounts, a Survey of National Practices"; the pocket version of "Trends in Europe and North America"; and "World Robotics 2004". The release of the latter was part of a conference event entitled "A Robot in Every Home", which attracted considerable media attention.

The methodological work towards new or revised standards and guidelines continued. A major new activity was the work towards recommendations for the 2010 round of population and housing censuses. Most meetings held in the various subject areas were organised as joint meetings with other organisations. The role of the UNECE in developing standards is to allow non-EU and non-OECD countries of the UNECE region to be associated with the development work of these partner organisations, or to provide a kind of bridge for European-based specialized UN agencies with national statistical offices.

and Over above assistance related to the implementation of the fundamental principles, the UNECE provided technical cooperation in statistics to the Balkans and the CIS countries. On a bilateral basis, the partnership with Eurostat has been continued in the Balkans, with the global assessments of the statistical systems of Croatia and The former Yugoslav Republic of Macedonia, including recommendations for short-term and medium-term improvements. Bilateral technical cooperation has been provided to CIS as well, especially to the Republic of Moldova on the capacity to produce indicators for the monitoring of progress towards the goals of the Millennium Declaration (in collaboration with the World Bank and Eurostat), to Azerbaijan and to Serbia and Montenegro on gender statistics in collaboration with UNDP, and to Kyrgyzstan on industrial production indices.

Multilateral technical cooperation has taken the form of seminars and training workshops. A special session on national accounts took place for CIS and Balkan countries back-to-back with the UNECE-Eurostat-OECD meeting on national accounts in Geneva. In the same way, a training session on gender statistics took place for CIS and Balkan countries back-to-back with the UNECE working session on gender statistics in Geneva. Finally, UNECE and UNDP organised a workshop on gender statistics for Central Asian countries in Turkmenistan.

Major challenges for 2005: One of the seminar topics for the next plenary session of the Conference will be



the role of official statistics in the measurement of sustainable development. The Bureau will start its new form of reviewing various areas of international statistical work in 6 selected topics, including technical cooperation. Furthermore, the two projects on data collection with multinational enterprises, and on access for researchers to microdata from official statistics, are expected to result in the first findings/recommendations being made public.

The UNECE Statistical Programme 2005 will see the phasing out of some activities so as to free resources for priority activities such as the better maintenance of the databases (including a new electronic format for the publication "Trends in Europe and North America"), the methodological work in demographic and social statistics, notably with respect to the 2010 round of censuses, the assessment of national statistical systems to produce in a sustained way the various MDG indicators, as well as multilateral and bilateral technical cooperation activities for less developed countries of the region.

2005 will see the release of the following publications: an analytical contribution on comparisons of GDP in the UNECE region with purchasing power parities; the third volume of data editing methods and techniques; and the handbook on rural development and agricultural household statistics.

SUSTAINABLE ENERGY

In 2004 in response to calls for greater energy security due to sharply rising oil prices and continuing Middle East tensions, the UNECE launched the Energy Security Forum (ESF) in which governments, energy producers and the international financial community seek to reduce the instability of global energy markets and its negative impact on the world economy. The ESF is examining emerging energy security risks and risk mitigation in a global context. As part of this, the Forum will review the contribution of the Caspian Sea region to promoting greater regional energy security. Its Executive Board held discussions in Geneva (March 2004) and Moscow (June 2004)



between representatives of governments, the financial community and energy industries on how oil price rises can be affected by energy security risks. In this connection a new CD-Rom based UNECE eBook "Energy Security Risks and Financial Markets" was issued.

With serious doubts on the validity of oil reserves that have troubled major oil companies and their shareholders, the UNECE has established the Ad Hoc Group of Experts on the Supply of Fossil Fuels to promote the widespread application of the United Nations Framework Classification for Fossil Energy and Mineral Resources (UNFC) established as ECOSOC Resolution 2004/233. This provides for the reevaluation in economic terms of coal, natural gas and uranium reserves/resources to make these energy commodities more attractive to foreign investors for exploitation. This continues the valuable work on the UNFC, which has been adopted by more than 60 countries worldwide and by selected stock exchanges.

The threat of global warming to the environment and to the world economy is a priority to the Energy Efficiency 21 Project that has launched a new phase of its work for the development of practical methods to reduce greenhouse gas emissions at the local level in eastern Europe in order to implement the global UN Framework Convention on Climate

Change and aspects of the UNECE Convention on Long-range Transboundary Air Pollution. The United Nations Foundation has accorded a significant new grant to the UNECE for "Financing Energy Efficiency Investments for Climate Change Mitigation" in UNECE economies in transition. Project capacity building activities produced 30 pre-feasibility business plans for US\$ 60 million of energy efficiency investment project proposals with a total investment requirement of US\$ 30 million, which would produce an estimated 368,000 tons of carbon emissions reductions per year if they were all financed. Investments of US\$ 9.7 million were approved by the World Bank and other investors for projects in Belarus, Bulgaria, Russian Federation and Ukraine amounting to an estimated 49,000 tons of carbon emissions avoided per year.

The Gas Centre launched a new Task Force on Company and Market Structure in January 2004 covering all UNECE countries in Europe to look at gas markets and gas industries as well as its implications for countries in Central and Eastern Europe. The other two Gas Centre task forces reviewed how Central and East European countries and their gas industries can best prepare themselves and benefit from the experiences acquired in Western Europe and North America notably on the opening and liberalization of gas markets.

Under Regional Advisory services, the CIS countries launched the second phase of the work on Energy Efficiency and Energy Security in CIS. Energy efficiency projects were approved with UNDP and Global Environment Facility support in Ukraine, Kazakhstan, Russian Federation and Belarus. The implementation of the Rational and Efficient Use of Energy and Water Resources Project with significant support of the United Nations Development Account in Central Asia completed plans for prototype investment projects during 2004.

A new technical assistance project was launched on Coal Mine Methane in Central and Eastern Europe and the CIS with extrabudgetary support from the US Environment Protection Agency (US EPA) and the United Nations Foundation. This project was launched following the ministerial meeting on "Methane to Markets" hosted by the US EPA in Washington in November 2004 and will serve as part of the technical follow-up to the commitments undertaken by ministers at that meeting. The economic, social and environmental dimensions of coal in the countries in transition continue to be addressed.

Major challenges for 2005 include new initiatives specifically in the area of energy security, global financial markets, corporate governance, policy dialogue, renewable energy sources, zero-emission technologies and intersectoral activities. The work programme will place more emphasis on economic development as called for in the Millennium Declaration, such as the restructuring in coal-mining communities in countries in transition based on experience in Western countries. It will provide additional analysis and policy dialogue on key issues such as energy security, the liberalization of energy markets and the development of cleaner, more efficient energy systems to reduce greenhouse gas emissions in line with the recommendations of the World Summit on Sustainable Development.

The work programme will be implemented increasingly with innovative Internet applications to enhance communications and value-added information transfers within and between UNECE member States in accordance with the recommendations of the World Summit on the Information Society. It will build on intersectoral activities initiated in the previous biennium with joint projects in timber and transport, notably on wood as an energy source and the "Blue Corridor" project use of natural gas as a transport fuel.

TECHNICAL COOPERATION

Technical cooperation is an important supporting instrument for implementing the UNECE core programme of work. Technical cooperation activities are carried out by the UNECE Divisions in accordance with the priorities set by their respective intergovernmental bodies as well as decisions taken by the Commission. At its 2004 annual session the Commission endorsed the UNECE Technical Cooperation Strategy which outlined the main principles, goals and objectives of the UNECE technical cooperation work, taking into account the geopolitical changes in the UNECE region resulting from EU enlargement, evolving priorities of its member States as well as challenges related to the implementation of goals and objectives emanating from recent United Nations conferences and summits, including the Millennium Development Goals.

The prevailing ways and means employed for the implementation of the UNECE technical cooperation services are capacity building workshops, seminars, study tours, and training aimed at assisting recipient countries to adopt and implement international legal instruments, norms, standards and regulations, as well as other policy advisory services carried out at the request of interested countries.

An important advantage of UNECE is that its mandate combines, within the framework of one institution, analytical, normative, and technical cooperation functions. This allows not only the direct translation of intergovernmentally agreed norms and standards into technical cooperation activities aimed at assisting countries in their implementation, but also to have a "hands-on" in-house experience of the realities in the field which is of great value for analytical, policy development and norms setting work. Another way in which UNECE adds value to technical cooperation activities carried out by other international organizations in the region is its focus on cross-border and sub-regional issues.

In 2004 UNECE technical cooperation activities focused on the following priority areas:

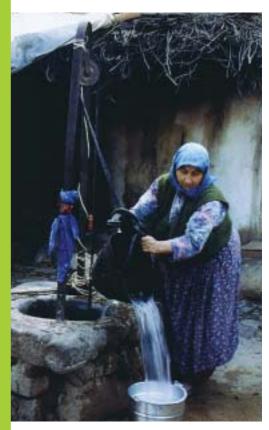
- Trade facilitation with a focus on economies in transition and emerging market economies, including through e-commerce.
- Integration of economies in transition and emerging market economies in European transport and electric networks with a special emphasis on the land-locked countries.
- Promotion of SMEs and business/producer associations, as well as support to women's and youth entrepreneurship.
- Promotion of the efficient use of energy and water resources.
- Promotion of rehabilitation and protection of the environment.
- Support for the development of the e-economy and the information society, inter alia, through diffusion and efficient use of ICTs .
- Promotion of the development of statistical tools for monitoring progress towards development goals and good governance.

The UNECE technical cooperation activities are carried out in cooperation with other international organizations and institutions, both within and outside the UN system, as well as various subregional organizations and initiatives such as SECI, Stability Pact, CEI, CIS, and BSEC. UNECE also has a shared responsibility with UNESCAP to provide technical assistance to the Central Asian countries within the framework of the UN Special Programme for the Economies of Central Asia (SPECA).

SPECA was launched in 1998 by the Presidents of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan with the objective to support the Central Asian States in developing their cooperation, creating incentives for economic development and integration into the economies of Europe and Asia. Turkmenistan and Azerbaijan later joined the Programme.

In early 2004, the UN Secretary-General, taking into account recent developments in the region, reconfirmed the full commitment of the United Nations to SPECA and emphasized the importance of providing system-wide support to it. He requested the Executive Secretaries of UNECE and UNESCAP to conduct consultations with the Governments of the SPECA Member States on strengthening the Programme. In the course of 2004, UNECE and UNESCAP, on the basis of progress achieved and problems encountered over the past years, started elaborating, in consultation with Governments, a range of proposals to make SPECA more relevant to the current requirements of its Member States. These proposals include organizational reforms, new working methods, improved and more stable funding, as well as possible new areas of cooperation, such as trade, investment and enterprise development, and ICT, among others.

On 25-27 May 2005, the Government of Kazakhstan, in cooperation with UNECE and UNESCAP, will organize an international conference on sub-regional economic cooperation in Central Asia with a particular focus on SPECA. It is expected that this conference will benefit from the participation, in addition to all SPECA member States, of representatives of other interested countries, international



and regional integration and cooperation organizations, as well as multilateral and bilateral donors.

The financing of the technical cooperation activities is effected from the UN Regular Budget (mainly the Regular Programme for Technical Cooperation and the UN Development Account), extra-budgetary resources, usually contributed to trust funds, as well as various ad hoc and in-kind contributions. The resources made available under the Regular Programme for Technical Cooperation in 2004 (around US\$ 1 million) are distributed between the Subprogrammes on Environment, Transport, Statistics, Sustainable energy, Trade development, and Industrial restructuring and enterprise development.

Extra-budgetary resources spent in 2004 were about US\$ 6 million on 44 trust fund projects - more than 50 per cent were spent within the Sub-programme on Environment and around 14 per cent within the Sub-programme on Transport. More than 70 advisory missions were undertaken in 2004 at the request of interested countries to provide policy advice and implement capacity building activities.

More detailed information of specific technical cooperation activities as well as main achievements can be found in other chapters of this Report.

TIMBER

In 2004 throughout the world, including in the UNECE region, illegal logging and other forms of forest crime continued to be a major problem: not only are forests harmed or even destroyed, and government revenue lost, but the fundamental respect for the rule of law and social cohesion is weakened and lives are lost. Until recently, governments have been unwilling to admit the gravity of the problem, but now "forest law compliance" is at the top of the sustainable development agenda in the forest field, worldwide. The Timber Committee with FAO held the first workshop on the topic in the region, which identified the main causes and extent of illegal logging in the region, and prepared a series of options for countries and international organizations.

Forest fires have been increasing in severity and frequency particularly in the Balkan countries in years with adverse meteorological conditions. A conference on forest fires with a special focus on the eastern Mediterranean was held in Antalya, Turkey, in March/April 2004. One outcome was the "Antalya Declaration" by which participating countries committed themselves to international cooperation in fire emergency situations.

The main report of a major study of the long-term outlook for the region's forest (EFSOS, European Forest Sector Outlook Study) is being published and five Discussion Papers are already issued. Its main conclusions are that the sector's balance will shift to the east, enough wood is physically available for expected demand and that the cross-sectoral dimension is crucially important to sector policy. These conclusions were discussed at a policy forum on the long-term challenges to the forest sector in a wider Europe.

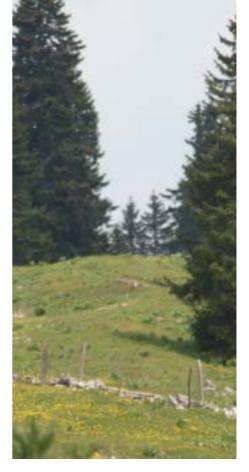
Disaster preparedness is highly relevant to forestry. A seminar in Freiburg (Germany) brought together practitioners and policy-makers to exchange experience, so that when future exceptional events, like the hurricane in 1999, hit the forests of the region, they can immediately refer to previous experience, and thus respond as precisely and rapidly as possible.

European and North American consumers are becoming increasingly confused and sceptical by the fierce competition among schemes to certify that wood comes from sustainably managed forests. Revisions to official procurement policies are also changing market conditions. The Timber Committee monitors recent developments as regards certification schemes, markets and policies, in a neutral and objective way, for the benefit of governments and market actors, through publications and at the annual Committee market discussions.

The Committee and its sister body, the FAO European Forestry Commission, carried out, with the participation of all stakeholders and partners, a strategic review of all their activities, and agreed on a refreshed vision and programme for the period from 2005 to 2008, focused on promoting sustainable forest management and the sound and legal use of wood throughout the region.

Challenges for 2005 will include the promotion of the cross-sectoral approach to forest issues through workshops on the implications and consequences of the European Forest Sector Outlook Study, and to refine, explain and promote the policy recommendations of the study.

UNECE will contribute to the preparation of the Ministerial



Conference on forest law enforcement and governance in Moscow in 2005, and to the implementation of its recommendations, especially to combat illegal logging.

The UNECE will continue to collect, improve and disseminate information on the state of forests in the UNECE region, both as a contribution to the global Forest Resource Assessment 2005 (input to monitoring the Millennium Development Goal concerning deforestation), and the report on indicators of sustainable forest management for the forthcoming Ministerial Conference in Warsaw on Protection of Forests in Europe.

Activities on trade and environment issues will continue, notably a workshop on "Forest Certification: the Role of Governments", and in general to monitor the certification processes and to report on any policy implications.

The first conference of forestry training centres will be held in France in March 2005, as the low skill level of the workforce is frequently a constraint on sustainable forest management.

The monitoring of markets for forest products (production, trade and prices) will be pursued as well as the supply of high quality consistent and reliable data for that purpose. The Committee will provide a forum for discussion of market trends and their policy dimension.

TRADE DEVELOPMENT

In 2004 the United Nations continued to promote trade as a means to foster economic development and eradicate poverty. UNECE's role in trade is to strengthen the trade policy infrastructure, develop and maintain effective trade-related standards and recommendations, help establish fair and business-friendly regulatory environments, and promote the implementation of recommended trade facilitation and electronic business measures. During 2004, the UNECE saw significant achievements in three areas: standards setting; implementation; and the development of supporting networks of institutions and experts.

In October 2004, the Centre for Trade Facilitation and Electronic Business (UN/CEFACT) approved a "Single Window" recommendation, whose implementation will facilitate the participation of small and medium-sized companies in international trade by providing them with a single location for import and export formalities. In addition, UN/CEFACT approved the Core Components Specification, which is expected by many to form the cornerstone of the next generation of electronic business standards.

The UN Code for Trade and Transport locations (UN/LOCODE), used around the world by major postal, customs and shipping organizations, was updated and approximately 6,000 entries added or revised.

In the area of agricultural quality standards, a new standard for bovine meat (beef) was approved and almost 20 existing standards and recommendations were updated to meet new requirements from consumers and traders.

In 2004 the EU decided to completely harmonize the technical content of 36 of its directives on the marketing of agricultural goods, covering 95% of trade in fruit and vegetables in the EU, with the corresponding UNECE standards. Together with the expansion of the EU and the corresponding expansion in the application of these



standards to 25 countries, these developments represent a significant increase in the use and application of UNECE standards in trade.

Twelve members of the Commonwealth of Independent States (CIS) signed an agreement on regulatory convergence based on recommendation L (on regulatory harmonization) from the Working Party on Regulatory Cooperation and Standardization Policies. Implementation of this agreement will create a harmonized regulatory regime for domestic and imported products and thus contribute to the development of both intra-regional and international trade flows.

Templates (detailed specifications) were completed for 12 documents used in international trade under the United Nations Electronic Documents project (UNeDocs) and published on the Internet. These constitute a proof of concept of UNECE's approach to improving paper documents and creating an online environment that is friendly to SMEs and will allow them to move seamlessly between the use of paper and electronic documents.

A compendium of work undertaken by the Committee for Trade, Industry and Enterprise Development was published, containing over 500 documents and providing an important reference work for practitioners in the field.

During 2004 the creation of an updated Internet site for the network of national organizations promoting the work of the Committee as well as the organization of a number of meetings both in Geneva and in the field - facilitated the development of UNECE's unique network comprised of practitioners, business, and policy-makers. The most important of these meetings included: the May 2004 Executive Forum on Competing in a Changing Europe, which discussed policies and strategies for better integrating the "new neighbours" of the EU into an enlarged trading community; a High-level Workshop on Economic Security in Europe, organized jointly with OSCE, which addressed threats and challenges to trade and economic security; and a Workshop on Trade Facilitation that saw participants from throughout the world discuss how to implement tools and techniques designed to facilitate trade and foster development.

Major challenges for 2005 will include further intensifying trade facilitation activities. Experts believe that trade facilitation can bring even greater benefits than further reductions in custom duties. For this to become a reality, close collaboration with other international organizations, and focus on concrete, easy to implement results, is key. Economic development and political stability in the region will depend on helping less developed transition economies better integrate into the regional and global economy.

Promoting trade and economic development will include such activities as an International Forum on Trade Facilitation (20-21 June) which will deal with such issues as managing the demands of security and trade facilitation. Efforts will also be made to support less advantaged countries in implementing trade facilitation under Articles V, VIII and X of GATT in the WTO negotiations. The cooperation between UNECE, EU and the OSCE Economic Dimension will be enhanced, especially regarding CIS and South East Europe trade issues, including regional trade agreements and free trade arrangements.

The problems of facilitating trade in landlocked countries in the region will be addressed. In the context of the forthcoming World Summit on the Information Society (Tunis 2005). The UNECE will help in bridging the digital divide by working with the other UN regional commissions in the UN ICT Task Force. New external resources to continue and expand the scope of trade and environment linkages in the Russian Federation and the CIS will be raised.

In the context of creating and maintaining standards in support of trade, the UNECE will develop a Memorandum of Understanding with the OECD to define a mutually supportive cooperation. It will identify a legal framework for intellectual property rights issues within UN/CEFACT, so that software companies can participate in the development of standards and tools for electronic business. It will deliver core components based on UN/CEFACT Modelling Methodology (UMM) to support a fully usable e-business framework for private and public organizations. A UN/CEFACT task force to define the standards for electronic documents for trade will be established as well as a task force on "Single Window" standards and interoperability.

In order to help to harmonize regulations and practices, an international forum will be organized on market surveillance to assist countries in transition adopt best practices relating to market control.

The UNECE will also build on the action plan for agricultural trade and quality in the Republic of Moldova and promote similar

development in Azerbaijan and Georgia. It will provide assistance to countries in the region in implementing regulatory harmonization. The UNECE will promote the implementation of UNeDocs as an instrument to ease the transition to paperless trade, especially electronic invoicing, in cooperation with regional and business-sector partners.



TRANSPORT

In 2004, the UNECE carried on with the updating of the international agreements and conventions that represent the infrastructural as well as regulatory bedrock of the pan-European inland transport system and paid attention to their implementation. Strategic Objectives have been adopted which outline a number of areas of work, resources, methods and measures to be taken into account for future activities in this domain.

Amendments to the European Agreement on Main International Traffic Arteries (AGR) were adopted in order to improve environmental aspects of E roads and safety in tunnels along the E road network. The European Agreement Concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR) was amended, introducing the digital tachograph to better control the driving and rest periods of professional drivers in international traffic.

In April 2004, the General Assembly adopted Resolution 58/289 on improving global road traffic safety, which invites the World Health Organization, working in close cooperation with the UN regional commissions, to act as a coordinating body for road safety activities within the United Nations. In considering its possible contribution to the follow up to this resolution, the UNECE Working Party on Road Traffic Safety was in favour of opening participation in its work to countries which are Contracting Parties to the Conventions on Road Traffic and on Road Signs and Signals, of 1968, and which are not UNECE members, as well as granting them voting rights on issues related to these Conventions. A similar approach was also being considered for all other UNECE transport subsidiary bodies that administer legal instruments with Contracting Parties outside the UNECE region.

The UNECE World Forum for Harmonization of Vehicle Regulations updated 59 existing UNECE Regulations annexed to the 1958 Agreement and adopted five new ones, which improved further the active and passive safety of motor vehicles as well as their environmental performance. In November 2004, the first global techni-

cal regulation in the framework of the 1998 Agreement was adopted. An amendment to the 1997 Agreement entered into force, which is expected to facilitate accession by EU countries to the Agreement.

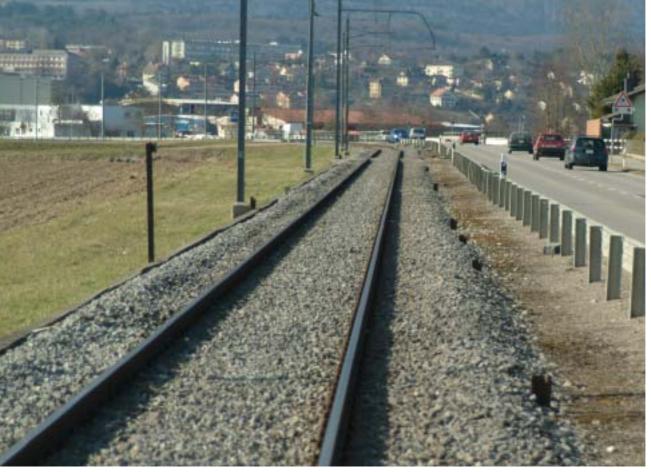
The ECOSOC Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals, at its session in December 2004, approved the amendments to the UN Recommendations on the Transport of Dangerous Goods and to the GHS developed by its Sub-Committees in 2003-2004. It also discussed possibilities of developing the UN Recommendations into a global and multimodal legally binding instrument.

Amendments to the various legal instruments regulating the transport of dangerous goods by road (ADR), rail (RID) and inland waterway (ADN) were adopted for entry into force on 1 January 2005 and 1 January 2007. Consolidated versions of ADR and ADN, incorporating amendments adopted in 2003-2004 for entry into force on 1 January 2005 were published. These amendments include new requirements to ensure a higher level of security of the transport of dangerous goods and prevention measures against terrorism.

Further progress was made in concluding a new Annex 8 to the Convention on the Harmonization of Frontier Controls of Goods on border crossing procedures for international road transport, and in defining the future parameters for the computerization of the procedure under the TIR Convention. A draft agreement on customs procedures for rail transit was finalized for adoption in 2005.

"Model" action plans and partnership agreements, including benchmarks to measure the competitiveness of international intermodal transport services, were developed. Extensive modifications of the European Agreement on Important International Combined Transport Lines and Related Installations (AGTC) to cover, in particular, important Euro-Asian transport links, were agreed for formal adoption in 2005.

Recommendations on Safety in Rail Tunnels were adopted. Main ongoing developments included the monitoring of border crossing in international rail transport lines, aimed at simplifying and shortening procedures; and demonstration runs of container block trains between Europe and Asia in both direc-



tions, together with the consideration of the role of railways in the development of Euro-Asian transport links.

Resolutions were adopted on Technical requirements for inland navigation vessels; the European Code for Inland Waterways (CEVNI); Air pollution prevention by diesel engines used in inland navigation vessels; Minimum manning requirements and working and rest hours of crews of vessels in inland navigation; Common principles and technical requirements for a pan-European River Information Service (RIS); Recreational navigation network; and Guidelines and criteria for vessel traffic services (VTS) on inland waterways.

The Agreement on the International Carriage of Perishable Foodstuffs and on the special equipment to be used for such carriage (ATP) was updated and a consolidated version published.

The UNECE TEM and TER Projects were in the final stages of elaboration of their Master Plans. The Plans aim at identifying bottlenecks, missing links and other priority infrastructure needs in the road, rail and combined transport networks of the participating countries, and at designing a realistic investment strategy to meet those needs. Over 450-proposed priority projects of a total value of 88 billion Euros are currently being evaluated and prioritized.

Substantial progress was achieved in the implementation of the UN Development Account Project on Capacity Building in developing land and land-cum-sea interregional transport linkages. Focusing on Euro-Asian land transport links, UNECE together with UNESCAP organized two Expert Group Meetings, in Almaty (Kazakhstan) in March and in Odessa (Ukraine) in November 2004, at which Government representatives from 16 countries in the Euro-Asian region agreed on the main road and rail transport routes connecting Europe and Asia to be considered for priority development; approaches to developing the routes; identification of main trans-shipment points along the routes; completion of a Geographic Information System (GIS) database; and identification of priority projects along the selected routes.

Major challenges for 2005 will be to further facilitate transport in the UNECE region and at the same time increase its level of efficiency, safety, security and protection of the environment. To take up this challenge successfully, the UNECE will have to strengthen its regu-

latory role and continue to update the international agreements and conventions on transport that it has developed over the years. At the same time, the UNECE will have to strengthen its assistance to some member countries in reducing the infrastructural and regulatory backlog in their transport systems.

It is expected that new amendments to legal instruments, recommendations and regulations will be adopted relating, inter alia, to the 1958 Agreement and the 1998 Global Agreement, the AGTC Agreement, Agreements concerning the transport of dangerous goods (ADR, ADN, RID) and other instruments. A new cycle of amendments to the UN Recommendations on the Transport of Dangerous Goods and to the Globally Harmonized System of Classification of Chemicals will start in 2005. It is also expected that the text of a draft new Protocol to the Convention on the Contract for the International Carriage of Goods by Road (CMR) will be finalized in 2005.

The fourteenth Revised Edition of the UN Recommendations on the Transport of Dangerous Goods and the first Revised Edition of the GHS will be prepared for publication.

In the context of work on legal instruments, the UNECE will also consider the development of transport infrastructure in its region, focusing increasingly on Euro-Asian transport links, and will



actively promote, in cooperation with UNESCAP, the implementation of the Development Account Project on inter-regional transport linkages and its continuation in future. It is also expected that a recommendation on "model" action plans and partnership agreements in intermodal transport will be adopted.

With regard to border crossing facilitation, it is expected that the future concept for international e-TIR procedure will be agreed and that Annex 8 to the "International Harmonization Convention" on efficient border-crossing procedures for road transport will be completed and adopted.

A Combined Census of Motor Traffic and Inventory of Standards and Parameters on E roads and, for the first time, an E-Rail Traffic Census, will be carried out in 2005.

Governance and Organizational Structure

GOVERNING BODIES

United Nations Economic Commission for Europe (UNECE)

Chairperson:

Mr. Wolfgang Petritsch (Austria)

Vice-Chairpersons:

Mr. Vladimir Thanati (Albania)

Mr. Sergei Aleinik (Belarus)

Mr. Algimantas Rimkunas (Lithuania)

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Committee on Environmental Policy

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Mr. Czeslaw Wieckowski (Poland)

Mr. Sergey Tveretinov (Russian Federation)

Mr. Jon Kahn (Sweden)

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Mr. Jean-Christophe Füeg (Switzerland)

Mr. Trajce Cerepnalkovski (The former Yugoslav Republic

of Macedonia)

Committee for Trade, Industry and Enterprise Development

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Mr. Tolondu Toichubaev (Kyrgyzstan)

Mr. Johan Robert Van Kuik (Netherlands)

Conference of European Statisticians

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Inland Transport Committee

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Mr. Peter Päffgen (Germany)

Vice-Chairperson:

Vacant

Timber Committee

Chairman:

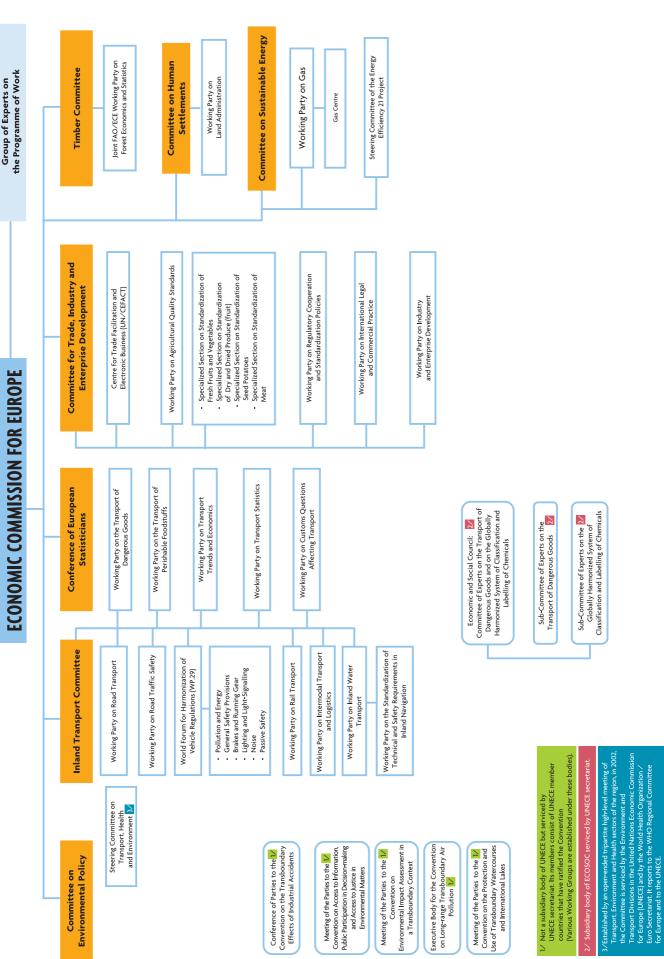
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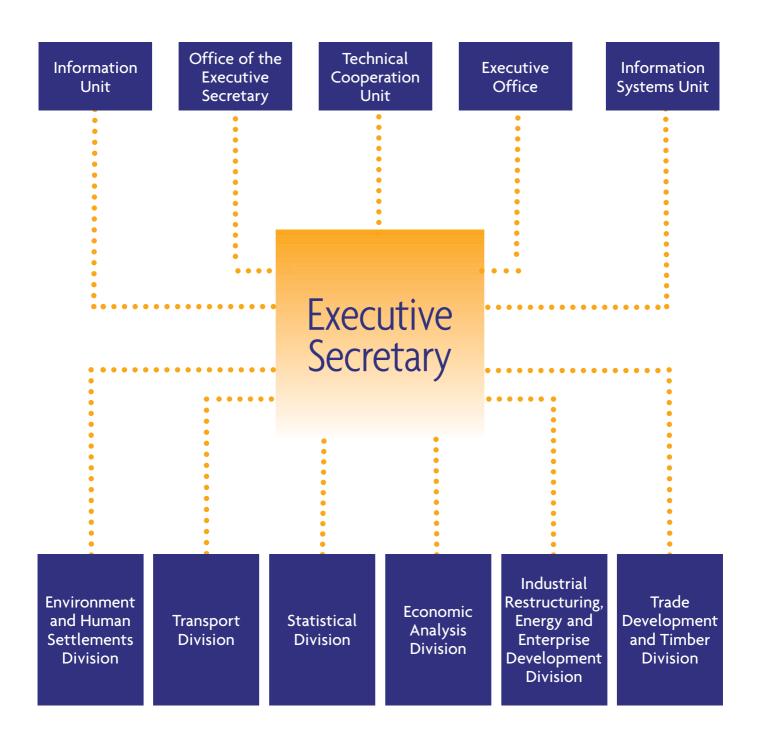
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H.E. Mr. Kevin E. MOLEY
Uzbekistan
Mr. Badriddin OBIDOV

Secretariat



Number of UNECE staff members (2004)

Regular	198
Regional	8
Project staff	13
TOTAL	219



Executive Secretary Brigita Schmögnerová



Office of the Executive Secretary Paolo Garonna, Deputy Executive Secretary (until October 2003)



Susan Bartolo, Special Assistant to the Executive Secretary and Secretary of the Commission



Patrice Robineau, Senior Adviser to the Executive Secretary and (from October 2003) Acting Deputy Executive Secretary



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Director



Environment and Human Settlements DivisionKaj Bärlund,

Director



Industrial Restructuring, Energy and Enterprise Development Division George Kowalski, Director



Technical CooperationAndrey Vasilyev,
Director



Statistical Division

Heinrich Brüngger,

Director

Trade Development and Timber DivisionCarol Cosgrove-Sacks,
Director



Transport DivisionJosé Capel Ferrer,
Director

UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE REGULAR BUDGET (in thousands of US dollars)

I. REGULAR BUDGET (SECTION 20)	2004
Post items	50,870.1
Non-post items	3,891.7
TOTAL	54,761.8
II. REGULAR PROGRAMME OF TECHNICAL COOPERATION	• • • • • • • •
(SECTION 23)	
General Temporary Assistance staff (Regional Advisers)	2,702.4
Other non-post items	216.5
TOTAL	2,918.9
III. UN DEVELOPMENT FUND (SECTION 359	
Non-post items	1,106.6
TOTAL	1,106.6
	• • • • • • • •

EXTRABUDGETARY RESOURCES (in thousands of US dollars)

TYPE OF FUND	
General Trust Funds (including UNFIP)	3,569.3
Local Technical Cooperation Trust Funds/Projects	4,040.7
UNDP/UNFPA Projects	112.0
TOTAL	7,722.0

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Guidelines on Good Governance for Public-Private Partnerships (2004) (Forthcoming) Guidelines for Private-Public Partnerships (Forthcoming)

Women entrepreneurship

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PUBLICATIONS

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Fifty-ninth session (7 March 2003 - 26 February 2004)

UNECE Report

- 2004-2005
- 2003-2004

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Economic Survey of Europe, 2005 No. 1 Sales # E.05.II.E.7 - ISBN 92-1-116922-4 - US\$ 70

Economic Survey of Europe, 2004 No. 2 ECE/EAD/2004/3 - Sales # E.04.II.E.21 - ISBN 92-1-116911-9 - US\$ 50

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