



**Economic and Social
Council**

Distr.
GENERAL

E/ECE/1451
6 February 2009

Original: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

Sixty-third session
Geneva, 30 March-1 April 2009
Item 4 of the provisional agenda

REVIEW OF THE ECE REFORM

Note by the secretariat*

Summary

The Work Plan on ECE Reform (E/ECE/1434/Rev.1) specifies that “The Commission at its 2009 session will review the reform of the ECE”. The objective of the present document is to facilitate the decisions to be taken by member States as a result of this review. It therefore follows the structure of the Work Plan and for each part, it highlights(a) the main achievements induced by the reform; (b) work directions which have been taken but which require further strengthening in their implementation; and (c) new work directions which are in line with the reform and which could be envisaged in view of recent developments and important challenges in the region. It also points to two pending issues to be addressed by the Commission: the review of the frequency of the Commission’s sessions and the opportunity of the engagement of the Economic Commission for Europe (ECE), in cooperation with the Organization for Security and Cooperation in Europe (OSCE), in the development of an Early Warning Mechanism. While the object of this note is not linked to resource issues, it however flags some areas where strengthening existing work directions or engaging in new ones may require additional funding.

The Commission is invited to take note of this document and take into consideration the information contained herein in formulating their decisions related to this item of the session.

* Late submission due to the necessity of consultations with member States.

I. GOVERNANCE STRUCTURE

A. The Commission

Main achievements

1. In line with the role assigned to the Commission by the reform, the 2007 Session of the Commission provided strategic directions to the ECE Programme of Work, particularly on the themes which were addressed during the high-level panels. The upcoming 2009 session will take up the topical subject of climate change mitigation and adaptation. This will be linked to ECE's ongoing and potential work relating thereto and will thus permit the Commission to exercise its role in providing guidance and strategic direction.
2. The reform also envisaged that the Commission session would provide a high-level dialogue on the economic development of the ECE region. Accordingly the 2009 session will have a segment on this topic and more specifically on how ECE can continue to promote economic integration, growth and cohesion throughout the wider European region, particularly in the light of the economic and financial crisis.

Issue to be discussed

3. The Work Plan on ECE Reform specifies that the review of the reform by the Commission in 2009 will include the question of the frequency of its sessions. However, as the first biennial session took place on the occasion of the sixtieth anniversary session of the Commission in 2007, and the second session has not yet taken place, it is probably too early to consider the effects of the biennialization of the Commission session. It is therefore proposed to postpone this review to 2011.

B. The Executive Committee

Main achievements

4. The Executive Committee (EXCOM) has actively performed its role as the standing governing body of ECE, particularly by meeting frequently (on average once a month), reviewing the work of all the Sectoral Committees, approving their programmes of work and the establishment and renewal of subsidiary bodies, and addressing issues requiring attention or a decision in between the biennial sessions of the Commission.
5. Since the last Commission session, EXCOM has taken a number of actions. It established the Working Group on Ageing and, for the time being, placed it under its direct governance, although the intention is to return to the question of whether this is the best place in the intergovernmental structure of ECE. It decided to promote gender mainstreaming by requesting all Sectoral Committees to identify possible areas for mainstreaming gender perspectives in their work. Most recently, it reviewed in detail the work of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) and adopted a set of recommendations, mainly aimed at enhancing governance, information access and capacity building for transition economies.

6. In the past two years, the work methods of EXCOM have also evolved. Where there is a need to examine certain issues in more detail, which is not practical or feasible to do in a plenary, EXCOM has started to work through informal groups. The first such group is the Informal Group on the economics of gender that was set up in 2006; the second group is the Informal Group on communication and visibility in 2007; and, lastly, the Informal Group on matters relating to the Committee on Trade and UN/CEFACT in 2008. So far, Norway has chaired the first group and Belgium the last two groups. This method of work has been useful for providing the opportunity for EXCOM delegates to go more in-depth on specific subjects and for preparing in advance the discussions and decisions to be made at the plenary.

7. In keeping abreast with work directions and new developments in the Sectoral Committees, EXCOM meets with the Chairpersons of the Sectoral Committees at least once a year under the relevant agenda item in a meeting usually held back-to-back with the annual session of each Committee. This has generated greater awareness and knowledge of the sectoral work of ECE among member States but the challenge remains to make this dialogue more interactive and mutually beneficial.

C. The Sectoral Committees

Main achievements

8. In accordance with the Reform, all Sectoral Committees have been submitting, for EXCOM's approval, their proposals for establishing new Teams of Specialists (also sometimes called working groups, task forces etc.), including extensions or discontinuation. This process allows EXCOM to follow the dynamism within the sectors and also ensures focused and time-bound work of such subsidiary bodies. The Sectoral Committees' programmes of work have also been regularly submitted to EXCOM for approval.

9. It is to be recalled that, although the working parties under the Sectoral Committees are considered to be subsidiary bodies of a standing nature, their mandates and extension are subject to review every five years by the parent Sectoral Committees and the conclusions of the assessment are to be reported to the Executive Committee. With 2007 being the first year of the five-year cycle, this review is expected to take place in the course of 2011.

II. THE PROGRAMME OF WORK

A. Environment subprogramme

Main achievements

10. The ECE environmental work has been increasingly focused on the implementation of the decisions taken by member States rather than the development of new environmental legal instruments. For example, the Sixth Ministerial Conference "Environment for Europe" that took place in Belgrade in October 2007 highlighted that priority should be given to better implementation of existing commitments. Reference to major implementation gaps was made in all assessment reports submitted to the Conference and it was clear that Ministers wanted more concrete impact on the ground in countries. The on-going reform of the "Environment for

Europe” process is expected to reinforce this trend by putting a stronger focus on results-based, action oriented activities, including through a stronger involvement of the private sector in the process and the encouragement of multi-stakeholder partnerships.

11. The work on environmental performance reviews and on environmental monitoring and assessment has been further developed. In particular, the Committee on Environmental Policy revised the mandate of the Working Group on Environmental Monitoring and Assessment in order to better focus on providing assistance to both countries of Eastern Europe, Caucasus and Central Asia and interested countries of South-Eastern Europe (SEE) in order to help them: (a) to undertake indicator-based assessments and enterprise monitoring; (b) to modernize and upgrade monitoring networks and information systems; and (c) to implement recommendations on environmental monitoring and assessment in environmental performance reviews.

12. Cooperation with the United Nations Environment Programme (UNEP) has been strengthened. Regular meetings between the secretariats of the two organizations have been organized since 2006 to exchange information and enhance cooperation. The Committee on Environmental Policy and its Bureau have been informed about the outcome of these meetings and a proposal is now under discussion whether to enlarge such meetings to the whole of ECE and UNEP according to an established agenda, with the objective of fostering intersectoral cooperation.

Work directions to be further strengthened

13. As noted above, emphasis has been placed on implementation of environmental norms and other decisions taken by member States. However, actions taken so far in this direction have not been sufficient, particularly for the implementation of the environmental conventions. This is due to insufficient means in terms of finance, human and institutional capacity as well as insufficient incentives in the countries of Eastern Europe, the Caucasus and Central Asia.

14. Steps have also been taken jointly by the Environment and Transport subprogrammes, together with the World Health Organization Regional Office for Europe (WHO-EURO), for strengthening the activities within the Pan-European Programme on Transport, Health and Environment (THE PEP). Based on an in-depth analysis of developments and an assessment of progress made in the region, Ministers and high-level officials agreed at the third High Level Meeting on Transport, Health and Environment (Amsterdam, 22-23 January 2009) on a common vision on how to turn the challenges of the current financial crisis into opportunities for an integration of environment- and health-friendly transport policies. The adopted “Amsterdam Declaration” calls for strengthening THE PEP as a unique international policy platform and process. It established new implementation mechanisms to achieve THE PEP priority goals towards safe, efficient, environment and health transport. In order to do so, Governments undertook to allocate the necessary financial and/or in-kind resources to THE PEP to ensure implementation of its work plan and requested ECE and WHO EURO to continue to provide secretariat services. In accordance with the political mandate and the new implementation mechanisms enshrined in the Amsterdam Declaration, concrete project proposals have already and will continue to be developed for endorsement by THE PEP Steering Committee (Geneva, 22-23 October 2009) and for funding by participating Governments and other stakeholders.

B. Transport subprogramme

Main achievements

15. The Committee on Inland Transport and the Committee on Trade have moved ahead in strengthening their cooperation. This cooperation has been designed through a roadmap that was jointly prepared by the corresponding Divisions, and subsequently discussed and adopted by the two Committees in 2008. As a result, a joint half-day trade and transport conference on the impact of globalization on transport, logistics and trade is being organized by the two Committees as part of their annual sessions in February 2009. The conference is expected to contribute to the ECE report to the Transport Ministers of the International Transport Forum who will discuss globalization and transport at their next global meeting.

16. The work on Euro-Asian transport links has reached a milestone with the Ministerial session organized in 2008 on this matter. It will be continued through the regular work of the Working Party on Transport Trends and Economics and its subsidiary ad hoc Group of Experts on Euro-Asian Transport Links, approved by the Executive Committee in April 2008 and partially financed by the grant provided by the Russian Federation until 2011.

17. The TIR Convention, another area addressed by the reform, has been strengthened by amendments (which came into force on 1 January 2009) which will provide more financial transparency on the functioning of the TIR system. Detailed provisions concerning external audit of the accounts of the International Road Transport Union (IRU) kept for the financing of the operation of the TIR Executive Board and the TIR secretariat have been incorporated in the ECE-IRU Agreement and are being implemented. An extensive package of amendments has been finalized and submitted for approval to the TIR Administrative Committee with a view to clearly defining the responsibilities of major players in the TIR system. Finally, ECE has commissioned a study which will provide a strategic review of the TIR system, and will promote the marketing of the TIR system as well as the development of the eTIR project that is aimed at the computerization and modernization of the TIR procedures. Major stakeholders and partners (European Union, World Customs Organization, World Bank, IRU) have been invited to peer-review the study findings.

18. Finally, as requested by the reform, steps have been taken to foster the work for monitoring and strengthening the implementation of key ECE legal instruments on transport. This is particularly the case for the Border Crossing Harmonization Convention and the Infrastructure Agreements. At its 2009 session, the Inland Transport Committee will consider a draft proposal on ways and means of monitoring and strengthening the implementation of other key ECE legal instruments. Related to this issue, it is worth noticing that these instruments are becoming global with a growing number of contracting parties. This calls for new ways of implementation monitoring and capacity building, which could be extended through closer cooperation with the other regional commissions.

Work directions to be further strengthened

19. Significant progress has been made in mainstreaming the environmental aspects into transportation. In particular, the World Forum for Harmonization of Vehicle Regulations, a

subsidiary body of the Inland Transport Committee, is facing the challenge of climate change mitigation and is considering a number of measures to improve vehicle energy efficiency. Supported by UNEP and the International Petroleum Industry Environmental Conservation Association, the World Forum is committed to developing the necessary recommendations or standards on market fuel quality.

New work directions

20. The Intelligent Transport Systems have been identified as one of the most important means to reduce traffic congestion, road fatalities, pollution and fuel consumption. The Transport Division should therefore incorporate this activity into its work programme. Based on a roadmap to be adopted by the Inland Transport Committee, the objective would be to ensure that the guidance provided by all the relevant working parties is effective and increases the ability of member countries to introduce such efficient transport management systems.

21. It is worth noticing that technological innovations have revolutionized the transport sector to the extent that new international public goods in the form of new standards and legal instruments may be warranted, in particular for reducing greenhouse gas emissions by vehicles and for introducing Transport Intelligent Systems. In view of its experience, convening power, network of experts and decision-makers, ECE is uniquely placed for engaging in this work. However, more resources would be needed to fully exploit this potential of initiating new normative activities related to global warming as well as for further monitoring and supporting the implementation of the ECE transport legal instruments within the ECE region and beyond.

C. Statistics subprogramme

Main achievements

22. The requested external review of the ECE statistical data work, following the substantive reduction in the number of economic time-series, turned out to be highly beneficial for the legitimacy of this work. In particular, the economic database has been changed into a well documented and user-friendly public database, bringing value to users in addition to what is provided by other international organizations. The adjustment of the database and of its dissemination infrastructure has allowed some efficiency gains which were invested in further improvements as recommended in the external review.

23. Furthermore the infrastructure that is in place is now shared by other ECE subprogrammes that produce statistics. In particular, the Statistical Division has initiated intersectoral activities with transport (inclusion of transport data in the public database), timber (inclusion of timber data in the public database), and environment (review of indicators developed by the Committee on Environment Policy). These activities were approved by the Bureau of the Conference of European Statisticians.

24. The review asked for strengthening the other activity categories: coordination of international work; methodological work leading to new or revised standards; and technical cooperation activities. The coordination of international statistical work has been actively pursued by the Bureau of the Conference of European Statisticians, through identifying

duplications, weaknesses and gaps in the pattern of activities across all relevant international organizations. As a result of reviews of activities across organizations for selected subject areas, follow-up actions decided by the Bureau involved the secretariat to a higher extent and for a greater number of issues than before.

25. Methodological work is carried out by time-bound groups of specialists with terms of reference approved by the Bureau and subsequently by EXCOM. The strengthening of this work has been managed by the Bureau which fixes the pattern of activities according to relevance and complementarity of work between ECE and the other international organizations involved in statistics. As the resource base does not change for these activities, engaging in new areas of methodological work such as sustainable development and possibly climate change statistics had to be offset by discontinuing other areas like agricultural statistics or the production of the Statistical Journal. By using this well functioning structure, future demand-driven changes in the work programme will continue to be managed effectively.

Work directions to be further strengthened

26. Technical cooperation activities have been extended thanks to a certain increase in extrabudgetary funding and the approval of a statistical project within the framework of the United Nations Development Account. They are linked to ECE or United Nations statistical standards in areas such as population and housing censuses, national accounts, Millennium Development Goal (MDG) indicators, gender statistics and the Fundamental Principles of Official Statistics. In spite of the increase, extrabudgetary funding remains insufficient to respond to the demands for capacity building activities coming from countries with transition economies as well as to the request from other regional commissions to share with them the ECE experience and good practices.

27. There is also a potential and a demand for further developing the involvement of ECE in global statistical processes where it has expertise that is not readily available in other regional commissions or in Headquarters, as has been the case for measuring violence against women, the development of standards for data and metadata exchange, short-term economic indicators and the recommendations on the 2010 Population and Housing Census. More cooperation from the United Nations Statistics Division at Headquarters with ECE should be encouraged in order to better exploit this ECE expertise for work at the global level, with appropriate funding when necessary.

D. Economic cooperation and integration subprogramme

Main achievements

28. The creation of the subprogramme on economic cooperation and integration was one of the most visible results of the ECE reform. The Committee on Economic Cooperation and Integration, established in 2006, acts as a forum for policy dialogue, exchange of good practices and development of policy guidelines on the issues identified in the Work Plan on ECE Reform. In line with the latter, at its constitutive meeting, the Committee adopted a programme of work structured around six focus areas: (a) creating a supportive environment for innovative development and knowledge-based competitiveness; (b) promoting an enabling environment for

entrepreneurship and enterprise development; (c) promoting an enabling environment for efficient financial intermediation in support of innovative development; (d) facilitating the effective regulatory protection of intellectual property rights and strengthening their role in innovative development; (e) promoting best practice in efficient public-private partnerships (PPP); and (f) fostering wider and deeper international economic integration in the ECE region.

29. In order to carry out its activities, the Committee established three teams of specialists: on intellectual property; on innovation and competitiveness policies and on PPPs. The policy dialogue in the focus areas which do not have such teams of specialists is organized through a series of conferences and expert meetings. In addition, a virtual Information Exchange Platform has been developed as a modern tool for exchange of experiences and policy dialogue among experts. In this way, the subprogramme has managed to establish an active constituency of stakeholders, partners and expert networks in ECE member States. In particular, it has generated strong interest among the ECE business community which can thus cooperate with governmental advisers and decision-makers on all relevant issues covered by the economic cooperation and integration subprogramme.

30. As a result of the work undertaken so far, the Committee has endorsed a series of synthetic policy documents (synopses of good practices, reviews of policy approaches, guidelines) reflecting the main outcomes of the work in different focus areas. Furthermore a series of comparative reviews of experiences, lessons learned and good practices of ECE countries are being issued as ECE publications.

31. The experience gained in the implementation of the programme of work has revealed close interconnectedness and complementarities among some of the subprogramme's focus areas. This experience suggests potential synergies in taking an integrating approach in future policy-oriented and capacity-building activities by addressing specific issues and topics that cut across several focus areas. Such an approach is applied to many of the activities envisaged in the programme of work for 2009-2010 whose structure and content reflect a major effort towards the optimization of the Committee's activities.

Work directions to be further strengthened

32. The amount of capacity-building activities and technical cooperation services to countries with economies in transition is constantly increasing, in response to the growing demand for such activities. Furthermore, following the adoption of the above-mentioned synthetic policy documents, the Committee's programme of work for 2009-2010 envisages even a greater emphasis on capacity-building activities and other technical cooperation services in requesting countries/subregions. However, the intensity and scope of capacity-building activities and other technical cooperation services will depend on the amount of available regular budget resources for programme implementation and extrabudgetary resources for such activities. In any case, it is expected that like the other types of activity undertaken under the subprogramme, most of the capacity-building activities will continue to be carried out in close cooperation with partner organizations operating in the ECE region.

E. Sustainable energy subprogramme

Main achievements

33. Each energy-related issue highlighted in the Work Plan has been introduced to a significant degree into the work of the Committee on Sustainable Energy and its subsidiary bodies, expert groups and projects. In particular, the environmental aspects of energy security have been placed into the heart of the Committee's activities, revealing the growing coincidence between sustainable energy policies and energy security. As an illustration, the Committee on Sustainable Energy has introduced an intergovernmental expert dialogue on energy security as a recurrent agenda item during its annual sessions. It has also launched two new extra budgetary projects on the relationship between energy security and sustainable energy policies: increasing energy efficiency for secure energy supplies and sustainable energy policies to mitigate energy security risks.

34. During the 2010-2011 biennium, further consolidation of this approach will add value to the Committee's work on energy efficiency, clean electricity production, natural gas, coal mine methane, and energy reserves and resources. As a result, the Committee is likely to enjoy the ability to transfer the results of its intergovernmental expert dialogue on energy security into its operational programmes and technical assistance projects in each of these fields. This will lend greater weight to the expert dialogue on energy security during the annual sessions of the Committee while providing increasingly meaningful direction to the activities of each expert group or project to produce the results requested by member States.

Work directions to be further strengthened

35. Cooperation between the Committee on Sustainable Energy and the Committee on Environmental Policy (energy efficiency), Inland Transport Committee (natural gas as a transport fuel) and Timber Committee (wood for energy) has been strengthened as called for in the reform. Nevertheless, the cooperation between these Sectoral Committees and with others could be developed further, in particular regarding climate change mitigation.

36. As also requested, cooperation with the International Energy Agency and the Energy Charter has been improved through joint activities and the participation of members of other relevant organizations in the activities of the Committee on Sustainable Energy and vice versa. However, this cooperation could be accelerated through the participation of representatives of these organizations in the energy security dialogue during the annual sessions of the Committee on Sustainable Energy.

F. Trade subprogramme

Main achievements

37. In line with the request in the ECE reform plan, the Working Party on Regulatory Cooperation and Standardization Policies organized an internal assessment of its activities which was presented to the Committee on Trade. This review allowed the Working Party to better focus its efforts in view of member States' current needs. As a result, the ad hoc Team of Specialists

on Quality Management Systems was dissolved. The Working Party also revised its terms of reference and its programme of work, on the basis of a newly agreed vision and mission statement.

38. The request of the reform to concentrate the activities of the Organisation for Economic Co-operation and Development (OECD) and ECE in the field of agricultural quality standards within ECE has resulted in an increased focus on the implementation of these standards (the area where OECD works), particularly in transition economies. Greater efforts have also been engaged to reach out to countries outside the region, especially those that trade with ECE countries and/or participate in OECD's work.

Work directions to be further strengthened

39. The above-mentioned steps taken to consolidate the work on agricultural quality standards have highlighted the wide use and importance of these standards and raised their profile with member States. This, in turn, has resulted in increased demands for assistance and training materials. In order to meet these demands, additional staffing or extrabudgetary funding would be required. The requested transfer of activities has not yet been completed because OECD will not make a decision until December 2009, after the OECD task team established to examine this question has submitted its report. It is important that missions of ECE member States in Geneva work with the secretariat to ensure that national representatives to the OECD Scheme support this transfer.

40. As mentioned under the transport subprogramme, a process of cooperation between the Committee on Trade and the Inland Transport Committee has been initiated but such cooperation, based on the roadmap agreed on both sides, still needs to be developed in order to fully exploit potential synergies.

Possible new work directions in line with the reform

41. EXCOM is undertaking a review of work of the Committee on Trade where two options are being discussed: new orientations for the work or discontinuance of the Committee. Initial recommendations from the Committee to EXCOM will be made in February 2009. A review of UN/CEFACT has also taken place and resulted in recommendations of EXCOM for adjustments aimed at improving governance, information access and capacity building for transition economies.

G. Timber subprogramme

Main achievements

42. The subprogramme has substantially increased cooperation, as requested by the reform, with the Ministerial Conference on the Protection of Forests in Europe (MCPFE). In particular, following the Strategic Review and Planning Process of the Timber Section in 2008, the ECE/FAO integrated programme of work is now implemented with a formalized collaboration with MCPFE.

43. Due to the allocation of an additional post, it has been possible to develop a consistent, comprehensive programme to address forest sector policy and institution needs in the region, and especially in countries with economies in transition. The capacity for analysing and monitoring national policies and institutions has thus substantially increased, providing a sound basis for relevant studies and policy debate.

44. Intersectoral work has been developed, in particular with the subprogrammes on sustainable energy, housing and land management, and water. This was highlighted at the European Forest Week (Rome, October 2008) jointly organized with different ECE units, the Food and Agriculture Organization of the United Nations, MCPFE, and European Commission.

Work directions to be further strengthened

45. Countries indicated in the Strategic Review that more extrabudgetary funding would be required to assist countries in implementing sustainable forest management throughout the ECE region.

H. Housing, land management and population subprogramme

Main achievements

46. As requested by the reform, the activities in the field of real estate have been transferred to this subprogramme. The Committee on Housing and Land Management agreed to establish a Real Estate Market advisory group (REM) under the Working Party on Land Administration whose Bureau, at its last meeting (Bergen, Norway, April 2008) endorsed a proposed membership and reviewed a preliminary programme of work. Subsequently, this programme of work and the related initial activities were presented at the sixty-ninth session of the Committee on Housing and Land Management (Geneva, September 2008) for formal approval.

47. This inclusion of REM under the Working Party on Land Administration is expected to give a boost to the activities of the Working Party and consequently to the Committee, enlarging the perspective and width of their work. As REM covers issues related to the real estate market, and therefore the whole range of immovable property, including land but also buildings, and given the scope of its programme of work, its advice is also particularly relevant to the Committee on Housing and Land Management. For instance, a seminar on the financial and real estate market crisis was successfully organized by the ECE secretariat and REM (New York, December 2008), covering housing and land related aspects alike.

48. In line with the reform, the Population Unit has been integrated into this subprogramme and the secretariat Division servicing it. Subsequently, the work on population has greatly benefited from the Division's many-sided experience with organizing intergovernmental policy discussion. This was particularly evident at the time of organizing the 2007 Ministerial Conference on Ageing (León, Spain, November 2007). The potential for new synergies has materialized through in-depth discussion in the Committee on Housing and Land Management on connections between population and housing issues as well as through using the experience of country-profiles on housing in preparing the same kind of activities on ageing.

49. EXCOM has on several occasions discussed the programme of work on population and, as a follow up to the León Conference, an intergovernmental Working Group on Ageing was established, for the time being reporting directly to the Executive Committee. Cooperation with the European Centre for Social Welfare Policy and Research in monitoring the implementation of the ECE Regional Strategy for the Madrid International Plan of Action on Ageing is included in the Working Group's programme, to continue the successful experience of 2003-2008 when these monitoring activities were funded under the auspices of a Memorandum of Understanding between ECE and Austria.

Work directions to be further strengthened

50. Given the successful activities so far undertaken by REM, it is envisaged that the market related aspects of the programme of the Working Party on Land Administration be further strengthened. In addition, given the close relationship of REM with the issues addressed by the Committee, closer cooperation between the two bodies is desirable. As the Committee is also actively involved in issues related to energy efficiency in housing, REM should also advise on matters related to the sustainability of the housing market, energy efficiency related issues and the role of the market in promoting carbon neutral buildings.

51. The establishment of the Working Group on Ageing is expected to strengthen efforts that support member States' adaptation to population ageing, such as exchange of good practices, monitoring and capacity development. The coordination of the work related to the Generations and Gender Programme needs to be strengthened in view of the expansion of this programme to more countries and its increasing importance as a source of knowledge for policymaking on intergenerational and gender relationships, and ageing.

III. TECHNICAL COOPERATION

Main achievements

52. In 2006, the Executive Committee reviewed and in 2007 the Commission endorsed the revised ECE Technical Cooperation Strategy.

53. The revised Strategy has brought the main goals and principles of ECE technical cooperation into conformity with those contained in the Work Plan on ECE Reform. It has also broadened the mandate of the Technical Cooperation Unit by including the following additional functions (a) supporting and coordinating monitoring and evaluation of technical cooperation activities; (b) promoting and facilitating fund-raising; (c) supporting and coordinating multi- and intersectoral technical cooperation activities developed within a subregional framework; and (d) linking the ECE technical assistance with the work of the United Nations country teams. In line with the Reform, technical assistance activities are linked to the ECE normative work and focused on areas where ECE has in-house expertise and comparative advantage over other organizations. Technical cooperation activities are also focused on countries with economies with transition with due respect to the geographical balance. Notably, over the past three years, almost 90 per cent of ECE technical cooperation assistance has been provided to countries with economies in transition, including 18 countries eligible for Official Development Assistance. A large part of these activities have been carried out at a subregional level, particularly in Asia

through the United Nations Special Programme for the Economies of Central Asia (SPECAs) and in South-East Europe in partnership with the Regional Coordination Council.

54. There was a substantial increase of extrabudgetary resources: in 2008 donors provided US\$ 10.1 million in extrabudgetary resources in support for technical cooperation activities, which represents an increase of 19.8 per cent compared to 2005. However, the number of requests for ECE technical assistance from Governments, particularly from countries of the Commonwealth of Independent States (CIS), has been also increasing.

55. Provided upon the request of an individual country or a group of countries with common or shared concerns, the ECE technical assistance is strictly demand driven. It is also results oriented, aiming at increasing the development impact of technical cooperation activities while ensuring strong national ownership by beneficiary countries through the involvement of national stakeholders (governments, civil society, private sector, academia) at all stages of project management, including planning and implementation.

56. As called for by the reform, EXCOM ensures the intergovernmental governance of ECE technical cooperation and endorses all technical cooperation projects funded from extrabudgetary resources.

57. The functions of the ECE Regional Advisers have been delineated and their areas of work (economic cooperation and integration, environment, statistics, sustainable energy, trade and transport) clearly identified. To ensure greater synergy between operational and normative work, the Regional Advisors have been placed under the respective Divisions.

Work directions to be further strengthened

58. Areas which require strengthening are biennial evaluation of subprogrammes' technical cooperation activities, and monitoring and reporting on the technical cooperation activities. However, carrying out these very important functions by the secretariat would require appropriate resources envisaged but not provided under the reform.

IV. CROSS-SECTORAL ISSUES

Main achievements

59. Three cross-sectoral issues have been identified in the Work Plan: (a) MDGs; (b) gender issues; and (c) private sector and non-governmental organizations

60. A database on MDGs has been established and will be further developed thanks to additional resources provided by the budget recently adopted by the General Assembly for strengthening the United Nations Development pillar. However, the ECE has not yet "acted as a platform for all stakeholders to share their information and experience, and for improving the coordination of their activities on MDGs" as requested by the reform. A first step could be taken in this direction by putting the MDGs on the agenda of a Regional Coordination Meeting which would gather together the Heads of the European Offices of the United Nations Funds, Programmes and specialized agencies. As mandated by the Economic and Social Council, such

Meetings are expected to be regularly convened by all regional commissions in their respective region.

61. A new impulse on gender mainstreaming in all relevant ECE areas of work has been given. In particular, gender has become very prominent in the statistical subprogramme, in the form of the extension and regular updating of the gender database, methodological work on gender indicators, and technical cooperation activities for mainstreaming gender in national statistical systems. Further progress has also been made in mainstreaming gender in the environmental performance reviews and in the work on entrepreneurship under economic cooperation and integration. The Committee on Housing and Land Management has also incorporated the gender dimension into its programme of work and initial steps have been taken for doing the same in the transport and energy subprogrammes. Furthermore several activities focused on “gender as smart economics” have been initiated, in particular a Development Account project on mainstreaming gender into economic policies to reach MDGs in Central Asia and the Caucasus (report with policy recommendations and gender indicators of progress in economic area); the establishment of a Knowledge Hub on economics of gender on the ECE website, providing information for policy; an assessment of business environment for women entrepreneurs in rural and urban areas prepared in cooperation with the International Labour Organization; and a series of capacity building workshops for women entrepreneurs organized with the support of the Government of Israel.

62. The involvement of the private sector has also been strengthened in most of the ECE areas of work. As an illustration, the Inland Transport Committee and the secretariat are vigorously continuing efforts to engage the private sector and NGOs not only in technical work, but are also exploring possibilities for obtaining additional financing for new programme activities. One of the most recent examples was the additional financial support by the Greek Chambers of Commerce to the ECE Conference on Hinterland Connections of Seaports (Piraeus, September 2008). Under the trade subprogramme, there has always been a very active participation by the private sector in the work on trade facilitation and electronic business and a number of activities in the fields of agricultural quality standards and regulatory cooperation are organized with the participation of private sector representatives. The economic cooperation and integration subprogramme has also succeeded in generating considerable interest among the ECE business community which is manifested, inter alia, through involvement in substantive discussions at events of the Committee on Economic Cooperation and Integration, voluntary financial contributions to some of the capacity building activities organized in the area of intellectual property, and in-kind support to the elaboration of the training modules for the toolkit on “How to do PPPs”. Under a mandate from the Energy Efficiency 21 Project, a financial group has raised the European Clean Energy Fund, one of the largest funds for financing environmentally sound energy technologies in Europe.

Possible new work direction

63. A possible new major work direction of a cross-sectoral nature, in line with the reform, would consist in mainstreaming climate change adaptation and mitigation in all relevant ECE areas of work. With its strong constituencies in the fields of environment, transport, sustainable energy, housing, timber and statistics, and the globalization of its work in most of these areas, ECE can substantially contribute to addressing the climate change challenge in the ECE region

and beyond. It is expected that the High-level Panel organized on climate change at the Commission session will provide specific work directions to the ECE programme of work in this respect.

V. COOPERATION WITH OTHER ORGANIZATIONS AND INSTITUTIONS

Main achievements

64. Since the adoption of the reform priority, relations with the European Commission have intensified. The overall political climate of ECE–European Commission relations has substantially improved through high level meetings of the Executive Secretary with the President of the Commission, sectoral Commissioners (energy, transport, taxation and customs, enterprise and industry and external policies) and those responsible for external policies (enlargement, neighbourhood). This was followed by working level meetings, such as on cooperation on water issues in central Asia and the biomass project. Furthermore a list of possible synergies between EU priority areas for external policy and ECE expertise and activities has been prepared and provides a road map for developing cooperation.

65. Along the same lines, ECE has intensified its cooperation with subregional groupings and initiatives, bringing an increasingly recognized expert contribution to these undertakings.

66. SPECA, jointly implemented by ECE and Economic and Social Commission for Asia and the Pacific (ESCAP), has been strengthened through its reform approved in 2005. The newly established Governing Council provides strategic guidance to the Programme. The SPECA Economic Forums – organized in conjunction with Governing Council sessions – have become the venue for strategic discussions on key issues of regional cooperation. The number of project working groups has increased from two to six, on water and energy, transport and border crossing, trade, statistics, knowledge based development, and gender and economy. SPECA work programmes now include a much larger number of projects, which attract more significant extrabudgetary funding. Cooperation with partner organizations and institutions – including the European Union, Eurasian Economic Community (EurAsEc) and the Central Asia Regional Economic Cooperation (CAREC) Group – has also expanded.

67. Furthermore, ECE – notably through its Water Convention, its support to the SPECA strategy on “Strengthening cooperation for rational and efficient use of water and energy resources in Central Asia” and its successful field projects – has become an effective and well-recognized promoter of regional cooperation in transboundary water management in Central Asia. This has been recognized in the Water and Energy Pillar of the Central Asia Strategy of the European Union, where ECE is mentioned as an implementing partner. ECE co-organized with the Government of Germany two high-level conferences on regional water management, where a Euro 10 M programme was launched as part of the “Berlin Water Process”; ECE has been invited to lead the implementation of an important component of that programme, focusing on institution building and legal reform. ECE is also actively participating in the Central Asia Development Risks Assessment which is led by the United Nations Development Programme (UNDP) and addresses the challenges brought about by the compound water, energy and food crisis of 2008-2009.

68. ECE has a long tradition of facilitating regional and subregional cooperation in South-East Europe and made an essential contribution to the Southeast European Cooperative Initiative in the late 1990s. It has also contributed to various projects of the Stability Pact for South-Eastern Europe. Ever since the inception of the Regional Cooperation Council (RCC) at its meeting in Sofia in February 2008, ECE has been collaborating with this newly established organization and identified the following areas for joint activities: energy, statistics, gender, PPP and trade.

69. Currently the ECE Energy Efficiency 21 Project, in collaboration with RCC, the Regional Network for the Efficient Use of Energy and Water Resources, European Foundation for Sustainable Development of the Regions, Network of Associations of Local Authorities of South-Eastern Europe and other partners is working on developing a regional project for countries of the South-East Europe. The project is expected to produce a pipeline of cost-effective energy efficiency investment projects that can leverage commercial sector finance and additional resources from the public and private sector. Energy efficiency investments developed in the project could provide continuing budget savings for municipalities, hospitals and district heating utilities. Local communities would also benefit from enhanced safety and personal security from improved public lighting systems

70. Another example of partnering with other organizations is the ECE participation in the Environment and Security (ENVSEC) initiative, together with OSCE, UNEP, UNDP, the North Atlantic Treaty Organization and the Regional Environmental Centres. ECE was also involved in the interagency group which provides technical assistance on trade issues in Albania, a pilot country within the framework of the "One UN process".

71. In May 2007 ECE, jointly with ESCAP and the secretariat of the EurAsEc Integration Committee, signed a Memorandum of Understanding with the objective of promoting effective cooperation in support of the achievement of the MDGs and implementation of activities within the framework of SPECA. In addition, ECE and the EurAsEc Inter-Parliamentary Assembly (IPA) in 2007 signed a Cooperation Agreement focused on harmonizing draft legislation developed under the IPA with relevant ECE legal instruments. This cooperation has led to a model national law on dam safety in Central Asia.

72. At a meeting of Heads of Governments of the CIS countries (Minsk, May 2008) in which the ECE Executive Secretary participated, the CIS discussed an economic strategy covering a number of areas which correspond to priority sectors of ECE work. Subsequently ECE made a substantial contribution to the further elaboration and finalization of the strategy.

73. Cooperation with the other regional commissions has also intensified, in particular as a result of a senior retreat gathering together the five Executive Secretaries in Turin, Italy and the development and implementation of Development Account projects jointly undertaken by several regional commissions.

Provision of the Work Plan not implemented

74. While requested by the Work Plan, the opportunity of ECE's engagement in the development of an early warning mechanism in cooperation with OSCE has not been discussed so far by EXCOM.

VI. MANAGEMENT

Main achievements

75. The Office of the Executive Secretary is fulfilling the work directions stipulated in the reform plan. In particular, with the support of the relevant substantive Divisions, it delivered the contributions requested by Headquarters as a regional follow-up to multilateral commitments made at the General Assembly, ECOSOC and United Nations Global Conferences and Summits. This includes the provision of regional analyses and perspectives as inputs to supporting documents and the organization of preparatory meetings and events. For example, in 2008 ECE contributed to the preparatory process for the Follow-up Conference on Financing for Development in Doha by organizing an expert seminar of European regional partner organizations which resulted in a paper containing Regional Consultation Conclusions. The European regional perspective was also presented at the Doha conference. ECE continues to work with ECOSOC in contributing regional assessments of development issues for United Nations global economic and social studies and ECOSOC segments on regional cooperation.

76. The Office of the Executive Secretary also promoted intersectoral work, in particular relating to MDGs and climate change. The work concerning the monitoring of implementation of OSCE commitments in the economic and environmental fields has been guided by the Executive Secretary.

77. As requested by the Reform, the Programme Planning, Monitoring and Evaluation (PPME) mechanism within ECE has been substantially strengthened, particularly through the launching in 2007 of biennial evaluations of all ECE subprogrammes for the 2008-2009 biennium. These evaluations are expected to have an impact on the way the Committees manage their work programmes and to allow them to assess their own performance at the level of clusters of activities, learn lessons and draw appropriate conclusions. Such strengthening is mainly due to the establishment of the PPME Unit and with an additional post in this PPME area as decided by the Reform.

78. The biennial evaluations are linked as far as possible with the other programme planning and evaluation activities, notably with the preparation of the strategic framework which constitutes a point of departure when planning the expected accomplishments in the context of the biennial evaluations. The guide on biennial evaluations endorsed by EXCOM addresses the issue of "downstream indicators" by stressing the importance of measuring the impact of ECE's work as close to the ground as possible.

79. In order to ensure coherence and a common approach used by the subprogrammes in planning and conducting the biennial evaluations, the PPME Unit organized an awareness and knowledge sharing campaign among the major stakeholders. Apart from laying down the

respective methodology and procedures in the “Guide for biennial evaluations of subprogramme performance by ECE Sectoral Committees”, the Unit prepared an action plan to aid the implementation of the biennial evaluations.

80. The secretariat has provided EXCOM with information on resource distribution among subprogrammes during its consideration of the programme narratives in the context of the preparation of the programme budget proposal to Headquarters for the biennia 2008-2009 and 2010-2011. It has also regularly informed EXCOM of new extrabudgetary resources obtained by the secretariat, including submitting new extrabudgetary projects for endorsement.

Area for further action

81. In future, the main results and lessons learned from the first experience in the undertaking of biennial evaluations in the Sectoral Committees could be brought to the attention of EXCOM.

VII. COMMUNICATION

Main achievements

82. Progress has been made in this area through publicizing important events such as the sixtieth anniversary of the Commission, the First United Nations Global Road Safety Week and the International Year of the Potato. Efforts have been made to ensure that the Press is fully briefed on ECE’s activities, including through Press Releases, Press Conferences and ad hoc briefings. Furthermore, work has been initiated on improving the harmonization, visibility and usability of the ECE website, which is recognized to be the Commission’s key communication tool. This work was undertaken in cooperation with EXCOM’s Informal Group on Improving Visibility and Communication. A Usability Study of the ECE website was conducted by an external consultant and many of the key recommendations have already been or are in the process of being implemented. An in-depth internal study of the opportunities to harmonize the website across programmes and improve the navigation for the user was conducted and the recommendations that are not dependent on a Web Content Management System (WCMS) are now being implemented. ECE’s weekly newsletter, UNECE Weekly, continues to provide a summary of key events and its circulation is increasing as a result of demand.

Direction to be further strengthened

83. However, due to the shortage of staff resources (only one Professional Post devoted to information and communication), a great deal remains to be done, in particular on further harmonizing and improving the user-friendliness of the website – which is dependent on the implementation of a WCMS – and for better defining and promoting the corporate image of ECE, as requested by the reform.
