

## Chapter V

## Regional economic and social activities

The five regional commissions continued in 2003 to provide technical cooperation, including advisory services, to their member States, promote programmes and projects and provide training to enhance national capacity-building in various sectors. Four of them held regular sessions during the year—the Economic Commission for Africa (ECA), the Economic Commission for Europe (ECE), the Economic and Social Commission for Asia and the Pacific (ESCAP) and the Economic and Social Commission for Western Asia (ESCWA). The Economic Commission for Latin America and the Caribbean (ECLAC) did not meet in 2003 but was scheduled to meet in 2004. The executive secretaries of the commissions continued to hold periodic meetings to exchange views and coordinate activities and positions on major development issues and preparations for and follow-up to UN conferences.

During the year, ECA placed particular emphasis on development issues related to social policy and poverty, and issues related to trade, in the context of the priorities set by the Millennium Development Goals (MDGs) and the New Partnership for Africa's Development. In July, the Economic and Social Council welcomed the cooperation between ECA and ECE on the project for the link through the Strait of Gibraltar and in deep-sea drilling work. ESCAP, in the review of its programmes, focused on the impact of HIV/AIDS on development, poverty reduction, the effects of globalization and implementation of the MDGs. It also considered issues related to landlocked developing countries and called for cooperation in transit transport in the ESCAP region, in accordance with the Almaty Programme of Action on the special transport needs of landlocked developing countries in Central Asia and their neighbours. In July, the Economic and Social Council admitted Timor-Leste as a full member of ESCAP.

The Council decided to establish within ESCWA a committee on women to identify, among other things, women-related priorities of its programme of work and medium-term plan, and to prepare and implement field projects for their advancement and empowerment. It called on the ESCWA secretariat to consider establishing a UN Arabic language centre to raise the technical and linguistic level of Arabic terminology used in UN

documents. Other ESCWA activities concerned transport and trade, sustainable development and economic analysis and statistics. Among its activities, ECE focused on trade cooperation and industrial standards, particularly for transition economies. ECLAC continued activities in numerous areas, especially sustainable development and poverty reduction.

---

### Regional cooperation

---

In 2003, the United Nations continued to strengthen cooperation among its regional commissions, between them and other UN entities, and with regional and international organizations.

On 28 January (**decision 2003/205**), the Economic and Social Council decided that the theme for the regional cooperation item of its 2003 substantive session would be "Development dimensions of trade negotiations: a regional perspective".

**Meetings of executive secretaries.** The executive secretaries of the five regional commissions met on 12 February (New York), 17 July (Geneva), 29 October (New York) and 9 December (Geneva) [E/2003/15, E/2004/15].

At their February meeting and meetings held in the latter half of 2002 [YUN 2002, p. 973], the executive secretaries exchanged views on, among other topics, the commissions' preparations for the World Summit on the Information Society (see p. 857); the Secretary-General's second set of major reforms contained in his report "Strengthening the United Nations: An Agenda for Further Change" [ibid., p. 1352]; global development issues as they related to their respective regions; and areas of cooperation among the commissions and the relationship between them and their UN system partners. They also exchanged views on the commissions' main strategic tasks in assisting their member States to implement the Millennium Declaration commitments [YUN 2000, p. 49] and those arising from other UN conferences, and on how to reflect those tasks in setting priorities for preparing their 2004-2005 programme budgets.

The executive secretaries agreed that the commissions provided an important regional forum for exchanging policies and best practices among member States and other stakeholders, bringing global concerns to their regions and regional concerns to global forums, and assisting member countries in peer reviews and the exchange of information, including on lessons learned. They also agreed to continue to highlight the role of the commissions in forging common regional positions as well as special concerns that were unique to the regions.

The executive secretaries concurred that, although the dual role of the regional commissions as regional outposts of the United Nations and as its regional expression had been reaffirmed by the Economic and Social Council in resolution 1998/46 [YUN 1998, p. 1262], the Secretary-General's proposals for further reform, including results-based budgeting [YUN 2002, p. 1368], should bring greater convergence of the commissions' activities with the priorities of the Millennium Declaration and the outcomes of major world conferences. For that purpose, through the 2004-2005 budget preparation process, the commissions had further strengthened their priority setting and strategic planning. They had also streamlined their organizational structures and the functioning of their subsidiary governmental forums and reinforced their outreach activities, including through improved dissemination of information about their activities.

Regarding the Secretary-General's proposals for reforming technical cooperation and his intention to clarify roles so as to achieve greater coherence and complementarity in providing those services (see p. 879), the executive secretaries affirmed that the commissions should play the overall leadership role in facilitating cooperation and coordination of technical cooperation activities provided by UN entities to regional and sub-regional processes, and that the regional coordination meetings mandated by the Council should be utilized for that purpose.

The executive secretaries found the regional coordination meetings useful for information exchange, and agreed to make them more strategic in their approach to coordination and more effective for coordination of follow-up to world conferences and other global intergovernmental commitments, in particular for regional monitoring of the Millennium Development Goals (MDGs) [YUN 2000, p. 51]. The meetings should encourage collaboration among UN entities and linkages of their activities to ensure a more coherent UN system response to agreed priorities for their respective regions. They noted that the ECA mandate for coordinating and monitoring

UN activities in support of the New Partnership for Africa's Development (NEPAD) (see p. 937), and its endorsement by the United Nations System Chief Executives Board for Coordination, had ensured a stronger direction for the regional coordination meetings while maintaining their simple structure and lack of bureaucratic layers.

The executive secretaries reviewed the Secretary-General's proposals for strengthening the role of the Executive Committee on Economic and Social Affairs for strategic planning and policy coherence, and noted that the Committee's work had led to improved interaction between the regional commissions and other relevant UN entities working at the global level. They agreed to involve the United Nations Development Programme (UNDP) more actively in the Executive Committee's work and in the regional coordination meetings to ensure improved coordination of regional programmes and activities, and in the preparation of the *Human Development Report*.

The executive secretaries noted the importance of the timely and successful conclusion of the Doha Development Agenda [YUN 2001, p. 1432], and reviewed the regional commissions' role in extending technical assistance to developing countries in preparing for the multilateral trade negotiations. They exchanged views on cooperation between the commissions and subregional organizations and integration groupings in their respective regions. They were of the view that the two projects submitted by the commissions for funding under the UN Development Account (see p. 905)—capacity-building in trade and environment, and interregional partnership for promoting trade as an engine of growth through knowledge management and information and communication technology—should strengthen interregional cooperation and cooperation among the commissions.

#### **Review and reform of the regional commissions**

In a May report [E/2003/15], the Secretary-General updated action taken by the regional commissions to implement the guidance given by the Economic and Social Council in resolution 1998/46 [YUN 1998, p. 1262] on restructuring and revitalizing the United Nations. In particular, the report described the commissions' dual role as UN outposts and as the regional expression of the Organization, discussed the theme for the Council's substantive session on regional cooperation (development dimensions of trade negotiations) and cooperation among the regional

commissions in given areas, and reported on the meetings of the executive secretaries (see above).

In addenda to the report, the Secretary-General submitted resolutions and decisions adopted at recent meetings of the regional commissions calling for action by the Council [E/2003/15/Add.1] and a summary of resolution 59/1 (see p. 1013), adopted at ESCAP's fifty-ninth session [E/2003/15/Add.2], on regional follow-up to the Declaration of Commitment on HIV/AIDS, adopted at the twenty-sixth special session of the General Assembly by resolution S-26/2 [YUN 2001, p. 1126]

By **decision 2003/274** of 24 July, the Council took note of the Secretary-General's reports on regional cooperation (above) and the summaries of the economic and social situation in Africa, 2002 [E/2003/17]; the economic and social survey of Asia and the Pacific, 2003 [E/2003/18]; the economic survey of Europe, 2002 [E/2003/16]; the economic survey of Latin America and the Caribbean, 2002 [E/2003/19]; and the survey of economic and social developments in the ESCWA region, 2002-2003 [E/2003/20].

The Council adopted resolutions on the admission of Timor-Leste as a full member of ESCAP (**resolution 2003/7**); the establishment within ESCWA of a committee on women (**resolution 2003/9**) and of a UN Arabic language centre (**resolution 2003/8**); and the project for a Europe-Africa link through the Strait of Gibraltar (**resolution 2003/52**). It adopted a decision on the date and venue of ESCAP's sixtieth (2004) session (**decision 2003/228**).

(Summaries of the surveys and the texts of the resolutions are found in the relevant sections of this chapter.)

The General Assembly, in **resolution 58/272** of 23 December (see p. 1447), took note of the Secretary-General's report on the proportion of General Service staff to Professional staff in the regional commissions [A/58/403] and the related report of the Advisory Committee on Administrative and Budgetary Questions [A/58/7/Add.5] (see p. 1447).

### Review of regional commission subprogrammes

In April [E/AC.51/2003/4], the Secretary-General transmitted to the Committee for Programme and Coordination (CPC) the report of the Office of Internal Oversight Services on the triennial review of the implementation of the recommendations made by CPC on the in-depth evaluation of global development trends, issues and policies, global approaches to social and microeconomic issues and policies, and the correspond-

ing subprogrammes in the regional commissions. The review, submitted in accordance with General Assembly resolution 54/244 [YUN 1999, p. 1274], concluded that the Department of Economic and Social Affairs (DESA) and the regional commissions had improved the quality and presentation of those reports to ensure that their findings and proposals could more easily reach government officials and the specialized public. The programmes concerned had applied good practices that were increasing the dissemination of analyses, such as the timely release of publications, more targeted distribution and special briefings to government officials and the press. Greater efforts were needed to ensure that economic analyses served as a source for understanding long-term trends, thereby contributing to the achievement of the MDGs. The exchange of information between DESA and the regional commissions would benefit from a more focused and institutionalized approach; for example, standard procedures should be followed during the planning stage of global and regional economic surveys.

At its forty-third session (New York, 9 June-3 July and 9 July) [A/58/16], CPC stressed the need for regional commissions to redouble their efforts in establishing strong linkages with regional and national institutions that were end-users of the outputs of the commissions' work on regional socio-economic analysis, in order to ensure that the findings of such studies could be taken into account at the country and regional levels.

---

## Africa

---

The Economic Commission for Africa (ECA) held its thirty-sixth session/Conference of African Ministers of Finance, Planning and Economic Development (Addis Ababa, Ethiopia, 29 May-1 June) [E/ECA/CM.36/4] under the theme "Towards greater coherence and mutual accountability for development effectiveness". It considered the modalities and terms of reference for an external review of ECA's work since 1996, the proposed programme of work and priorities for 2004-2005 and the Commission's annual report for the 12-month period beginning 1 June 2002.

The Conference of African Ministers adopted a ministerial statement in which Ministers recognized the emerging consensus in the international community on the importance to development effectiveness of mutual accountability,

harmonization and policy coherence. They considered their deliberations as a critical African effort to operationalize mutual accountability, promote policy coherence, contribute to making the International Monetary Fund (IMF) work better for Africa, and overcome the macroeconomic challenges of HIV/AIDS and thereby contribute to meeting the MDGs.

The Conference was preceded by the twenty-second meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning and Economic Development (Addis Ababa, 29-30 May), which discussed the items on the Commission's agenda.

The third Tokyo International Conference on African Development (TICAD III) (Tokyo, 29 September-1 October) reviewed the achievements of the 10-year TICAD process and discussed its future direction. The Conference adopted the TICAD Tenth Anniversary Declaration, affirming the ideal of partnership based on mutual trust and respect between Africa and the international community. The Chairman issued a summary of the proceedings.

The Second Ministerial Conference of the China-Africa Cooperation Forum (Addis Ababa, December) adopted the Addis Ababa Action Plan (2004-2006), which would serve as a guideline for cooperation between Africa and China.

### Economic trends

In 2003, Africa's gross domestic product (GDP) grew by 3.6 per cent, compared to 3.2 per cent in 2002, making it the second fastest growing region in the developing world, behind Eastern and Southern Asia, according to the "Economic report on Africa 2004: unlocking Africa's potential in the global economy" [E/2004/17]. That performance was due largely to higher oil prices and production, rising commodity prices, increased foreign direct investment and good macroeconomic fundamentals, backed by good weather conditions. North Africa showed the strongest performance with a 4.7 per cent growth in GDP, followed by Central Africa at 3.7 per cent and West Africa at 3.6 per cent. East and Southern Africa both registered a paltry growth of 2.5 per cent. At the country level, there was a greater disparity in growth, with seven countries experiencing negative rates.

Fiscal deficits were largely kept under control, despite the challenge faced by many African countries in balancing spending on poverty reduction and preserving macroeconomic stability. Inflation rose slightly to 10.6 per cent, compared to 9.3 per cent in 2002, reflecting higher food and oil-import prices and currency depreciation

in several countries. The regional current account deficit fell from 1.6 per cent of GDP in 2002 to 0.7 per cent in 2003, driven by robust oil and commodity prices and high worker remittances.

There was a slight deterioration in aggregate economic performance for sub-Saharan Africa, down from 3.5 per cent in 2002 to 2.9 per cent in 2003 and, in terms of per capita growth rates, North Africa and sub-Saharan Africa, with the highest rates of demographic expansion in the world, registered rates of 2.7 per cent and 1.7 per cent, respectively, which were clearly inadequate to achieve the MDGs for poverty reduction.

### Activities in 2003

ECA activities in 2003 were undertaken through the following subprogrammes: facilitating economic and social policy analysis; fostering sustainable development; strengthening development management; harnessing information for development; promoting trade and regional integration; promoting the advancement of women; and supporting subregional activities for development [E/ECA/CM.36/4, E/ECA/CM.37/4].

### Development policy and regional economic development

#### *African recovery and development*

ECA continued in 2003 to strengthen the capacity of member States to design and implement appropriate economic and social policies and strategies to achieve sustained economic growth for poverty reduction, in line with the priorities of the Millennium Declaration [YUN 2000, p. 49] and the New Partnership for Africa's Development (NEPAD) [YUN 2001, p. 899]. Particular emphasis was placed on economic policy analysis, development issues related to social policy and poverty analysis, trade and finance, and statistical development.

In the area of economic policy analysis, ECA published the 2003 edition of the *Economic Report on Africa* under the theme "Accelerating the pace of development". ECA's work in social policy and poverty analysis focused on support for member States in achieving the goals of NEPAD and the Millennium Declaration, including the preparation of analytical studies and other research activities, to help them understand the structural causes of poverty in order to design and implement effective pro-poor policies and strategies. Several other studies examined the policy and methodological issues involved in poverty measurement in Africa. The secretariat organized an ad hoc expert group meeting (Kampala, Uganda, June) to analyse the impact of pro-poor

growth strategies on such sectors as education, labour, health, tourism and agriculture. It also convened the third meeting of the African Learning Group on the Poverty Reduction Strategy Paper (PRSP) (Addis Ababa, 3-5 December), which examined the PRSP process, the extent to which African countries were using the framework to focus on poverty reduction, and how it was influencing Africa's major development partners and shaping the new aid relationship. Two workshops were held on capital markets development in October (Johannesburg, South Africa, and Cairo, Egypt), and an ad hoc expert group meeting (Addis Ababa) was held on fiscal policy and growth in Africa to examine the challenges of decentralization, fiscal federalism and taxation and their implications for growth and poverty reduction.

As a follow-up to ECA's discussion on mutual accountability and policy coherence, the secretariat convened a special session of the ECA Big Table (Washington, D.C., October) to review how policies and practices of the Bretton Woods institutions (the World Bank Group and IMF) could contribute to Africa's realization of the MDGs.

#### New Partnership for Africa's Development

ECA continued to chair the regional consultative meetings of UN agencies working in Africa, which constituted the framework for coordination of UN system support for NEPAD [E/AC.51/2003/6]—a programme for the continent's development, initiated by African leaders in 2001 [YUN 2001, p. 899]. Under the infrastructure development cluster, one of the five clusters around which the UN system organized support for NEPAD [YUN 2002, p. 977], ECA and the World Bank, in collaboration with other partners, developed a long-term plan for the Sub-Saharan Africa Transport Programme, which was to be adopted by the Programme's General Meeting (Kigali, Rwanda, May). ECA and the African Development Bank carried out a study on the Trans African Highways, which was reviewed by stakeholders (Addis Ababa, 30-31 January). With regard to air transport, ECA and the World Bank helped the Economic Community of West African States (ECOWAS) and the Economic and Monetary Community of Central Africa (CEMAC) to organize a ministerial meeting for West and Central Africa (25-28 February) to consider economic regulatory and safety oversight programmes. To that end, a plan was adopted, and ECA and the World Bank agreed to evaluate the Bank-supported capacity-building programmes for air transport at ECOWAS and CEMAC. Under the human resources development, employment and HIV/AIDS cluster, ECA supported the new

commission on HIV/AIDS in Africa and the regional programme for HIV/AIDS.

In **resolution 58/233** of 23 December (see p. 941), the General Assembly, noting the growing collaboration among UN system entities in support of NEPAD, requested the Secretary-General to promote greater coherence in the work of the UN system in support of NEPAD, on the basis of the agreed clusters.

(For more on NEPAD, see p. 937.)

#### Information technology

ECA activities under the subprogramme on harnessing information for development focused on promoting the growth of an information society in Africa through harnessing information and communication technologies (ICTs). The Commission assisted African countries in preparing for the World Summit on the Information Society (see p. 857), including through follow-up activities to the African Regional Preparatory Conference [YUN 2002, p. 978], such as the African media practitioners' forum (Addis Ababa, May) and the African Engineers' Day (Tunis, Tunisia, October). ECA continued to provide support to its member States in preparing for the second phase of the World Summit, scheduled to be held in Tunis in 2005. It participated in the launch of several initiatives and projects at the Summit, including the Global e-Policy Resource Network, thereby setting up the African regional node to coordinate demand from African institutions seeking guidance on e-strategies. ECA successfully completed the task of ensuring that information fed into the *Spatial Data Infrastructures Africa: An Implementation Guide*, launched in 2003 to provide guidelines on such national and regional infrastructures, was compatible and complementary. It worked closely with UNDP in the formulation of national information and communications infrastructure policies and plans for Cameroon, Malawi, Mozambique, Rwanda and Swaziland. Collaboration was also strengthened with other UN agencies within the context of the activities of the African Stakeholders Network of the UN ICT Task Force, which ECA coordinated. ECA and the World Intellectual Property Organization organized a subregional workshop (Addis Ababa, November) to address issues related to strategies for the acquisition, management and dissemination of intellectual property information.

The third meeting of the Committee on Development Information (CODI III) (Addis Ababa, 10-16 May), held under the theme "Information and governance", underscored the importance of information and good governance in Africa and made recommendations on strategies for har-

nessing information to enhance good governance practices. As part of CODI III activities, the Global Knowledge Partnership Africa Day was held on 13 May, focusing on, among other things, ICT and governance experiences in African countries, strategies for promoting e-governance, progress on ICT policies, and information and knowledge developments.

### Transport and communications

#### *Europe-Africa permanent link*

In response to Economic and Social Council resolution 1999/37 [YUN 1999, p. 918], the Secretary-General submitted a May report [E/2003/45] by the executive secretaries of ECA and ECE on the work done in connection with the project to establish a Europe-Africa permanent link through the Strait of Gibraltar. The report described the work carried out by two research companies in the areas of topographic mapping and related activities, geological mapping, oceanography, geotechnical tests and traffic monitoring. The information gathered so far seemed to indicate that the temporarily suspended studies and activities, particularly offshore deep drilling activities, should be restarted. That, together with the possible construction of a submarine exploration tunnel, should clear up remaining doubts as to the technical feasibility of a bored rail tunnel.

#### ECONOMIC AND SOCIAL COUNCIL ACTION

On 24 July [meeting 47], the Economic and Social Council adopted **resolution 2003/52** [draft: E/2003/L.16] without vote [agenda item 10].

#### **Europe-Africa permanent link through the Strait of Gibraltar**

*The Economic and Social Council,*

*Recalling* its resolutions 1982/57 of 30 July 1982, 1983/62 of 29 July 1983, 1984/75 of 27 July 1984, 1985/70 of 26 July 1985, 1987/69 of 8 July 1987, 1989/119 of 28 July 1989, 1991/74 of 26 July 1991, 1993/60 of 30 July 1993, 1995/48 of 27 July 1995, 1997/48 of 22 July 1997, 1999/37 of 28 July 1999 and 2001/29 of 26 July 2001,

*Referring* to resolution 912(1989) adopted on 1 February 1989 by the Parliamentary Assembly of the Council of Europe regarding measures to encourage the construction of a major traffic artery in south-western Europe and to study thoroughly the possibility of a permanent link through the Strait of Gibraltar,

*Referring also* to the Barcelona Declaration adopted at the Euro-Mediterranean Conference, held at Barcelona, Spain, in November 1995, and to the work programme annexed thereto, aimed at connecting the Mediterranean transport networks to the trans-European transport network so as to ensure their interoperability,

*Referring further* to the Lisbon Declaration adopted at the Conference on Transport in the Mediterranean,

held at Lisbon in January 1997, and to the conclusions of the Pan-European Transport Conference, held at Helsinki in June 1997, on corridors in the Mediterranean incorporating the permanent link,

*Taking note* of the conclusions of the second and third meetings of the Western Mediterranean Transport Group, held at Rabat in September 1995 and at Madrid in January 1997, and of the conclusions of the meeting held at Brussels in 2000 by the Euro-Mediterranean Forum on Transport, which constitutes a framework for coordination among the countries of the Mediterranean basin, for the development of integrated transport networks,

*Taking note also* of the conclusions of the study on transport infrastructure in the six countries of the western Mediterranean, carried out by the Western Mediterranean Transport Group in 1998, which is currently being updated with funding by the European Commission, for the establishment of an integrated network in the Mediterranean basin,

*Taking note further* of the follow-up report prepared jointly by the Economic Commission for Africa and the Economic Commission for Europe in accordance with resolution 2001/29, which refers to further project studies, with the aim, in particular, of supplementing the related geological and geotechnical research,

1. *Welcomes* the cooperation on the project for the link through the Strait of Gibraltar between the Economic Commission for Africa, the Economic Commission for Europe, the Governments of Morocco and Spain and specialized international organizations;

2. *Also welcomes* the efforts made to date in deep-sea drilling work, which have provided a decisive impetus to geological and geotechnical knowledge of undersea formations, and invites the two sponsoring countries and the organizations concerned to intensify their cooperation in order to finalize the project studies;

3. *Commends* the Economic Commission for Africa and the Economic Commission for Europe on the work done in preparing the project follow-up report requested by the Council in its resolution 2001/29;

4. *Renews* its invitation to the competent organizations of the United Nations system and to specialized governmental and non-governmental organizations to participate in the studies and operations on the permanent link through the Strait of Gibraltar;

5. *Requests* the Executive Secretaries of the Economic Commission for Africa and the Economic Commission for Europe to continue to take an active part in the follow-up to the project and to report to the Council at its substantive session of 2005;

6. *Requests* the Secretary-General to provide formal support and, to the extent that priorities permit, the resources necessary, within the regular budget, to the Economic Commission for Africa and the Economic Commission for Europe, to enable them to carry out the activities mentioned above.

### Industrial development

The sixteenth meeting of the Conference of African Ministers of Industry (Vienna, 28 November), convened in cooperation with the African Union (AU) and the NEPAD secretariat, requested the Director-General of the United Nations Industrial Development Organization to

support African industrialization under the framework of NEPAD, in line with General Assembly resolution 57/297 [YUN 2002, p. 979] on the Second Industrial Development Decade for Africa (1993-2002). The Conference adopted the African Productive Capacity Initiative (APCI), with the objective of providing further impetus to structural change in Africa, encouraging economic growth and sustainable development, promoting intra-trade and regional production processes, removing constraints and reducing transaction costs. It established the African Productive Capacity Facility to finance implementation of APCI.

#### **Food security and sustainable development**

ECA activities under the subprogramme on food security and sustainable development were aimed at enhancing the awareness and understanding of policy makers of the environmental foundations of sustainable development, with particular focus on strengthening their capacities for better integrating the nexus of food security, population growth, environmental sustainability and sustainable natural resources management into national development plans and poverty reduction strategies. ECA also helped to create awareness of the potential contribution of science and technology, including biotechnology, to achieving food security and sustainable development. The secretariat assisted member States in defining their environmental challenges and priorities and identifying strategies for addressing them.

ECA organized the third meeting of the Committee on Sustainable Development (Addis Ababa, 7-10 October), under the theme "Making technology work for the poor". The Committee adopted recommendations on harmonizing its work with that of the Commission on Sustainable Development (see p. 838) and making the Committee serve as a regional review forum for the Commission. Six ad hoc expert group meetings were organized to address land tenure policies and their implications for food security and sustainable development, indicators for measuring food security in Africa, assessment of power pooling arrangements, the green revolution in Africa, the regional 10-year review of the International Conference on Population and Development [YUN 1994, p. 955], and minerals cluster development. ECA also undertook research and prepared studies on a variety of related subjects. As a follow-up to the ad hoc expert group meeting that helped develop the road map to a green revolution in Africa, the secretariat organized an advocacy ministerial round table on the topic at the high-level segment of the Economic and So-

cial Council (Geneva, July) (see p. 853). It also implemented a field project in Kampala, Uganda, in December, bringing together key African researchers to identify indicators and contribute to designing a strategy for agricultural modernization.

The secretariat supported implementation of the NEPAD mining chapter, providing, in collaboration with the United Nations Educational, Scientific and Cultural Organization, technical assistance for revamping African science and technology, including commissioning working papers for an experts' preparatory meeting (Nairobi, Kenya, October). It participated in the ministerial meeting in Johannesburg, which adopted an action plan and established a Ministerial Council for Managing Science and Technology in Africa.

#### **Development management**

The issue of governance in Africa was centred on the "capable State"—one in which the public service, legislature, judiciary and statutory bodies could provide an enabling environment for all sectors of society to play their respective roles in improving governance and consolidating the foundations for sustainable development. Activities under the subprogramme of strengthening development management focused on promoting good governance and enhancing broad-based stakeholder participation in the development process. In that regard, ECA continued its project on "Measuring and monitoring progress towards good governance in Africa", in order to prepare for the first edition of the African Governance Report, to be launched in 2004. Activities under that project included extensive fieldwork and country-level research, in collaboration with several national institutions, to develop 83 core indicators assessing three broad areas of governance: political representation, institutional effectiveness and economic management, and corporate governance. In preparation for the Fourth African Development Forum, to be held in 2004, ECA organized three subregional workshops in 2003—for Eastern and Southern Africa (Lusaka, Zambia, November); Central and West Africa (Accra, Ghana, December); and North Africa, including the Horn of Africa (Cairo, Egypt, December). A meeting of the Forum's Steering Committee was held in July in Addis Ababa to agree on the issues paper and the overall approach to the Forum's work.

The second meeting of the Committee on Human Development and Civil Society (Addis Ababa, 26-27 May), organized in collaboration with the Joint United Nations Programme on HIV/AIDS, deliberated on the theme of partici-

tion and partnership in Africa's development. Some of the Committee's recommendations served as the basis for the regional input to the high-level panel discussion on HIV/AIDS, organized as part of the General Assembly's fifty-eighth (2003) session (see p. 1243). The meeting developed a framework for promoting the creation of modalities for the dissemination of "best practices", institutional reforms and capacity-building initiatives needed to meet the MDGs by 2015. A list of indicators for monitoring the effectiveness of that framework was also developed.

#### **Promoting trade and regional integration**

ECA's Trade and Regional Integration Division continued to promote the integration and participation of African countries in the global economy and to strengthen the regional integration process, focusing on policy issues and infrastructure development. To realize that objective, the Division undertook activities in the areas of trade promotion and multilateral trade negotiations; facilitating the process of regional economic integration; and transportation infrastructure development. It initiated or participated in analytical studies in support of trade promotion and multilateral trade negotiations, including the Economic Report, 2004, on the theme "Unlocking Africa's trade potential in the global economy".

At the request of member States, ECA undertook several initiatives and activities to strengthen their capacities for effective participation in the new multilateral trade arrangements; for example, it collaborated with the AU Commission and other organizations to organize the second high-level brainstorming meeting of African trade negotiators (Grand Baie, Mauritius, June), which formed the basis for the African common position for the fifth World Trade Organization (WTO) ministerial meeting (Cancún, Mexico, September) (see p. 1535). As a follow-up to the WTO meeting, the secretariat, in collaboration with the AU Commission and Ghana, organized an expert group meeting (Accra, 28-29 November) to evaluate the implications of the Cancún meeting for African countries, assist countries to develop strategies for further negotiations, and identify research needs for those negotiations. Other trade-related activities included the convening of an expert group meeting (Addis Ababa, October) on the impact of trade liberalization on the fiscal revenue base of African countries. To support the NEPAD goal of mobilizing resources for poverty reduction and development, progress was made in establishing the African Trade Policy Centre, with the objective of strengthening Africa's trading capacity through research, training and capacity-building.

The third session of the Committee on Regional Cooperation and Integration (Addis Ababa, 30-31 October) brought together representatives of member States, the AU, the World Bank and other regional and international organizations dealing with air transport issues to consider matters pertaining to ECA's activities in support of the African economic integration process. The meeting reviewed reports on the status of regional integration in Africa, the implementation of the 1988 Yamoussoukro Declaration on air transport [YUN 1988, p. 273] and air transport liberalization in Africa. In the area of transport infrastructure development, a study was undertaken on multimodal transport development in Africa, which was reviewed by an ad hoc expert group meeting (Addis Ababa, October). The meeting recommended the establishment of a regional dispute settlement mechanism to arbitrate disputes between and among member States and that a study be conducted on the impact of liberalization in America and Europe.

#### **Integration of women in development**

In 2003, ECA continued to develop instruments for measuring progress in attaining the priorities identified in the Dakar [YUN 1994, p. 696] and Beijing [YUN 1995, p. 1170] Platforms for Action on the advancement of women. It developed an Africa-specific guidebook on mainstreaming gender into national planning instruments, including national accounts and national budgetary instruments. The guidebook contained a set of methodologies and tools as an easy reference for mainstreaming gender and provided guidelines in such areas as the collection of gender-disaggregated data through time-use studies, and evaluation of policy impacts on poverty reduction and welfare. The guidebook, reviewed by an ad hoc expert group meeting in December, was intended to inform decision makers about the importance of women's contribution to the national product and enhance their capacity for mainstreaming that contribution into national budgetary processes. The African Gender and Development Index, launched in 2002 [YUN 2002, p. 980], moved into a second phase with trials in Benin, Burkina Faso, Cameroon, Ethiopia, Ghana, South Africa, Uganda and the United Republic of Tanzania. The process of compiling country gender profiles for all 53 African countries was completed. The secretariat finalized a programme for the Africa Decade Review of the implementation of the Dakar and Beijing Platforms for Action, which was endorsed in September by the Bureau of the Committee on Women and Development.

ECA continued to support the economic empowerment of women through assistance for sub-

regional enterprise development facilities. In May, it launched the facility for the East Africa subregion, based in Kampala.

### Subregional Offices

The Subregional Offices (formerly called Subregional Development Centres), located in Central, East, North, Southern and West Africa, continued to promote policy dialogue and support development initiatives through collaborative arrangements with member States or through regional economic communities and intergovernmental bodies. They also provided technical assistance and promoted regional integration initiatives among the constituencies they served.

### Construction of office facilities at ECA

In July [A/58/154], the Secretary-General, in response to resolution 56/270 [YUN 2002, p. 1459], reported on progress in the construction of additional office facilities at ECA headquarters in Addis Ababa (see p. 1500), including a revised project schedule of design consultancy and construction activities and a proposed site plan.

---

## Asia and the Pacific

---

The Economic and Social Commission for Asia and the Pacific (ESCAP) held its fifty-ninth session in Bangkok, Thailand, in two phases: the first on 24 and 25 April [E/2003/39]; and the second from 1 to 4 September [E/2003/39/Add.1], under the theme "Integrating economic and social concerns, especially HIV/AIDS, in meeting the needs of the region". The Commission also held a two-part ministerial round table: one part on HIV/AIDS and the other on the first regional report on the MDGs [YUN 2000, p. 51].

The Commission reviewed programme planning and evaluation, resource mobilization, including technical cooperation, transit transport issues in landlocked and transit developing countries, policy and management questions, emerging regional issues and developments, least developed, landlocked and island developing countries, and reports of regional intergovernmental bodies.

The Commission agreed that the theme of its sixtieth session would be "Meeting the challenges in an era of globalization by strengthening regional development cooperation".

### Economic trends

According to the summary of the economic and social survey of Asia and the Pacific, 2004 [E/2004/18], the developing economies of the region continued to show strong growth in 2003, achieving a real GDP growth rate of 6 per cent. ESCAP developing countries' GDP grew faster than the global economy and other groups of developing countries as a result of forces within the region, such as intraregional trade and strong domestic demand. China's performance in just three years (2001-2003) was central in sustaining the momentum of growth in the region as a whole. Regional developed countries achieved a GDP growth rate of 2.7 per cent, due to a strong revival of growth in Japan, for the first time in 10 years, and continued dynamism in Australia and New Zealand.

In the North and Central Asia subregion, GDP growth accelerated by an impressive 2.3 percentage points to reach 7.7 per cent. The already high rates of growth in economies such as Armenia, Azerbaijan, Georgia, Tajikistan and Turkmenistan increased further, while the economy of the Russian Federation exceeded expectations and reached 7.3 per cent. The latter's performance was driven by the strong energy and other natural resource sectors, aided by the continued diversification of the economy. The collective GDP rate in South and South-West Asia showed marked improvement, reaching 6.6 per cent. That growth was almost exclusively accounted for by India, although Bangladesh, Pakistan and Sri Lanka also experienced better growth rates to varying degrees. The growth in India (7.5 per cent) and Pakistan (5.1 per cent) was facilitated by more favourable weather, which aided a stronger output in agriculture. The GDP growth rate of the South-East Asian countries reached 4.5 per cent, a slight improvement over the previous year's performance, but nowhere near the momentum of growth in the 1980s and 1990s. East and North-East Asia was the only subregion not to experience a more rapid GDP growth rate in 2003 (6 per cent), as the rapid growth of the Chinese economy failed to offset the slowdown in the Republic of Korea and weaker growth in the Taiwan Province of China. The Pacific island countries emerged from two years of recession to achieve a GDP growth rate of 2.8 per cent, stimulated by higher agricultural commodity prices. However, inflationary pressures intensified, especially in the larger economies of Papua New Guinea and Fiji, due to higher energy prices.

The developed economies of the region saw a strong revival of growth, with Japan showing signs of durable growth (2.7 per cent compared to negative growth in 2002) for the first time in 10

years and Australia (2.8 per cent) and New Zealand (2.7 per cent) continuing to show dynamism.

### **Policy issues**

Even with relatively buoyant economic growth, some problematic policy issues faced the region, such as the unwinding of global imbalances and the weakening of the dollar, from which individual economies needed to shield themselves, and the appreciation of regional exchange rates, which required flexibility of response buttressed by stronger regional cooperation. Another policy issue was the possible emergence of asset bubbles in stock markets and in real estate and whether pre-emptive action was the appropriate response. Other regional issues included the outbreak of avian influenza, requiring strong cooperation in containing the spread of the disease, and the need for Governments to place short-term issues within their longer-term commitments, such as those in the MDGs.

The need for fiscal consolidation was becoming paramount. Governments had to adopt strict debt-to-GDP ratios and annual budgetary deficits as the European Union (EU) had done in its Stability and Growth Pact, aimed at introducing an element of predictability in their public finances, and providing a more secure and informed basis for investment decisions. The consolidation of public debt should be approached within a long-term programme of fiscal reform. All national tax systems in the region needed to be more equitable and efficient. One problematic element in national tax systems was the discretionary powers given to tax officials, which tended to erode accountability, open up opportunities for corrupt practices and lower efficiency. Corporate and financial sector reform had made significant progress in the region as a whole, but needed to be accelerated.

The key to steady development in the medium term was maintaining and enhancing competitiveness, and investment in human resources development was a critically important element in that regard. Many regional countries were not doing enough in that area and risked falling behind in competitiveness.

Financial market infrastructure was poorly developed to assist small and medium-sized enterprises, a major source of employment, in growing to an efficient size. Many of them found it difficult to access financing in order to expand. Governments should reinforce training, technology transfer, information dissemination and the formation of networks to improve the performance of small and medium-sized enterprises.

Governance remained a policy challenge throughout the region, despite some progress in

private and public sector governance. The lack of, or differential access to, administrative or legal redress reduced productivity. Governments should correct shortcomings, such as counter-productive State bureaucracy and delays in the legal process. Corporate malfeasance and corruption by public officials also needed to be tackled vigorously.

At its 2003 session, ESCAP considered reports on the current economic situation in the region and related policy issues [E/ESCAP/1266/Rev.1 & Corr.1] and the economic and social survey of Asia and the Pacific in 2003 (see p. 1007). The Commission noted that, in 2003, the region had to face further difficulties, such as the war in Iraq (see p. 315), the outbreak of severe acute respiratory syndrome (SARS) and new terrorist attacks. Although those developments had adversely affected the economic outlook for the region, economic performance remained satisfactory. However, Governments would have to improve public and private sector governance and transparency. In the medium to long term, poverty was the major policy challenge facing the region's developing countries. To attain the MDGs and improve the people's well-being, national economic and social policies had to be integrated. The Commission suggested that the secretariat evaluate the interaction between economic and social policies and examine the mechanisms by which social expenditures acted as productive factors in the development process.

The Commission urged that special attention be given to the integration of least developed countries into the multilateral trading system on fair terms, including duty-free and quota-free access for their products and a guaranteed increase in the market share of unskilled and semi-skilled providers of goods and services in world trade. It agreed that the problem of HIV/AIDS (see p. 1013) was no longer simply a health problem, but a serious threat to development, security and stability, and had to be dealt with in a holistic manner.

## **Activities in 2003**

### **Poverty reduction**

For its discussion of poverty reduction, the Commission had before it a document on related developments, issues and strategies [E/ESCAP/1268/Rev.1] and the report of the Committee on Statistics on its thirteenth (November 2002) session [E/ESCAP/1269].

The Commission supported the secretariat's plan to assist members in reducing poverty in a strategy comprising research on economic development prospects and policies that influenced

poverty reduction, disseminating good practices in poverty reduction, and adopting and replicating those practices in trade and entrepreneurial development, environment, information, communication and space technology, and social development. It recommended that the secretariat explore financial frameworks to ensure equal access of the poor to credit facilities and promote domestic financial institutions working for the poor. The Commission agreed that poverty should be tackled through the enhancement of agricultural productivity, health care, educational standards, affordable access to information, communication and space technology, advancement of the status of women and weaker sections of society and the promotion of wider political participation. Noting the linkages between poverty and environmental degradation, the Commission requested the secretariat to propose poverty reduction programmes and activities to assist countries in promoting sustainable development practices and in implementing the Monterrey Consensus, adopted at the 2002 International Conference on Financing for Development [YUN 2002, p. 953], and the Johannesburg Declaration and Plan of Implementation, adopted at the World Summit on Sustainable Development [ibid., p. 821]. The Commission stressed the importance of human security within the framework of poverty reduction and development, based on the empowerment of individuals, and underlined the importance of indicators in illuminating policy matters with regard to poverty.

The Committee on Poverty Reduction, at its first session (Bangkok, 8-10 October) [E/ESCAP/1306], discussed financial and other key resource mobilization issues in implementing the MDGs, and issues related to poverty statistics and measurement, the transfer of good and innovative practices, and information and communication technology for poverty reduction. The Committee recommended that stakeholders coordinate their efforts to achieve the MDGs, with UN assistance. It noted the need to strengthen national statistical infrastructure and improve the quality of statistics, and encouraged the secretariat to provide more coherence in the identification and replication of poverty reduction interventions and to place emphasis on the capacity-building of the agencies involved in poverty reduction programmes.

The Commission also endorsed the report of the Steering Group of the Committee on Regional Economic Cooperation on its fourteenth meeting (2-4 December 2002) [E/ESCAP/1276], and urged that the recommendations contained therein be implemented. It requested the secreta-

riat to continue its assistance in capacity-building in trade and investment, paying particular attention to sustained investment liberalization, strengthening the legal framework, institutional capacity-building, development of infrastructure for trade and investment, human resources development and private sector development, with special attention to the development of small and medium-sized enterprises and micro-enterprises.

### Statistics

The Commission endorsed the report of the Committee on Statistics on its thirteenth (2002) session [E/ESCAP/1269] and supported its recommendations, including initiatives on statistical capacity-building. It recommended the sharing of good practices on poverty statistics and urged the secretariat to contribute to the preparation of a handbook on concepts, methods and practices in poverty statistics being developed by the United Nations Statistics Division.

Noting the inadequacy of economic statistics in many countries, resulting in a lack of basic data on such subjects as capital stocks, the Commission requested the secretariat to provide assistance in that regard. It also noted the Committee's efforts to improve the measurement of economic activity, including of the informal sector and the informal economy. The Commission considered it important that countries be informed of new data collection techniques and methods to capture and estimate the full production of the informal economy. It further noted the progress made on preparations for the 2004 round of the International Comparison Programme, but expressed concern about the adequacy of the funding. It requested the secretariat to provide assistance and capacity-building in statistics related to the measurement of the information society and knowledge-based economy, which had become a priority in the region.

The Commission also considered the report of the Governing Board of the Statistical Institute for Asia and the Pacific [E/ESCAP/1270], which gave an overview of training activities implemented in 2002/03 and highlighted issues for the Commission's attention, including the Institute's 2003/04 programme of work.

### Managing globalization

The Commission considered a secretariat note [E/ESCAP/1297] on progress in the implementation of Commission resolutions relating to the theme of managing globalization. Those resolutions dealt with transport infrastructure development, space applications for sustainable development, environment and sustainable development, in-

formation and communication technologies for development, the 2002 World Summit on Sustainable Development [YUN 2002, p. 821] and establishment of the Asian and Pacific Centre for Agricultural Engineering and Machinery [ibid., p. 990].

The Commission noted that, although the region had benefited from globalization, the impact had been uneven. It underscored the need for concerted efforts among countries at different development levels and for creating a conducive environment for regional cooperation that would encourage the forces of globalization to promote economic and social development in the region.

The first session of the Committee on Managing Globalization (Bangkok, 19-21 November) [E/ESCAP/1307] reviewed selected cross-cutting issues (trade and transport facilitation, sustainable consumption and production, regional cooperation for bridging the digital divide) and sectoral developments, and provided guidance on the future work of its subcommittees on international trade and investment, transport infrastructure and facilitation and tourism, environment and sustainable development, and information, communications and space technology. It recommended an integrated approach to addressing trade and transport facilitation issues and requested the secretariat to assist countries in applying the Trade Facilitation Framework and the time and cost-distance model. It recognized the secretariat's lead role in the shift towards sustainable consumption and production. The Committee commended the secretariat's work in the area of trade and investment, with a focus on the Doha Development Agenda [YUN 2001, p. 1432]. It requested the secretariat to give priority to a study on current regional trade arrangements and bilateral trade initiatives, and to issues relating to the importance of foreign direct investment in the development process.

The Committee endorsed the ESCAP strategy on infrastructure development and transport facilitation and supported a revised plan for the Asian land transport infrastructure project (see p. 1011). It recommended that a ministerial conference on transport be organized in 2006 and an intergovernmental meeting on sustainable tourism development in 2005. It urged member countries to sign or accede to the Intergovernmental Agreement on the Asian Highway Network, adopted by the Intergovernmental Meeting to Develop an Intergovernmental Agreement on the Asian Highway Network (Bangkok, 17-18 November) [E/ESCAP/TTD/AHN/Rep].

The Committee endorsed the use of the regional road map towards an information society

in Asia and the Pacific for the formulation of an action plan. It urged the convening of an inter-governmental meeting to analyse the outcome of the World Summit on Sustainable Development and requested the secretariat to continue its efforts in the areas of the environment, energy and water and water-related disaster mitigation and preparedness.

### **Least developed, landlocked and island developing countries**

#### *Special Body on Least Developed and Landlocked Developing Countries*

The Commission considered the report of the Special Body on Least Developed and Landlocked Developing Countries on its sixth session (Bangkok, 1-2 September) [E/ESCAP/1303 & Corr.1], which reviewed the outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (Almaty, Kazakhstan, 28-29 August) [E/ESCAP/1309]. The Conference adopted the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries (see p. 875), which set out measures for establishing efficient transit transport systems in five areas—transit policy issues, infrastructure development and maintenance, international trade and trade facilitation, international support measures and implementation and review. The Commission urged all stakeholders to implement the Programme of Action.

#### *Landlocked States in Central Asia*

In August [A/58/209], the Secretary-General transmitted to the General Assembly the report of the Secretary-General of the United Nations Conference on Trade and Development (UNCTAD) on the transit environment in landlocked States in Central Asia and their transit developing neighbours, in response to General Assembly resolution 55/181 [YUN 2000, p. 933]. The report discussed the transit environment in Central Asia and current measures to improve that environment and reduce non-physical barriers to transit transport through national laws and increased regional and international cooperation. The report also discussed complementary new actions to improve the transit environment, such as harmonization and simplification of transit procedures and documentation, increased use of information technology to speed up border-crossing pro-

cedures, efforts to reduce trade and transit transport barriers, measures to strengthen regional cooperation and policies to promote the private sector.

By **decision 58/547** of 23 December, the Assembly took note of the UNCTAD report.

#### *Least developed countries*

The Commission, on 4 September [E/2003/39/Add.1 (res. 59/4)], adopted a resolution on the implementation of the Programme of Action for the Least Developed Countries (LDCs) for the Decade 2001-2010 [YUN 2001, p. 770], in which it requested the Executive Secretary, in line with the Programme of Action, to review, analyse and disseminate annually information on economic and social developments in LDCs, assist them in formulating sectoral development strategies, paying due regard to the diverse development circumstances and constraints facing them, and conduct, in 2005, a regional midterm review of the implementation of the Programme of Action.

The Commission agreed that the eighth session of the Special Body on Pacific Island Developing Countries, scheduled for Shanghai, China, in 2004, would consider as its theme “Experiences and challenges in urban management issues in Pacific island countries”.

#### **Economic and technical cooperation**

In 2003, ESCAP received \$13.6 million for technical cooperation activities [E/ESCAP/1321], a slight decrease from the \$14 million for 2002. Of that amount, \$5.3 million was received from the UN system and \$7.6 million from individual States, including developing countries, and \$0.7 million from intergovernmental organizations and non-governmental organizations (NGOs). Contributions from four developed countries (Australia, Finland, Japan, United States) provided just under 50 per cent of the total bilateral assistance, with Japan contributing the most. Among the developing country members and associate members, China, India and the Republic of Korea were the largest contributors. In addition to cash contributions, donor countries provided some 126 work-months of experts on a non-reimbursable loan basis. Twenty-four new projects were launched during the year.

As part of its revitalization process, ESCAP launched a new technical cooperation strategy, focusing on three priority thematic areas—poverty reduction, managing globalization and emerging social issues—in order to assist countries to attain internationally agreed development goals.

#### **Transport, communications, tourism and infrastructure development**

The Commission had before it the report of the Committee on Transport, Communications, Tourism and Infrastructure Development on its fourth session (Bangkok, 13-15 November 2002) [E/ESCAP/1274] and a report on progress in the implementation of resolutions relating to the theme of managing globalization [E/ESCAP/1297], including implementation of the New Delhi Action Plan on Infrastructure Development in Asia and the Pacific [YUN 1995, p. 1012]. The Commission endorsed the Committee’s recommendations and reiterated its commitment to and support for the Seoul Declaration on Infrastructure Development in Asia and the Pacific, including phase II of the Regional Action Programme (2002-2006) of the New Delhi Action Plan [YUN 2001, p. 910]. Recognizing the importance of private sector investment in the development of transport infrastructure, the Commission requested the secretariat to study approaches to promote such investment and prepare models of funding in the framework of private sector partnerships. It also endorsed the plan of action for phase VI (2004-2005) of the Asian land transport infrastructure development project, and requested the secretariat to update the route alignment of the Trans-Asian Railway prior to the establishment of a Trans-Asian Railway Working Group. Noting the two ESCAP projects relating to the development of an integrated shipping and port system in the North-East Asian subregion and an integrated international transport and logistics system for North-East Asia, the Commission requested the secretariat to undertake a study on best practices in the subregion and disseminate the results.

In the area of tourism, the Commission reaffirmed its commitment to implementing the Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region [YUN 1999, p. 929]. It noted the capacity-building seminars related to sustainable tourism development held in 2003 for specific countries and those planned for 2004 and the seminar on poverty alleviation (Kathmandu, Nepal, August), which discussed measures to alleviate poverty through tourism. It asked the secretariat to further strengthen activities to enhance the contribution of tourism to poverty alleviation.

#### **Science and technology**

The Commission considered the February report [E/ESCAP/1278] of the Asian and Pacific Centre for Transfer of Technology (APCTT) on its activities, including the report of the APCTT Governing Board (seventeenth session, Hanoi,

Viet Nam, 31 October and 1 November 2002). The Commission, noting the APCTT review, advised that, to improve its effectiveness, the Centre should conduct a more thorough needs assessment of its members, with emphasis on technology commercialization, high-technology transfer, technology parks and business incubator development, tech-entrepreneurship development, the building of information technology-powered regional and cross-regional technology transfer networks, transfer of environmentally sound technologies, e-commerce and private sector involvement in the Centre's activities. APCTT should promote the sharing of experiences and best practices with regard to the transfer and adoption of relevant technologies in rural areas, set up working groups on its key areas and establish comprehensive programme planning to ensure allocation of reasonable financial resources. The Commission requested APCTT to finalize a strategy for establishing an endowment fund.

#### **Environment and sustainable development**

The Commission, having considered the report of the Committee on Environment and Natural Resources Development on its fourth session (Bangkok, 19-21 November 2002) [E/ESCAP/1275] and a report on regional follow-up [E/ESCAP/1302] to the Johannesburg Plan of Implementation of the World Summit on Sustainable Development [YUN 2002, p. 822], endorsed the latter, including its conclusions and recommendations. The Commission recommended that ESCAP play a substantive role in implementing the Johannesburg Plan. Noting that several regional initiatives in the Phnom Penh Regional Platform on Sustainable Development for Asia and the Pacific [YUN 2001, p. 911] were echoed in the outcome of the World Summit, the Commission decided to implement programmes in conformity with the decisions of the Johannesburg Plan and of the Commission on Sustainable Development at its eleventh session (see p. 838). It urged the secretariat to mobilize additional resources for implementing the outcome of the World Summit, supported the regional meeting (October) to review implementation of the Plan in relation to the first cluster areas of water, sanitation and human settlements, and asked it to report to the Commission on Sustainable Development in 2004.

The Commission supported the secretariat's capacity-building programmes in strategic planning and management for integrated water resources management to meet the MDG targets in a holistic approach. The secretariat should promote, among other things, public awareness of water conservation, water-use efficiency and groundwater contamination and increase co-

operation to commemorate the International Year of Freshwater 2003 (see p. 1033). The secretariat was also called on to assist ESCAP members in assessing water resources and monitoring the freshwater situation.

The Commission noted the Asia-Pacific Expert Meeting on Promoting Sustainable Production and Consumption Patterns (Yogyakarta, Indonesia, 21-23 May), which identified priorities for regional and subregional frameworks and initiatives, and the international expert group meeting, organized by the Department of Economic and Social Affairs (Marrakech, Morocco, June), which adopted a 10-year framework of programmes for sustainable production and consumption patterns.

#### **Agriculture and development**

The Commission had before it a July report [E/ESCAP/1277/Rev.1] on the Asian and Pacific Centre for Agricultural Engineering and Machinery (APCAEM), which detailed the activities related to the establishment of the Centre and the recommendations of its Governing Board (Beijing, 26-27 November 2002). The Commission requested the Centre to develop a medium- to long-term road map by prioritizing its work programme, and recommended that activities in agro-electronics, rural energy and other poverty alleviation activities be accorded priority, with a view to making APCAEM a centre of excellence. It recommended that the Centre disseminate information on technologies for promoting the involvement of rural women in agro-processing activities, strengthen activities in farm machinery and agro-engineering that were beneficial to the poor and engage in new technologies, especially in biotechnology. The Centre was urged to mobilize additional resources, with a view to becoming self-supporting.

A later report [E/ESCAP/1320] indicated that the Host Country Headquarters Agreement and its Supplementary Agreement on Administrative and Financial Arrangements were signed between China and ESCAP in November, making the Centre operational. The second session of the APCAEM Governing Board (Beijing, 26-27 November) adopted a number of conclusions and recommendations, and the 2004-2005 APCAEM work programme and financial resources plan and its 2004-2008 medium- and long-term strategy.

The Commission also considered the report of the Regional Coordination Centre for Research and Development of Coarse Grains, Pulses, Roots and Tuber Crops in the Humid Tropics of Asia and the Pacific [E/ESCAP/1272], including the

report of its Governing Board on its twenty-first session (Bogor, Indonesia, 14-15 January). The Executive Secretary summarized the report of the Governing Board on its extraordinary session (20-21 August), at which the findings and recommendations of an external evaluation of the Centre were reviewed. The Board agreed that the work of the Centre should be aligned with the ESCAP programme of work, medium-term plan and thematic priorities, particularly poverty reduction issues. The Commission accepted the findings and recommendations of the Board at its extraordinary session, emphasized the importance of the Centre's activities for the development of sustainable agriculture, and suggested that another review be conducted in 2006.

### Social development

The Commission endorsed the report of the Fifth Asian and Pacific Population Conference (Bangkok, 11-17 December 2002) [E/ESCAP/1271 & Corr.1], including the Plan of Action on Population and Poverty. It stressed that demographic and population factors should be fully integrated into national, sectoral and local planning. The Commission recommended that efforts to provide access to basic needs and services be strengthened and integrated into the planning process at all levels, and that a pro-poor macro-economic model be accompanied by a people-centred development approach, based on good governance at the local and international levels.

The Commission, in a September resolution [E/2003/39/Add.1 (res. 59/1)] on regional action to follow up the Declaration of Commitment on HIV/AIDS contained in General Assembly resolution S-26/2 [YUN 2001, p. 1126], called on members and associate members to implement the Declaration, respond to the HIV/AIDS pandemic with high-level political commitment, maintain high levels of investment to prevent the epidemic's spread, promote policies that prevented the spread of HIV/AIDS, including interventions among drug users, address the gender-specific dimensions of the epidemic, support action to reduce infection among young people aged 15 to 24, and strengthen support for children living with HIV/AIDS. The Executive Secretary was requested to strengthen UN regional coordination to promote accelerated action in addressing issues of stigma and discrimination relevant to HIV/AIDS prevention and treatment, cooperate with subregional groupings to strengthen the subregional capability to deal with HIV/AIDS, mainstream HIV/AIDS prevention, treatment, care and support in the ESCAP programme of work, and initiate measures to build national capacity to meet the HIV/AIDS challenge.

The Commission stressed the importance of gender mainstreaming in education and of eliminating barriers to women's and girls' access to education, in order to promote gender equality. It called for increasing women's access to paid employment and for strengthening their social protection and security coverage.

In a September resolution on strengthening social safety in Asia and the Pacific [res. 59/2], the Commission called on members and associate members to increase resources for education, vocational and management training, occupational safety and health by strengthening technical cooperation with the private sector; improve methods for collecting and analysing basic employment data; assess mechanisms to measure unremunerated work; devise arrangements to meet the needs of the poor and vulnerable groups; and strengthen partnerships with the public and private sectors and other stakeholders concerned with social welfare and social safety. The Executive Secretary was requested to design an action-oriented programme of work and assist members and associate members in developing social safety policies, including employment data collection and analysis. He was urged to promote experience-sharing and best-practice learning on social integration within the ESCAP region, paying attention to disadvantaged, marginalized and unskilled groups in formulating the 2004 programme of work.

The Committee on Emerging Social Issues, at its first session (Bangkok, 4-6 September) [E/ESCAP/1310], reviewed issues concerning socially vulnerable groups, health and development, programme planning and the evaluation of two flagship projects in the area of emerging social issues. It also reviewed the regional situation concerning HIV/AIDS and SARS and the proposed 2006-2009 medium-term plan. It requested the secretariat to support capacity-building on emerging social issues through technical assistance, training, expert group meetings and the sharing of good practices and experiences.

The Commission endorsed the Shanghai Regional Implementation Strategy [E/ESCAP/1280] for the Madrid International Plan of Action on Ageing 2002 [YUN 2002, p. 1194] and the 1998 Macao Plan of Action on Ageing for Asia and the Pacific [YUN 1998, p. 942]. The Strategy recommended major areas for action—older persons and development; advancing health and well-being into old age; ensuring enabling and supportive environments; and implementation and follow-up.

The Commission noted the February report [E/ESCAP/1281] of the High-level Intergovernmental Meeting to Conclude the Asian and Pacific Decade of Disabled Persons, 1993-2002 [YUN

2002, p. 991], and supported the rights-based approach to the social integration of persons with disabilities, as specified in the Biwako Millennium Framework for Action towards an Inclusive, Barrier-free and Rights-based Society for Persons with Disabilities in Asia and the Pacific, adopted at the meeting. The Framework, which incorporated the MDGs and their targets, would act as a guide for the next Decade (2003-2012).

The Commission, in a September resolution [res. 59/3], took note of the Biwako Millennium Framework for Action and requested members and associate members to support its implementation nationally and internationally. It invited donors and the private sector to contribute to the technical assistance trust fund for the next Decade to ensure implementation of the Framework, and invited relevant UN organizations, the World Bank and the Asian Development Bank, in cooperation with ESCAP, to strengthen support for developing national capabilities to implement the Framework. It requested the Executive Secretary to collaborate with UN agencies and civil society to develop regional activities for implementing the Framework; to support Governments in fulfilling the Framework's targets; and to provide them with technical support in formulating a regional approach for an international convention on the rights and dignity of persons with disabilities (see p. 1107) by organizing regional meetings and training workshops.

#### **Natural disasters**

The Commission, having considered the report of the Mekong River Commission on its 2002 activities [E/ESCAP/1292], noted achievements in consolidating core, support and sector programmes, by adopting a comprehensive programme approach to support basin-wide strategies of member countries. Further efforts were made in the flood management and mitigation programme and other aspects of water management in the Mekong River basin, such as fisheries, watershed management, hydrology, navigation and capacity-building programmes.

The Commission also considered the report of the Typhoon Committee [E/ESCAP/1293], noting achievements in 2002 in the meteorological component, including observations, forecasts and warnings of typhoons, in the hydrological component, including flood forecasts and warning, and on natural disaster reduction. It noted the improvement in meteorological satellite facilities and observations and the increase in subregional activities in meteorology, hydrology, training and research and disaster prevention and preparedness. The Committee decided to adopt the strategic approach in implementing the 2002 Regional

Cooperation Programme Implementation Plan [YUN 2002, p. 992] to ensure effective achievement of the Committee's priority objectives.

Also before the Commission was the report of the Panel on Tropical Cyclones [E/ESCAP/1294]. The Commission noted the improvement in monitoring facilities and data exchange among member countries to enhance the effectiveness of flood forecasting in international river basins, and the comprehensive review aimed at strengthening cooperation among the members on cyclone-related disaster reduction, carried out with ESCAP secretariat assistance, in cooperation with the World Meteorological Organization and the Panel's Technical Support Unit. The Commission urged donor countries and institutions to support the Panel's work.

#### **Programme and organizational questions**

The Commission endorsed the realignment of ESCAP's 2002-2003 programme of work [E/ESCAP/1285 & Corr.1 & Add.1] based on the new programme structure, as reflected in the revised 2002-2005 medium-term plan, and the implementation status of the 2002-2003 programme of work. Noting that a detailed report on the implementation of the programme of work would be submitted in 2004, it requested the secretariat to report on the new methodologies for monitoring and evaluating the programme of work that were being developed by UN Headquarters. The Commission endorsed the proposed changes for 2003 [E/ESCAP/1296 & Corr.1,2] as a result of the realignment of the 2002-2003 work programme, and the draft 2004-2005 programme of work [E/ESCAP/1284 & Corr.1,2].

The Commission also had before it the tentative calendar of meetings and training programmes for the period April 2003 to March 2004 [E/ESCAP/1287].

#### **ESCAP reform**

The Commission considered a report [E/ESCAP/1283] by the Executive Secretary on the implementation of Commission resolution 58/1 [YUN 2002, p. 993] on the restructuring of its conference structure. Among his recommendations for improving Commission sessions, the Executive Secretary called for focusing a session's theme more on current and emerging economic and social issues, making the agenda more issue-related, and periodically holding sessions outside Bangkok on the initiative of individual host countries. The secretariat proposed changes to the organization of the ministerial segment, including occasional presentations by eminent persons on particular issues, informal meetings among ministers, and

side events involving NGOs, the business sector, civil society organizations and the media. Another proposal was for the Commission to adopt declarations on issues of particular interest to the region.

The Commission noted the progress made with the restructuring process and requested the secretariat, in consultation with members and associate members, to further prioritize that focus, discontinue obsolete activities and promote the sharing of best practices among regional countries. While noting the secretariat's efforts to improve the Commission's format, the Commission raised a number of concerns for examination by the Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission (ACPR), especially the financial implications of holding sessions outside Bangkok, the risk of diluting the focus on important issues owing to the large number of proposed activities, the delegations' capacity to attend the sessions organized around the thematic clusters, and time constraints of ministers with regard to the organization of events. The Commission emphasized the importance of a midterm review of the new ESCAP conference structure to monitor its effectiveness and to make any necessary adjustments.

The Commission endorsed the report [E/ESCAP/1286] on the evaluation of ESCAP publications conducted in 2002, including the plan of action to improve their planning, production, processing and dissemination. It noted the 47 per cent reduction in the number of publications, and requested the secretariat to reduce that number further. The Commission supported the secretariat's proposals for enhancing the quality and impact of ESCAP publications. It felt that cooperation between the secretariat and national focal points would contribute to improving the quality of the publications. The secretariat was requested to explore additional means of disseminating its publications to maximize their impact and readership.

The Commission, noting the report on the activities of ACPR and its open-ended informal working group [E/ESCAP/1288 & Add.1,2], requested that ACPR's guiding and monitoring role be strengthened. ACPR should discuss significant programme activities during the implementation stage to ensure their implementation, and focus on issues related to Commission resolutions and decisions, including resolution 58/1 [YUN 2002, p. 993].

### Evaluations

The Commission considered reports on the outcome of the evaluation of its regional institu-

tions [E/ESCAP/1299] and of the ESCAP Pacific Operations Centre (EPOC) [E/ESCAP/1300]. The EPOC evaluation reviewed the relevance, performance and sustainability of its activities, while that of the other three institutions (the Statistical Institute for Asia and the Pacific, the Regional Coordination Centre for Research and Development of Coarse Grains, Pulses, Roots and Tuber Crops in the Humid Tropics of Asia and the Pacific and the Asian and Pacific Centre for Transfer of Technology) reviewed their operational, institutional and programming needs to ascertain how they could best serve members and associate members. The Commission expressed satisfaction with the findings of the evaluation reports, the implementation of which should increase efficiency and effectiveness. It noted that the forthcoming review of the Pacific Islands Forum secretariat would take into account the institutional implications of the relocation of EPOC from Port Vila, Vanuatu, to Suva, Fiji, expected to be completed in 2004.

### Admission of Timor-Leste

The Commission welcomed the application of Timor-Leste for admission to membership in ESCAP [E/ESCAP/1265] and recommended to the Economic and Social Council a draft resolution for adoption (see below).

#### ECONOMIC AND SOCIAL COUNCIL ACTION

On 18 July [meeting 41], the Economic and Social Council, on the recommendation of ESCAP [E/2003/15/Add.1], adopted **resolution 2003/7** without vote [agenda item 10].

#### Admission of the Democratic Republic of Timor-Leste as a full member of the Economic and Social Commission for Asia and the Pacific: amendment of the terms of reference of the Commission

*The Economic and Social Council,*

*Noting* that the Democratic Republic of Timor-Leste became a Member of the United Nations on 27 September 2002,

*Noting also* that, in accordance with paragraph 3 of the terms of reference of the Economic and Social Commission for Asia and the Pacific, the Democratic Republic of Timor-Leste shall thereupon be admitted as a member of the Commission,

*Decides* to amend paragraphs 2 and 3 of the terms of reference of the Commission accordingly.

### Venue of ESCAP sixtieth session

By **decision 2003/228** of 18 July, the Economic and Social Council approved the ESCAP decision to hold its sixtieth session in Shanghai in April 2004 and expressed its gratitude to the Government of China for its offer to host the meeting.

---

## Europe

---

The Economic Commission for Europe (ECE), at its fifty-eighth session (Geneva, 4-6 March) [E/2003/37], considered economic developments in the region and sustainable development, particularly national sustainable development strategies (main problems, lessons and implications for ECE work), and regional perspectives on sustainable development, notably ECE follow-up to the World Summit on Sustainable Development [YUN 2002, p. 821]. The Commission agreed in general with ECE's role in follow-up to the World Summit on the understanding that the format and modalities would be decided following the debate by the Commission on Sustainable Development (see p. 838) and at an ad hoc informal meeting of the Commission (see below).

The Commission also considered a paper on ECE reform [E/ECE/1399], which was a follow-up to the paper on strengthening the organization presented in 2002 [YUN 2002, p. 1003]. The paper provided information on the state of the UN reform process and that of ECE, focusing on adjustments to the intergovernmental structure, strengthening of the secretariat and technical cooperation. The Commission affirmed that the Group of Experts on the Programme of Work would continue deliberations on ECE reform, including the points made by delegations at the Commission's session, and make recommendations. The Commission expressed general agreement with the concept of the paper on major policy directions of ECE's work [E/ECE/1400], and supported the ECE approach of mainstreaming the three dimensions of sustainable development into all ECE areas of work as a way to further integrate sustainable development concerns into its activities, in response to the World Summit's Plan of Implementation [YUN 2002, p. 822].

Having considered a report by the Executive Secretary on ECE achievements and constraints during 2002 and perspectives for 2003 [E/ECE/1401], the Commission expressed satisfaction with the work of the Principal Subsidiary Bodies (PSBs) but underlined that some future streamlining and restructuring of those bodies and related groups should be considered to ensure their relevance and effectiveness. Decision-making by the Commission would be assisted by evaluations of the effectiveness and impact of ECE's work, and gender issues needed to be further incorporated into the work of all subprogrammes. The Commission underlined the role of the PSB Bureaux in overall programme coordination with other

organizations involved in the same areas to avoid duplication and strengthen complementarity.

The Commission also considered reports on preparations for and follow-up to world and regional conferences, including preparations for the World Summit on the Information Society in December 2003 (see p. 857) [E/ECE/1402], on technical cooperation activities [E/ECE/1403] and on cooperation and coordination with other organizations [E/ECE/1404 & Add.1], and the report of the Group of Experts on the Programme of Work [E/ECE/1405].

The Commission held two ad hoc informal meetings, on 26 June [E/ECE/1407] and 2 September [E/ECE/1408]. In June, the Commission endorsed the recommendations on reform of the Group of Experts in regard to monitoring and evaluation of technical cooperation, and adopted guidelines for the operations of specialist teams of ECE working parties, on the understanding that PSBs would set the procedure for establishing the teams. In September, the Commission decided to hold the first regional implementation meeting on the World Summit on Sustainable Development in January 2004 in order to contribute to the work of the Commission on Sustainable Development.

### Economic trends

According to ECE's summary of the economic survey of Europe, 2003 [E/2004/16], a global economic recovery took hold in the second half of 2003, led by the United States, and was supported by expansionary economic policies. By contrast, the euro area remained the principal weak spot in the global economy due to sluggish activity in the three largest economies (France, Germany and Italy), while economic activity in Eastern Europe as a whole strengthened, particularly in the Commonwealth of Independent States (CIS). In the United States, GDP growth accelerated to 3.1 per cent, while in the euro area GDP rose by only 0.5 per cent. In the EU, real GDP grew by 0.8 per cent, because of the resilience of the United Kingdom economy.

In Eastern Europe, GDP growth accelerated to 3.8 per cent, led by strong domestic demand, improved financial intermediation and a booming credit market: a consequence of successful banking reforms. However, economic performance among regional States varied considerably, with GDP growth in Poland, the largest Eastern European economy, rising by 3.7 per cent, while Hungary and Slovenia experienced a slowdown. Latvia and Lithuania were the fastest-growing East European economies, with GDP increasing by 7 and 8.9 per cent, respectively. Growth also re-

mained relatively strong (above 4 per cent) in Albania, Bulgaria, Croatia, Estonia, Romania and Slovakia. In parts of South-East Europe, economic activity remained weak, particularly in Serbia and Montenegro, where it was almost stagnant, reflecting the difficulty in opening up the economy and starting major reforms, and in Bosnia and Herzegovina, where it slowed down for the fourth consecutive year.

In the CIS region, economic activity surged with aggregate GDP growing by 7.6 per cent, making it one of the fastest-growing regions in the world. The strong performance of the three largest CIS economies—the Russian Federation, Ukraine and Kazakhstan, where GDP grew by 7.3 per cent, 8.5 per cent and 9.1 per cent, respectively—contributed to the robust performance. The upturn in the Russian Federation was underpinned by an expansionary monetary policy and signs of a deeper restructuring of the Russian enterprise sector, partly in response to growing competitive pressure. Kazakhstan's economic growth was mostly due to the rapid expansion of fuel-related exports, while in Ukraine it resulted from a sharp export-driven upturn in the manufacturing sector. Although the other CIS economies were unusually buoyant, a sign of the general strength of growth was the fact that in Uzbekistan, the slowest-growing economy in the CIS region, GDP still increased by some 5 per cent.

### Activities in 2003

#### Trade, industry and enterprise development

The Committee for Trade, Industry and Enterprise Development, at its seventh session (Geneva, 13 and 16 May) [ECE/TRADE/306], approved: the expansion of its Multiplier Point Network to include the entire region and to better serve large transition economies, such as Ukraine and the Russian Federation; the change of the name of the Working Party on Standardization of Perishable Produce and Quality Development to the Working Party on Agricultural Quality Standards; a new ad hoc team of experts on market surveillance to assist in developing controls for the conformance of products in the marketplace to standards and regulations; a proposal for revising the work programme format and related procedures; its 2003-2005 work programme; and new procedures for approval of its reports and the organization of its sessions. It endorsed a pilot project for implementing the International Model for Regulatory Harmonization in earth-moving equipment and the decision to issue a joint publication with the Inland Transport Committee on "Trade and Transport Facilitation In-

struments and Recommendations". The Committee agreed to hold a forum, in conjunction with its 2004 session, on the challenges the region would face in trade, industry and enterprise following the enlargement of the EU, and especially those challenges facing the "new neighbours".

The Regional Forum on Social Aspects and Financing of Industrial Restructuring (Moscow, Russian Federation, 26-27 November) [TRADE/WP.8/AC.1/SEM.22/2003/3], co-sponsored by ECE and the International Labour Organization, discussed ways to resolve the social issues arising during the restructuring of uncompetitive industries, measures required by the European Commission from enterprises to mitigate the adverse consequences of restructuring on employment and workers' incomes, support to start-up companies and industries, and the scope of industrial and territorial clustering as a means of economic revitalization of underdeveloped and depressed regions.

The Working Party on Agricultural Quality Standards continued to update and create internationally harmonized quality standards, and to work on internationally harmonized trade descriptions for fruit and vegetables, to be used in electronic commerce, and internal quality and maturity requirements.

#### Timber

The Timber Committee, at its sixty-first session (Geneva, 7-10 October) [ECE/TIM/2003/2], held a policy forum on wood and energy, in cooperation with the Committee on Sustainable Energy. The forum reviewed energy policies, especially those concerning renewable energies and interactions between energy policies and those for forests and timber, and sector market developments. The Committee also reviewed markets for forest products, including the consequences of illegal logging, and approved a statement. It discussed the policy conclusions and recommendations of the European Forest Sector Outlook Study and the ECE/Food and Agriculture Organization of the United Nations (FAO) contribution to global and regional forest dialogues. The Committee adopted its work programme and launched a process of strategic review of the integrated ECE/FAO 2003/04 programme.

The ECE secretariat presented information on the state of Europe's forests to the Fourth Ministerial Conference on the Protection of Forests in Europe (Vienna, 28-30 April). The data were based on a set of indicators of sustainable forest management.

**Transport**

The Inland Transport Committee, at its sixty-fifth session (Geneva, 18-20 February) [ECE/TRANS/152 & Corr.1], reviewed, among other things, its draft strategic objectives, the transport situation in ECE member countries and emerging development trends, transport and security, assistance to countries with economies in transition, and the status of application of ECE transport agreements and conventions. The Committee also considered transport trends and economics, road transport, road traffic safety, safety in tunnels, harmonization of vehicle regulations, rail transport, inland water transport, combined transport, border crossing facilitation, transport of dangerous goods and perishable foodstuffs, and transport statistics.

The Committee adopted a resolution on the Fourth Road Safety Week in the ECE region and requested the secretariat to publicize the campaign and to seek partnerships to give it maximum impact. It also adopted a resolution on the implementation of the European Agreement on Main Inland Waterways of International Importance, and endorsed resolutions of the Working Party on Inland Water Transport on the inventory of bottlenecks and missing links in the European waterway network, and on technical requirements for preventing pollution from vessels.

The Committee also endorsed proposals for requiring digital tachographs (an on-board device in commercial vehicles designed to measure the driver's working hours and rest periods) on new vehicles assigned to international road transport under the European Agreement concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR). They would become mandatory for AETR contracting parties four years after the entry into force of the proposed amendments.

**Energy**

The Committee on Sustainable Energy, at its thirteenth session (Geneva, 19-21 November) [ECE/ENERGY/53], having considered renewable energy sources and sustainable energy development in the ECE region, expressed appreciation to the secretariat for a discussion paper and draft terms of reference on renewable energy sources, decided that technical assistance should be developed for ECE economies in transition, and requested the Steering Committee of the Energy Efficiency 21 Project to consider a draft work programme for technical assistance on renewable sources of energy to those countries. The Committee concluded that energy security was a key element of sustainable energy policy, deserving

the attention of the Energy Security Forum launched by the Committee during its 2003 session. It noted the statement signed by all Forum participants, which was annexed to the Committee's report, and requested the secretariat to convene the first meeting of the Forum's Executive Board.

Noting that the Guidelines on Reforming Energy Prices and Subsidies had been endorsed by the Fifth Ministerial Conference on the Environment for Europe (see below), the Committee recommended that the ECE transition economies implement them in accordance with the declaration adopted by the Conference, and requested the task force on the Guidelines to assess their implementation in 2005 and 2006. The Committee noted the successful implementation of the Energy Efficiency 21 Project, in accordance with the 2000-2003 project plan, and requested the Bureau and the secretariat to complete a project plan for a second phase (2003-2006), including a financing mechanism, and to explore extra-budgetary support with interested Governments and institutions.

The Committee considered the documentation of the Working Party on Gas, and of the Ad Hoc Group of Experts on the Supply and Use of Gas, and the Gas Centre, and renewed the mandate of the Group of Experts for two years. It also renewed the mandate of the Ad Hoc Group of Experts on Coal in Sustainable Development and that of the Ad Hoc Group of Experts on Electric Power and approved its terms of reference. The Committee endorsed the Regional Strategy for the Efficient Use of Energy and Water Resources in Central Asia.

**Environment**

The Fifth Ministerial Conference "Environment for Europe" (Kiev, Ukraine, 21-23 May) adopted three new protocols to ECE conventions: the Protocol on Strategic Environmental Assessment to the 1991 Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention); the Protocol on Pollutant Release and Transfer Registers to the 1998 Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention) [YUN 1998, p. 952]; and the Protocol on Civil Liability and Compensation for Damage Caused by the Transboundary Effects of Industrial Accidents on Transboundary Waters to the 1992 Convention on the Protection and Use of Transboundary Watercourses and International Lakes and to the 1992 Convention on the Transboundary Effects of Industrial Accidents [YUN 1992, p. 501]. The Conference also adopted Guidelines for Strengthening

Compliance with and Implementation of Multilateral Environmental Agreements in the ECE region and a regional Convention on the Carpathians (Mountains), and launched the Environment Strategy for Countries of Eastern Europe, the Caucasus and Central Asia and preparations for the environment, water and security partnership in Central Asia. Other decisions related to energy and water for sustainable development, biodiversity and education.

The Committee on Environmental Policy held a special session (Geneva, 18-19 February) [ECE/CEP/91] and its tenth session (20-22 October) [ECE/CEP/116 & Add.1]. The special session discussed future ECE strategic directions in environmental policy around the themes of pan-European harmonization and governance, programmes and strategies, and cross-sectoral cooperation and integration. The Committee reviewed the environmental performance of Georgia and discussed policy issues emerging from the review. At a joint session with the Working Group of Senior Officials, the Committee approved the Group's recommendations for a second round of environmental performance reviews.

At its tenth session, the Committee hosted a round-table discussion on the theme "The environment in a changing region", which assessed the implications of EU enlargement for the environment and highlighted future challenges. It adopted the strategic goals contained in the document on future ECE strategic directions for the environment, and reviewed the environmental performance of Azerbaijan and adopted related recommendations. It also considered the outcome of the Kiev Ministerial Conference (see p. 1018) and how it should best reflect the relevant commitments of the Kiev Ministerial Declaration in its work programme. It adopted a work programme for environmental monitoring and updated the terms of reference of the Working Group on Environmental Monitoring and Assessment, and agreed to work on education for sustainable development, implementation of the Environment Strategy for Eastern Europe, the Caucasus and Central Asia, and the development of a communication strategy.

The first meeting of the Steering Committee for Transport, Health and Environment Pan-European Programme (PEP), organized jointly with the Regional Office of the World Health Organization, was held in April. The PEP Steering Committee endorsed its 2003-2005 programme of work.

#### **Human settlements**

The Committee on Human Settlements, at its sixty-fourth session (Geneva, 15-17 September)

[ECE/HBP/129], held in-depth discussions on reforms and social equity in human settlements and decided to integrate the results of those discussions into its contribution to the Regional Implementation Forum on Sustainable Development, to be held in January 2004, as a follow-up to the World Summit on Sustainable Development [YUN 2002, p. 821]. It acknowledged that policy reforms on social stability and equity should become a critical element of the national, regional and local strategies for sustainable human settlements. It stressed the importance of linking the priorities of the Habitat Agenda [YUN 1996, p. 994], the World Summit on Sustainable Development Plan of Implementation and the Millennium Declaration [YUN 2000, p. 49] with its programme of work. The Committee adopted its 2003-2005 programme of work, and confirmed the priority of the country profile programme for the housing sector and land administration activities. It agreed to start preparation of a regional profile of the housing sector in South-East European countries, based on the decisions of the High-level Conference on Housing Reforms in South-East Europe (Paris, April). It commended the Guidelines on Condominium Ownership of Housing. It agreed on the outline for and composition of the task force for guidelines on social housing development and to prepare guidelines on spatial planning systems. The Committee also agreed to cooperate with the Conference of European Statisticians on the preparation of a new set of ECE recommendations for housing censuses.

#### **Statistics**

The Conference of European Statisticians (fifty-first session, Geneva, 10-12 June) [ECE/CES/64] considered the implications of the meetings of its parent bodies—the March session of ECE (see p. 1016) and the March session of the UN Statistical Commission (see p. 1289). The Conference asked the Bureau to continue to review how the Conference could further incorporate cross-sectoral concerns into the work of all its sub-programmes, such as sustainable development, gender, security, and information and communication technology. It agreed that the ECE Statistical Division should be closely involved in operational activities addressing economies in transition through the Regional Adviser Programme. The Conference agreed to review the Integrated Presentation of International Statistics by examining two topics in great depth and the remaining programme elements on the basis of recommendations by the Bureau. The two topics chosen for the current session were "families and households", and "crime and criminal justice statistics".

### Operational activities

Operational activities in 2002, as described in a note by the Executive Secretary [E/ECE/1403], were carried out in the areas of capacity-building, assistance with attracting partners/investors for local projects at countries' request, project elaboration/implementation, resource mobilization, building up institutions and policy formulation. Most of ECE's operational activities, with a total value of \$1,527,501, were funded from the regular budget, of which 48 per cent went to activities related to trade, followed by transport (21 per cent), environment (12 per cent), energy (11 per cent) and statistics (8 per cent). It also received \$693,232 from the UN Development Account. Total extrabudgetary expenditure under the 11 ECE general trust funds totalled \$2,642,066, and \$2,132,825 under the 22 local technical cooperation trust funds.

The Commission welcomed the formation of a new Technical Cooperation Unit in the secretariat and supported the setting up of a joint committee in the secretariat to improve the overall coordination of technical cooperation activities.

---

## Latin America and the Caribbean

---

The Economic Commission for Latin America and the Caribbean (ECLAC) did not meet in 2003. The Commission's thirtieth session was to be held in 2004.

### Economic trends

In 2003, the economies of Latin America and the Caribbean grew by 1.7 per cent, contrasting favourably with the 0.6 per cent reduction in GDP recorded for 2002, according to the summary of the economic survey of Latin America and the Caribbean, 2003 [E/2004/19]. However, the recovery was not strong enough to offset the economic stagnation of recent years, and per capita GDP was still 1.2 per cent lower than in 1997. The region's stronger performance was linked to the situation in the international economy, which brightened with the recovery in the United States and Japan and the continuing rapid expansion of the Asian economies, led by China. The combined effect of those factors was a 15.4 per cent increase in the price of export commodities, which, however, was reduced to 7.2 per cent when oil was excluded. The upswing in export prices, although partially offset by a 1.5 per cent rise in import prices, was sufficient to halt the 3.3 per cent deterioration in the terms of trade between 1998 and 2002. The

buoyancy of exports was widespread, as growth rates for the year were 5.9 per cent for Central America and the Caribbean, 7.8 per cent for the Andean Community and Chile, 18.9 per cent for the Southern Cone Common Market (MERCOSUR) and 8.3 per cent for the regional average. Increased volumes and higher prices turned 2003 into a record year in terms of the region's trade surplus (\$41.8 billion), which contributed to a \$5.6 billion surplus on the balance-of-payments current account, the first time in 50 years.

Capital flows to the region were also positive, reaching \$4.4 billion net, as compared with an outflow of \$14.4 billion the previous year. Financial flows were negative, but direct investment more than offset that outflow. Foreign direct investment, which amounted to \$30.1 billion, was 23 per cent lower than the 2002 figure. Despite the significant level of financing, the net transfer of resources continued to be negative (\$33.3 billion), equivalent to 7.9 per cent of exports. Most countries consolidated their use of flexible exchange-rate regimes and were phasing out restrictions on foreign exchange operations, except Venezuela. In addition, various countries maintained a high degree of dollarization in their economies or had simply adopted the dollar as legal tender. The region returned to single digit levels of inflation as a result of the implementation of various fiscal and monetary instruments. In 2003, prices increased by 8.5 per cent, four percentage points less than the previous year.

The positive economic outlook led to a slight increase in the employment rate. However, at 10.7 per cent, unemployment remained high and was expected to rise during the year. Poverty and indigence in the region increased, with 227 million people (44 per cent of the population) living below the poverty line.

### Activities in 2003

#### Development policy and regional economic cooperation

The ECLAC Economic Development Division continued to report on the macroeconomic performance of the region as a whole and individual countries in its publications *Economic Survey of Latin America and the Caribbean* and *Preliminary Overview of the Economies of Latin America and the Caribbean*. It provided technical assistance to Bolivia, Colombia, the Dominican Republic, Ecuador, Mexico and Paraguay, particularly on issues of fiscal reform, and organized the fourteenth regional seminar on fiscal policy (Santiago, Chile, 27-29 January). It secured funding for two new projects: e-fiscal concepts and issues

in Latin America and Euro-Latin American research of macroeconomic coordination experts. As to the macroeconomic dimension of regional integration, ECLAC consolidated its coordination position through a network of macroeconomists from national and regional institutions. Its macroeconomic dialogue network, implemented with EU financial support, provided a forum for discussion and an exchange of experiences among government officials on macroeconomic issues linked to integration. The Division, at the request of Governments, focused on the analysis of short-term issues related to external and internal macroeconomic imbalances, mainly through technical assistance missions and relevant policy research. It continued to address emerging key structural issues in the region, mainly through its publications on issues of interest to Governments, particularly economic growth, employment, the development challenges faced by landlocked countries and the coordination of macroeconomic policies. It organized an international seminar on "Latin American growth: Why so slow?" (Santiago, Chile, December).

The Latin American and Caribbean Institute for Economic and Social Planning (ILPES) continued to enhance the capacity of member States to apply the basic principles of efficient public administration planning and State regulation by organizing 25 expert meetings, seminars and workshops, reaching some 1,750 participants. It updated its capacity to respond to member countries' growing demand for new information, studies and technical support regarding such public planning issues as decentralization and administration of public decisions, local development, regulation of public services and non-competitive sectors. ILPES provided technical assistance to governmental bodies in regional countries and was confirmed as the ECLAC training hub for standardizing all procedural matters regarding the design, implementation and evaluation of training activities carried out by ECLAC substantive divisions.

Noteworthy events during 2002-2003 were the eleventh Conference of Ministers and Heads of Planning of Latin America and the Caribbean and the twelfth meeting of the ILPES Regional Council for Planning (Madrid, Spain, 6 November 2002). ECLAC also convened the Regional Preparatory Ministerial Conference of Latin America and the Caribbean for the World Summit on the Information Society (Bávaro, Dominican Republic, 29-31 January 2003).

#### **International trade and integration**

The activities of ECLAC's Division of International Trade and Integration were aimed at

strengthening the decision-making capacity of institutions in member countries to generate progress in subregional, regional and hemispheric integration, including the provision of technical assistance to member States in building their capacity for negotiating the Free Trade Area of the Americas initiative and during the Fifth Ministerial Conference of the World Trade Organization (WTO) (see p. 1535). To help countries in the region better understand the domestic implications of the international commitments undertaken in bilateral, regional and multilateral trade negotiations, ECLAC prepared numerous documents containing policy recommendations to strengthen the international competitiveness of Latin American and Caribbean countries in areas relating to trade promotion, product diversification and export markets. The Division paid close attention to improving the analysis of the impact of trade on selected groups, placing emphasis on the need to incorporate developing countries' small and medium-sized enterprises into the area of e-commerce.

#### **Social development and equity**

In 2003, the efforts of the ECLAC Social Development Division were focused on strengthening countries' capacity to design and implement policies targeting the most underprivileged social sectors, so as to increase the quality of human and social capital, foster social equity and reduce poverty, with a focus on overcoming gender inequity. The Division published its 2001-2002 and 2002-2003 editions of the *Social Panorama of Latin America*, which included an evaluation of progress and difficulties in regional efforts to achieve the MDGs [YUN 2000, p. 51] in the areas of poverty reduction, education and health. It conducted substantial research within the context of the regional project "Policy strategies for sustainable development in Latin America and the Caribbean: promotion of a socially sustainable policy (Equity II)", and continued its collaboration with the Integrated Project Formulation, Evaluation and Monitoring System, providing regional Governments with a methodological tool for use as a guide in designing, implementing and following up social policy. The Division also started developing an Internet directory of social institutions in Latin America and the Caribbean (DISALC), which was currently being used for social policy coordination and the sharing of experiences by more than 700 institutions and officials.

With regard to drug abuse prevention policies, ECLAC continued to develop a comprehensive vision by incorporating socio-economic and cultural aspects into its analyses, including the way in which the drug problem impacted on the more

vulnerable sectors of society. The Division also supported Chile in implementing a comprehensive system of specialized information for its National Drug Control Council.

### **Environment and human settlements**

The ECLAC Sustainable Development and Human Settlements Division focused its work on international environmental agreements, environmental management, sustainable development trends, and urban management and property. Countries in the region gave priority to implementing the 2002 Latin American and Caribbean Initiative for Sustainable Development [YUN 2002, p. 1012]. The Division was particularly active in launching an innovative approach to the interrelationship between trade and environment by integrating issues such as intellectual property rights, investment, services and environment, leading to the publication of the study "Latin America and the Caribbean: from a strategy on trade and environment towards a strategy on trade for sustainable development". The Division offered several training courses and seminars as part of the training programme on sustainable development and environmental management. It provided technical assistance to Argentina, Colombia, the Dominican Republic and Puerto Rico in the systematization and application of sustainable development indicators, resulting in a reduction of gaps in the availability of empirical information. It also provided technical assistance to Argentina, Bolivia, the Dominican Republic, Ecuador and Mexico in urban management practices and policies, and conducted a number of courses and workshops on urban management. With respect to urban poverty, the Division organized in January a meeting of experts in the framework of a project entitled "Urban poverty: an action-oriented strategy for urban governments and institutions in Latin America and the Caribbean".

### **Population and development**

The ECLAC Population Division continued to incorporate sociodemographic elements into gender and social programming by supporting countries of the region in strengthening their capacity to produce updated and reliable sociodemographic information. Among other methods, it developed new or improved methodologies for population estimates and projections on such topics as social vulnerability, fertility, housing deficits, residential segregation and internal migration. It organized (Santiago, 19-21 November) the Regional Intergovernmental Conference on Ageing: Towards a regional strategy for

the implementation in Latin America and the Caribbean of the Madrid International Plan of Action on Ageing [YUN 2002, p. 1194], and published a document entitled "Older persons in Latin America and the Caribbean: situation and policies".

The Division's activities in technical cooperation and regional training in population and development were conducted to foster the exchange of experiences and lessons learned in relation to implementation of the Programme of Action of the International Conference on Population and Development (ICPD) [YUN 1994, p. 956]. Together with the United Nations Population Fund, it provided support to the Caribbean subregional meeting to assess implementation of the ICPD Programme of Action 10 years after its adoption (Port of Spain, Trinidad and Tobago, 11-12 November), and hosted an open-ended meeting of the Presiding Officers of the ECLAC Ad Hoc Committee on Population and Development (Santiago, December). To help countries devise and update appropriate indicators for national and regional follow-up to ICPD, the Division developed and updated the regional system of indicators and, with the support of the Women and Development Unit, developed indicators for monitoring the Beijing Platform for Action [YUN 1995, p. 1170]. Two subregional training workshops (one for South America and the other for Central America, Mexico and the Caribbean) were conducted to discuss the most appropriate indicators and to train technicians from national statistical offices in the design, development and implementation of national indicator systems.

### **Integration of women in development**

The work of ECLAC's Women and Development Unit centred on the follow-up to the Regional Programme of Action for the Women of Latin America and the Caribbean, 1995-2001 [YUN 1994, p. 739] and the Beijing Platform for Action [YUN 1995, p. 1170], and organization of the thirty-fifth (Havana, Cuba, 28-29 April) meeting of the Presiding Officers of the Regional Conference on Women in Latin America and the Caribbean. By agreements adopted at that meeting and at the thirty-fourth meeting (Santiago, 5-6 September 2002), the countries welcomed the methodology and modality of technical assistance being implemented in the region by the Women and Development Unit. At the 2003 meeting, the Presiding Officers commended ECLAC for developing a system of gender indicators to facilitate regional comparability and requested technical assistance from the Commission for the definition of national systems of gender indicators for

use in carrying out comparative analyses within countries.

As follow-up to the recommendations of the eighth session of the Regional Conference on Women in Latin America and the Caribbean [YUN 2000, p. 950], particularly those concerning impediments to an evaluation of the objectives of the Beijing Platform for Action, ECLAC developed a strategy for collaboration with UN system agencies. As a result, seven countries (Argentina, Brazil, Chile, Ecuador, Mexico, Nicaragua, Panama) had developed gender indicator subsystems, some of which incorporated systems for follow-up to international commitments (Mexico, Panama). The other regional countries had basic information disaggregated by sex, and all used the regional system of gender indicators. Eleven countries had prepared civil society reports using the ECLAC indicators, and nine had national reports on progress towards meeting the MDGs.

An international meeting (September) of producers and users of the ECLAC indicators of violence and poverty from a gender perspective was held as part of the work of the Statistical Conference of the Americas, in collaboration with national women's offices.

#### **Economic statistics and technical cooperation**

The ECLAC Statistics and Economic Projections Division strengthened the regional framework of statistical information with respect to databanks of statistics on current economic trends, household surveys, foreign trade and national accounts. To improve the dissemination of statistics, it created a web page providing online access to the Division's databases, which offered, in 2003, three new online products: the *Statistical Yearbook*, a database on international trade and an information system on social statistics and indicators. The Division created a database on microdata from household surveys for the use of specialized research and policy-making institutions. New dimensions related to environment and gender indicators were added to its databanks. Those improvements were recognized in the conclusions of the second meeting of the Statistical Conference of the Americas (Santiago, 18-20 June).

The Division carried out a large number of technical cooperation missions and there was a strong demand for meetings, seminars and training workshops in relation to national accounts, international classifications and household surveys. Activities were aimed at improving countries' technical capacity to produce statistics and forecasts as inputs for economic and social pro-

grammes, with emphasis on harmonizing methodologies and concepts at the regional level, in order to enhance the comparability of national statistics and adherence to international standards. The Division continued to prepare manuals and transfer methodological and technological advances, especially with respect to the full implementation of the new System of National Accounts in the region.

#### **Natural resources and infrastructure**

The ECLAC Natural Resources and Infrastructure Division provided technical expertise to member countries in designing policies for the sustainable development of natural resources and infrastructure. It played a leading role in promoting a regional dialogue on renewable sources of energy at the Regional Conference for Latin America and the Caribbean on Renewable Energies (Brasilia, Brazil, October), which, in its Brasilia Platform, requested ECLAC to prepare the regional document to be submitted to the 2004 International Conference on Renewable Energies. ECLAC presented the region's vision on water and governance and indigenous rights at the Third World Water Forum (Japan, March). Among its efforts to increase the capacity of countries to manage natural resources, energy, infrastructure and transport at the decentralized regional and local levels, ECLAC and ILPES trained 57 professionals from 12 countries at the fourth (Santiago, 2-6 September 2002) and fifth (8-12 September 2003) courses on public utilities regulation. The Division strengthened the negotiating capacity of regional countries in international and regional mechanisms dealing with sustainable development of natural resources and infrastructure.

ECLAC hosted the fifth ministerial meeting of the Executive Steering Committee of the Initiative for Regional Infrastructure Integration in South America (Santiago, 4-5 December) and convened a meeting of regional energy institutions, with a view to coordinating their activities (Santiago, 2 December). It organized the regional preparatory meeting (Asunción, Paraguay, 12-13 March) for the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (see p. 875). As part of those preparations, it conducted a study on the economic costs of being landlocked, which was taken into account in the Almaty Programme of Action adopted at the Conference.

### Subregional activities

#### *Caribbean*

The ECLAC subregional headquarters for the Caribbean—the secretariat of the Caribbean Development and Cooperation Committee (CDCC) in Port of Spain, Trinidad and Tobago—worked towards improving policies, programmes and projects to facilitate Caribbean societies' adjustment to rapid change on the international scene, particularly globalization; boost the subregional integration process; alleviate poverty and reduce gender inequalities; strengthen member States' capacity to develop and apply indicators to measure the catalytic effect of science and technology on economic and social development; and strengthen national capacities to implement the Programme of Action for the Sustainable Development of Small Island Developing States [YUN 1994, p. 783]. It convened the eleventh meeting of the CDCC Monitoring Committee and a joint meeting with the Inter-Agency Collaborative Group (Puerto Rico, 10-11 April); the Caribbean subregional meeting to assess the implementation of the ICPD Programme of Action [YUN 1994, p. 956] (Trinidad and Tobago, 11-12 November); and the Caribbean preparatory meeting (Trinidad and Tobago, 6-10 October) at the technical level for the 2004 international meeting to undertake a comprehensive review of the implementation of the Programme of Action for the Sustainable Development of Small Island Developing States.

Technical assistance and training workshops were held in such areas as trade and social statistics, information technology, disaster assessment, human and social development, environmental sustainability, water resources and trade. Activities undertaken through extrabudgetary projects included the completion of an assessment of the social impact of the closure of the sugar industry in Saint Kitts and Nevis, a marine-based tourism project focusing on the yachting sector in the eastern Caribbean, the development and establishment of databases for trade and social statistics and the development of a draft national human development agenda for Belize.

#### *Mexico and Central America*

In 2003, the ECLAC subregional headquarters in Mexico provided analyses and training and expanded its technical assistance to build capacity in the countries of the subregion to adjust to rapid changes in the international scene, maximizing the benefits and mitigating the adverse effects of globalization; improve policies and mechanisms for reducing poverty and gender in-

equality; and harmonize energy policies and boost the efficiency of energy management. Activities included work on economic, industrial and agricultural development, trade negotiations, the environment and natural disasters, subregional integration and cooperation processes. That support helped to increase the capacity to negotiate trade agreements for 34 member States in the case of the Free Trade Area of the Americas and for five States in the case of the United States–Central American Free Trade Agreement, including the preparation of national strategies to strengthen trade-related capacities in another four member States.

The subregional headquarters continued to act as the ECLAC focal point for natural disaster issues and to evaluate disasters on request. On poverty reduction and gender inequality, work performed by ECLAC contributed to a new law on responsible fatherhood in one case and an implementation policy in another; improvements in three poverty reduction strategies/national action plans for children; incorporation of the subject into two public training programmes; preparation of a training manual; and a proposal for related indicators. The subregional headquarters began to process and analyse microdata from household surveys in the Central American countries, and provided comparative analyses on unmet needs, poverty levels, social vulnerability, public social expenditures and the relationship between gender and poverty. It provided technical assistance and analyses to public institutions, NGOs and regional forums on the relationship between gender and poverty/economic development to support policy-making. In the field of energy, support was provided for the harmonization of energy policies and for increasing the efficiency of energy management. Emphasis was placed on sustainable energy development, particularly environmental externality guidelines and options for biofuels.

The General Assembly, on 17 December, adopted **resolution 58/117** on international assistance to and cooperation with the Alliance for the Sustainable Development of Central America (see p. 950).

---

### Western Asia

---

The Economic and Social Commission for Western Asia (ESCWA) held its twenty-second session in Beirut, Lebanon, from 14 to 17 April [E/2003/41/Rev.1]. The Commission adopted two resolutions for action by the Economic and Social Council, on the establishment within ESCWA of a

UN Arabic language centre and of a committee on women.

## Economic and social trends

### Economic trends

For the ESCWA region, 2003 was a good year in terms of overall economic growth, notwithstanding the negative consequences of the war in Iraq (see p. 333), according to the survey of economic and social developments in the region [E/2004/20]. The survey estimated that GDP, excluding Iraq and the West Bank and Gaza Strip, grew by 5 per cent compared to the meagre 1.25 per cent growth of the previous year. With a regional population growth rate of 2.4 per cent, overall GDP per capita increased by 2.5 per cent, as compared with the contraction of 1.2 per cent in 2002. However, economic performance was very distinct for the two subgroups: the Gulf Cooperation Council (GCC) States (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates) and the more diversified economies (Egypt, Iraq, Jordan, Lebanon, Palestine, Syrian Arab Republic, Yemen). The GCC States enjoyed an upturn in GDP real growth, which increased from 0.4 per cent in 2002 to 5.8 per cent in 2003, resulting in a per capita GDP growth of 2.8 per cent, up from a negative 2.5 per cent in 2002. All GCC economies improved as a result of increased oil production and revenues, but the non-oil sectors also performed well, boosted by restored confidence and better economic prospects after the war in Iraq. Strong public expenditure, high domestic liquidity and low interest rates, which enhanced domestic consumption and investment, also contributed. Qatar achieved the highest GDP growth rate (5.44 per cent), while Oman recorded a negative 0.80 per cent. In the more diversified economies, political instability remained the most influential factor determining growth. The combined GDP growth of that subgroup remained almost constant at 3.14 per cent in 2003 and 3.15 per cent in 2002, with overall GDP per capita growth stagnating at a low 0.8 per cent. The most negatively affected countries were Jordan and Syria. In the conflict zones in the ESCWA region, the Occupied Palestinian Territories showed signs of a marginal recovery from a very low base, while in Iraq, the war, occupation and the subsequent difficult political and security situation restrained an upturn in economic activity, despite the lifting of UN sanctions and the termination of the oil-for-food programme (see p. 338).

Inflation rates remained relatively moderate, despite the depreciation of the United States dollar against the euro (to which the national curren-

cies of the GCC countries were pegged), and the increase in the price of imports from the euro zone. Consumer price inflation increased modestly in most countries, ranging from 0.6 per cent in Oman to 4.4 per cent in the Occupied Palestinian Territories, except Yemen and Iraq, where inflation soared to a double-digit rate and an estimated 33 per cent, respectively.

### Oil

In 2003, the basket price of crude oil of the Organization of Petroleum Exporting Countries was \$28.10 a barrel, the highest nominal average since 1984. The 6.3 per cent increase in oil output over 2002 allowed most ESCWA oil-producing countries to reap the benefits of high prices, with total oil export revenues for the region estimated at \$161 billion in 2003, up by 22 per cent from the previous year. Iraq and the Syrian Arab Republic were the only exceptions, as their oil exports plunged due to the war and ensuing political and security conditions.

### Trade

The total gross value of merchandise exports of ESCWA member countries was estimated at \$228 billion, while that of merchandise imports was estimated at \$143 billion. The GCC countries accounted for 88 per cent of those exports and 72 per cent of all imports. Gross total exports from the ESCWA region increased by 17.2 per cent in 2003, and by 21.2 per cent from the GCC countries, owing to their increased energy exports, while in the more diversified economies, gross total exports decreased by 4.7 per cent. Gross total imports increased by 9.3 per cent. The value of total imports of the GCC countries went up by 15.4 per cent, due to the expansion of domestic demand, while total imports of the more diversified economies dropped by 3.8 per cent, owing to a substantial decrease in the imports of Egypt and Iraq.

### Social trends

Social conditions declined in Iraq and the Occupied Palestinian Territories. In Iraq, with more than 40 per cent of the labour force unemployed, the extent to which poverty rose was significant, while in the Occupied Palestinian Territories, where 28 per cent of the labour force was unemployed, conditions were also bleak; however, the real catastrophe was the human toll of the conflict. In terms of unemployment data, real wages in the ESCWA region had declined, while the labour supply continued to outgrow demand. In the absence of adequate official social safety nets to protect the unemployed and the

marginalized, informal social nets and sector activities proliferated, particularly the cultural principle of *al-takaful* (mutual support), which mitigated the effects of abject poverty and hunger. There were, however, certain bright spots in terms of a marked increase in life expectancy and the educational attainment of women.

### Activities in 2003

#### Economic development and cooperation

The third session of the Technical Committee on the Liberalization of Foreign Trade and Economic Globalization in the Countries of the ESCWA Region (Muscat, Oman, 24-25 February) [E/ESCWA/GRID/2003/IG.1/7] reviewed action taken in trade liberalization and economic globalization and considered proposals regarding its 2004-2005 programme of work and priorities.

The Committee proposed, among other recommendations, that ESCWA include in its 2004-2005 programme of work training on WTO-related issues for media officials as well as judges, their assistants and lawyers, in order to prepare the judicial sector to work with WTO-related issues. ESCWA should also monitor and keep member countries updated on the progress of current WTO negotiations and should publish studies and reports on the Internet. Other recommendations called for documents to be translated into Arabic and Committee sessions to be held annually instead of biennially.

In the area of technology, the Commission, on 17 April [E/2003/41/Rev.1 (res. 245(XXII))], adopted the recommendations of the Forum on Technology, Employment and Poverty Alleviation in the Arab Countries [YUN 2002, p. 1018] and of the first meeting of the ESCWA Consultative Committee on Scientific and Technological Development and Technological Innovation [ibid.], particularly with respect to a new vision for the future of science, technology and technological innovation and related national policies; the establishment of a new institutional framework in ESCWA member countries; the strengthening and coordination of research and development; and the development of national education and vocational training systems.

The Commission requested the secretariat to prepare a study on countries' positions on vital technology in agriculture, food and medicines production; formulate priorities for the region in those fields; and propose initiatives to assist countries in confronting international trends in the sector. The secretariat should follow up those recommendations through a regional initiative to achieve specific goals within an appropriate time

frame. The Executive Secretary was asked to report to the Commission in 2005.

#### Transportation

The Committee on Transport, at its fourth session (Beirut, 14-16 January) [E/ESCWA/TRANS/2003/IG.1/6], urged member States to complete measures for the ratification of the Agreement on International Roads in the Arab Mashreq [YUN 2001, p. 928], with a view to ensuring that it entered into force as soon as possible. It also urged Saudi Arabia's Ministry of Communications to complete the specifications for the sign for international roads and to inform ESCWA thereof by the end of March.

The Committee recommended that the proposals by the United Nations Office of Legal Affairs on the Agreement on International Railways in the Arab Mashreq [YUN 2002, p. 1019], which were included in the amended text of the Agreement, should be approved. The Agreement, having been finalized, was opened for signature during ESCWA's April 2003 session (see p. 1024) and thereafter at UN Headquarters until 31 December 2004 [E/ESCWA/22/5].

The Committee also recommended that the national committees for the facilitation of trade and transport be renamed national committees "for the facilitation of transport and trade". The Commission should follow up with member countries on the steps adopted to establish national committees and report in 2004 to the Committee on Transport. The amended draft memorandum of understanding (MOU) concerning cooperation in the field of maritime transport in the Arab Mashreq should be adopted and a working group of maritime transport experts should be established to study member countries' comments and proposals. The group should meet on 2 April and its outcome submitted to ESCWA's April 2003 session. Member countries should be urged to add, through ESCWA, ports and harbours to the network of maritime routes contained in the draft MOU. The Committee further recommended that the tables of the international roads in the Arab Mashreq should be amended in the schedule distributed to member countries, to be completed no later than 15 April. It recommended a 2004-2005 draft programme of work and priorities for approval and that the Commission include air transport and transport safety in future work programmes.

The Commission, on 17 April [E/2003/41/Rev.1 (res. 243(XXII))], adopted the Agreement on International Railways in the Arab Mashreq and urged member countries to make the necessary arrangements for its signature and ratification so that it might enter into force as soon as possible.

**Statistics**

The Commission, on 17 April [res. 247(XXII)], noting the regional countries' need to develop national statistical bodies and update mechanisms and methods for preparing and analysing their economic and social data and indicators, requested the secretariat to assist those countries in adopting and applying the international standards for amassing, analysing and disseminating statistics so that they could formulate economic and social policies and monitor progress towards national development objectives. The secretariat was requested to provide technical support to enable them to become parties to the Special Data Dissemination Standard applied by IMF. The Commission urged member countries to participate in the project for the development of national gender statistics.

On the same date [res. 248(XXII)], the Commission urged member countries that had not done so to join the International Comparison Programme, cooperate with those responsible for it and provide it with financial support. It recommended that the secretariat include activities related to the Programme in its work.

**Natural resources, energy and environment**

On 17 April [res. 244(XXII)], the Commission urged member countries to complete the procedures for officially approving MOUs relating to bilateral shared water resource cooperation projects and to support the technical task forces carrying out such projects. It adopted the recommendation of the Committee on Water Resources at its fifth session [YUN 2002, p. 1019] for the establishment of an Arab network for integrated management of water resources and the activation of its role, in coordination with the ESCWA secretariat. The Commission urged specialist water training and research centres and institutes in Arab countries to become members of that network, and member countries, international organizations and donors to provide the funding necessary to activate the network. The Executive Secretary was asked to promote projects and activities relating to shared water resources and the Arab network for the integrated management of water resources and to follow up their implementation, with a view to supporting national and regional capacity-building in the integrated management of water resources.

**Information**

The Commission, on 17 April [res. 246(XXII)], noted the work of the Western Asia Preparatory Conference (Beirut, 4-6 February) for the forthcoming World Summit on the Information Soci-

ety (see p. 857), and affirmed ESCWA's intention to play a role, in consultation with regional and international organizations working in Arab countries, with a view to formulating a single regional plan of action for the Arab region, given that those countries were culturally and historically related. The Commission called on the secretariat to propose a regional plan of action for building the information society that respected the particularities and linguistic and cultural priorities of the region, and to coordinate in that regard with the League of Arab States. It also requested the secretariat to amend the 2002-2003 work programme to take into consideration the preparatory work, to review the 2004-2005 work programme in order to ensure that it contained activities relating to the regional plan, and to continue participating in the preparations for the World Summit.

**Quality of life**

The Commission, on 17 April [res. 241(XXII)], noting with concern the impact of the lack of stability in the Arab region on the economic, social and environmental situation and on the development process in general, requested the secretariat to study the impact of war on economic and social development and the environment in Iraq, ensuring that its related activities were coordinated with those of other UN bodies and relevant regional organizations, and to provide the necessary assistance. The secretariat was asked to identify activities that ESCWA should undertake as part of the post-war reconstruction and rehabilitation process and to incorporate them into its programme of work and specializations. It was also asked to establish a mechanism for monitoring the effects of crises, with a view to identifying and analysing their impact on economic and social development in the region, and to assist countries in dealing with them. The Commission requested the Executive Secretary to report in 2005.

In another resolution of the same date [res. 252(XXII)], the Commission requested the secretariat to exert efforts to increase Arab participation in reconstruction and rehabilitation in Palestine and to link such participation to relevant international programmes. It affirmed the role of the Palestinian Authority (PA) and Palestinian civil society institutions in formulating the reconstruction and rehabilitation plan, and the need for the secretariat to assist the PA by delegating experts to evaluate economic and social losses and assisting in finding a relevant mechanism, through international organizations, for compensating such losses. The Commission requested the Executive Secretary to follow up

implementation of the resolution and submit a progress report in 2005.

### Programme and organizational questions

On 17 April [res. 242(XXII)], the Commission approved the amendments to the revised 2002-2003 programme of work and requested the secretariat to follow up its implementation and assume responsibility for activities that addressed any changes in the ESCWA region. It asked the Executive Secretary to inform member countries of any further modifications to the 2002-2003 work programme and to include that information in the progress report to be submitted to member countries in the years between Commission sessions.

By other resolutions of the same date, the Commission: approved the proposed 2004-2005 programme budget [res. 251(XXII)]; affirmed the importance of extrabudgetary resources in enabling the secretariat to expand its activities and deal with unforeseen developments in the ESCWA region, and urged member countries to increase their donations to other UN regional commissions [res. 253(XXII)]; called on the secretariat to strengthen consultancy services and technical cooperation activities, and requested it to better coordinate its research and analysis activities with its technical cooperation activities and consultancy services; urged member countries and donors to increase financial support for the Commission's consultancy services and technical cooperation activities [res. 249(XXII)]; and adopted the recommendations contained in the reports of its subsidiary bodies and requested member countries to cooperate with ESCWA in measures to promote their implementation [res. 250(XXII)].

### Establishment of UN Arabic language centre

On 17 April [res. 239(XXII)], the Commission decided to submit to the Economic and Social Council for adoption a resolution on the establishment within ESCWA of a UN Arabic language centre.

#### ECONOMIC AND SOCIAL COUNCIL ACTION

On 18 July [meeting 41], the Economic and Social Council, on the recommendation of ESCWA [E/2003/15/Add.1], adopted **resolution 2003/8** without vote [agenda item 10].

### Consideration of the establishment within the Economic and Social Commission for Western Asia of a United Nations Arabic language centre

*The Economic and Social Council,*

*Referring to* General Assembly resolution 54/248 of 23 December 1999 concerning the pattern of conferences,

*Referring also to* the requests and suggestions put forward to the Secretariat of the United Nations by the delegations of Arab States Members of the United Nations concerning Arabic language services and, in particular, to the proposal of the delegation of Egypt that is set forth in annex II to the report of the Committee on Conferences and the letter dated 31 July 2001 from the Permanent Representative of Qatar to the United Nations addressed to the Secretary-General, written in his capacity as Chairman of the Arab Group for the month of July 2001, concerning multilingualism,

*Recognizing* the importance of the coordinating role that could be played by the Economic and Social Commission for Western Asia, given that it is located in the Arab region, with respect to strengthening Arabic language services in the United Nations system in close cooperation with United Nations Headquarters Arabic translation and editorial services and benefiting from the high level of expertise in the region,

1. *Calls upon* the secretariat of the Economic and Social Commission for Western Asia to consider the establishment of a United Nations Arabic language centre, based at the Commission, of which the objective, in cooperation with the Secretariat of the United Nations, and taking into consideration the requisite technical, financial and administrative needs, shall be to raise the technical and linguistic level of the Arabic terminology used in United Nations documents, in order to facilitate the use of the Arabic language in such documents;

2. *Also calls upon* the secretariat of the Commission, in cooperation with the Secretariat of the United Nations, to undertake the establishment of a committee responsible for determining the competencies of the aforementioned centre;

3. *Requests* the Executive Secretary of the Economic and Social Commission for Western Asia to follow up implementation of the present resolution and to submit a report on the progress achieved in that regard to the Commission at its twenty-third session.

### Establishment of a committee on women

On 17 April [res. 240(XXII)], the Commission decided to submit to the Economic and Social Council for adoption a resolution on the establishment within ESCWA of a committee on women.

#### ECONOMIC AND SOCIAL COUNCIL ACTION

On 18 July [meeting 41], the Economic and Social Council, on the recommendation of ESCWA [E/2003/15/Add.1], adopted **resolution 2003/9** without vote [agenda item 10].

### Establishment within the Economic and Social Commission for Western Asia of a committee on women

*The Economic and Social Council,*

*Aware* of the importance of action relating to the empowerment of women and the improvement of their status, and of making available equal opportunities for their empowerment and increased participation at all levels of the development process,

*Aware also* of the importance of coordination with regard to the empowerment of women and of respect for the particularities, customs and culture of each Arab country in order to harmonize Arab positions at

global conferences and in the follow-up to global conferences organized by the United Nations, with a view to incorporating the regional dimension in international documents,

*Affirming* the importance of the involvement of the interested parties in member countries of the Economic and Social Commission for Western Asia in the planning, development and follow-up to implementation of secretariat programmes relating to the empowerment of women and of mainstreaming the gender perspective in activities and policies,

*Guided* by the action taken by the other United Nations regional commissions that have established special committees on women,

*Taking into consideration* the recommendation made by the Committee on Social Development of the Commission at its fourth session, held in Beirut from 3 to 5 July 2002, concerning the establishment within the Commission of a committee on women,

1. *Decides* to establish within the Economic and Social Commission for Western Asia a committee on women comprising representatives of member countries who are specialists in women's issues, to be responsible for the following:

(a) Identifying the women-related priorities of the programmes of work and medium-term plans of the Commission;

(b) Monitoring developments with respect to the status of women and evaluating indicators and statistics with a view to formulating an integrated policy for the advancement and empowerment of women;

(c) Monitoring the progress made in women-related activities of the Commission secretariat;

(d) Following up global and regional conferences and the participation of member countries therein and coordinating the endeavours of member countries and regional organizations with regard to implementation of the resolutions and recommendations adopted at such conferences;

(e) Coordinating action at the regional level towards the adoption of unified positions on the issue at international gatherings and in follow-up to the performance by member countries of the undertakings to which they made a commitment in human rights instruments concerning women;

(f) Preparing and implementing field projects for the advancement and empowerment of women in member countries of the Commission and finding the necessary funding for such projects;

(g) According the requisite importance to women in the regions in which wars and conflicts are prevalent, and in particular to Palestinian women, who are suffering in the conditions in which the Palestinian people is living under continuing Israeli occupation;

2. *Decides also* that the Committee on Women shall hold its sessions biennially, with effect from 2004, and that an inaugural session should be held before the end of 2003;

3. *Requests* the Executive Secretary of the Commission to establish a women's centre within the secretariat of the Commission with responsibility for acting as the secretariat of the Committee on Women;

4. *Also requests* the Executive Secretary to follow up implementation of the present resolution and to submit a report on the matter to the Commission at its twenty-third session.