

ECE Regional Advisory Activities

Economic Cooperation and Integration

Background

The activities of the Regional Adviser on Economic Cooperation and Integration are linked to UNECE core programmes and expertise and implemented in close cooperation with the Economic Cooperation and Integration Division. The main focus of his work is to provide support to the UN Special Programme for the Economies of Central Asia (SPECA). The growing strategic importance of the SPECA region, including its role in Eurasian energy security and as a transport hub between Europe and Asia makes this Programme an important framework for the provision of technical cooperation assistance by the UNECE. He works closely with other Regional Advisers who provide expert support to the 6 SPECA Project Working Groups as well as with all UNECE Divisions and the Executive Office. This work is fully in line with the reform of UNECE, which emphasized the need to strengthen technical cooperation assistance to transition countries and in particular to Central Asia.

Activities within the SPECA framework are demand-driven: the tri-annual (2005-2007) Work Programme was adopted by high-level representatives of member countries. The next, bi-annual (2008-2009) SPECA Work Programme is to be discussed and approved by the Governing Council comprised of high-level policy-makers of member countries. The objective of the Programme is to promote regional economic cooperation and through it sustainable economic development of member countries and their rapid integration into the world economy. Projects implemented within the SPECA framework take advantage of UNECE legal instruments, norms and standards and in-house expertise of the Commission.

Results of the Programme include strengthened regional cooperation in the areas of water and energy resources, transport and border crossing, trade, statistics, ICT for development and gender and economy. Solutions elaborated at the expert level are – if necessary – discussed and approved at the policy-level (by the Governing Council at the level of Deputy Prime Ministers and Coordinating Committee at the level of Deputy Foreign Ministers).

UNECE supports SPECA jointly with the UN Economic and Social Commission for Asia and the Pacific (UNESCAP). Activities within the SPECA framework are often implemented in cooperation with partner organizations, including UNDP as well as regional organizations like EurAsEc. Such cooperation compensates for the lack of UNECE field presence and results in important synergies, including more effective fundraising, better contacts with local authorities and complementarities in expertise and programme coverage.

The SPECA Network of Economic Research Institutes was created to underpin technical cooperation activities in the SPECA framework with research and to promote policy-business-research dialogue. Its first project, the study “Facilitating international integration of Central Asia through improved effectiveness of technical cooperation assistance by the international development community” is prepared by a regional research team as background material for the next meeting of the Economic Forum.

While the UN funds the Regional Adviser and its travel budget, its work within the SPECA framework has a significant multiplier effect both within and outside of UNECE. The UN Development Account has regularly funded and is presently funding regional projects implemented within the SPECA framework. The Central Asia Strategy of the European Union,

adopted in June 2007, includes a number of issues requiring a regional approach: this opens up further opportunities for cooperation between the EU and UNECE in the SPECA region. The MoU signed by UNECE, UNESCAP and EurAsEc foresees close cooperation within the SPECA framework. Possibilities for strengthened cooperation with the CAREC Group (ADB, WB, IMF, EBRD, IsDB and UNDP) are presently being explored upon request of the last session of the Coordinating Committee.

Main directions of work

Promoting regional economic cooperation in Central Asia is a complex task: it requires the combination of expert and policy-level work and emphasis on cross-sector programmes and projects. The governing structure of the Programme has recently been modified to meet these requirements:

- Projects are prepared, implemented and evaluated by the Project Working Groups. SPECA has six Project Working Groups (PWG), on Water and Energy Resources, Transport and Border Crossing, Trade, Statistics, Information Technology for Development, and Gender and Economy.
- The Governing Council (at the level of Deputy Prime Ministers) provides policy guidance to all activities carried out within the SPECA framework, evaluates progress, determines priority areas, and approves work plans. A subsidiary body, the Coordinating Committee (at the level of Deputy Foreign Ministers) facilitates regular communication among the member countries and coordinates activities within the SPECA framework. Proposals by the expert level Project Working Groups can be taken up, discussed and approved by the Governing Council or the Coordinating Committee. They can forward them to high-level authorities in member countries. An example was the model law on dam safety, which was worked out by the PWG on Water and Energy Resources and later discussed and approved by the Coordinating Committee. Subsequently it was discussed by the Bureau of the Parliamentary Assembly of EurAsEc and forwarded to the legislatures of member countries for further action.

Main achievements

ECE regional advisory activities in support of SPECA include policy advice to member countries, preparation and conduct of meetings of the governing bodies and assistance with the implementation of their decisions, preparation and conduct of meetings of the SPECA Economic Forum, promotion of cooperation with partner organizations and institutions, active support to fundraising by the Project Working Groups, and assistance with the implementation of regional research projects with the participation of institutes associated with the Programme (SNERI). A summary of decisions by the governing bodies of SPECA and recommendations by the Economic Forum provide concrete examples of this work:

- The 2005-2007 Work Plan of SPECA was jointly elaborated by UNECE and UNESCAP for consideration by the thematic working groups during the International Conference on Sub-regional Economic Cooperation in Central Asia and the Future Role of SPECA (Astana, May 2005) and subsequently approved at the meeting of the SPECA Regional Advisory Committee. It included 9 ongoing and 19 planned projects with an estimated overall budget of USD 10.55 million.
- The Astana Conference also discussed the “Proposal to Reform and Strengthen the UN Special Programme for the Economies of Central Asia” prepared by UNECE and

UNESCAP upon the 2004 initiative of the Secretary General to strengthen and reinvigorate the Programme. It was subsequently approved by the Regional Advisory Committee.

- The First Session of the SPECA Coordinating Committee (Baku, 7 December 2005) considered and endorsed reports by the Project Working Groups. It invited the PWG on Trade, once it was established, to develop active inter-action with the PWG on Transport and Border Crossing and the newly established PWG on ICT for Development. It endorsed the list of countries co-chairing the PWG-s and elected Azerbaijan to chair the Governing Council.
- The First Meeting of the SPECA Economic Forum (Baku, 25-26 June 2006) discussed the theme “The Energy Dividend: spreading the growth impulse for prosperity and stability in the SPECA region”. The Forum, among others, launched the “Baku initiative on Energy Efficiency”, calling for closer cooperation of member countries to promote environmental sustainability, energy efficiency improvement and energy conservation.
- The First Session of the Governing Council (Baku, 27 June 2006) reviewed the implementation of the Work Plan for 2005-2007. It endorsed the establishment of the PWG on Gender and Economy. It also endorsed the initiative of the Economic Forum on closer cooperation on energy efficiency within the SPECA framework, forwarded it to the PWG on Water and Energy Resources for its consideration and requested it to submit a report on it to the next meeting of the Coordinating Committee. A panel discussion with the participation of the OSCE, EurAsEc, the World Bank and the IMF took place on potential areas of closer cooperation. It identified several areas where SPECA could develop a strategic partnership with these organizations.
- The Second Session of the Coordinating Committee discussed the Report on the Implementation of the SPECA Work Plan for 2005-2007 and the Progress Reports of the Project Working Groups. After discussing the recommendations of the PWG on Water and Energy Resources it invited the Governments of the SPECA member countries to “undertake the required actions at the national and regional levels to facilitate the successful implementation of these recommendations”. It welcomed the participation of UNDP, ECO, EurAsEc, OSCE, ADB, ITC and IFAS in the meeting and invited these organizations to strengthen cooperation with SPECA. It requested UNECE and UNESCAP as well as the country holding the chairmanship of SPECA to take further active steps to promote “ better coordination and cooperation among international organizations, regional organizations and international financial institutions in the SPECA region during the meetings of their governing bodies”.
- The First Meeting of the 2007 SPECA Economic Forum “Focus on Asia” (Almaty, 18-19 May 2007) was held as part of the “Asia-Pacific Business Forum” organized by UNESCAP. It explored possibilities for channelling Asian experience of regional economic cooperation and integration to Central Asia using the SPECA framework.