

## Chapter V

## Regional economic and social activities

The five regional commissions continued in 2004 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—the Economic Commission for Africa (ECA), the Economic Commission for Europe (ECE), the Economic Commission for Asia and the Pacific (ESCAP), and the Economic Commission for Latin America and the Caribbean (ECLAC)—held regular sessions during the year. The Economic and Social Commission for Western Asia (ESCWA) did not meet in 2004 but was scheduled to meet in 2005.

The executive secretaries of the commissions continued to exchange views and coordinate activities and positions on major development issues and on preparations for and follow-up to UN conferences. The Economic and Social Council decided to hold annually a dialogue with the executive secretaries immediately after the high-level segment of its substantive session. The Secretary-General forwarded to the General Assembly the findings and recommendations of the Office of Internal Oversight Services on its audit of the regional commissions, which evaluated the efficiency and effectiveness of their programmes and administrative management.

During the year, ECA placed emphasis on mainstreaming trade policy in national development strategies and reaffirmed its commitment to economic growth and poverty eradication as well as to support for sustainable development. ECE focused mainly on economic policies, in particular on those designed to stimulate competitive growth within the region. ESCAP adopted the Shanghai Declaration, by which it reaffirmed the importance of focusing its work on the three thematic areas of poverty reduction, managing globalization and addressing emerging issues, and, in that connection, set forth the actions ESCAP members would strive to undertake. Through the efforts of ESCAP, the Intergovernmental Agreement on the Asian Highway Network was adopted. The Council endorsed the Declaration and welcomed the adoption of the Agreement; it additionally recognized the work of ESCAP in implementing its technical cooperation projects. The Council adopted the San Juan resolution, in which it welcomed the ECLAC docu-

ment on productive development in open economies and the proactive agenda proposed by ECLAC for meeting the challenges of the productive development process. It also instructed the ECLAC Executive Secretary to evaluate the modalities of ESCAP collaboration with the United Nations Stabilization Mission in Haiti.

The General Assembly adopted resolutions on cooperation between the United Nations and several regional organizations.

---

### Regional cooperation

---

In 2004, the United Nations continued to strengthen cooperation among its regional commissions, between them and other UN entities, and with regional and international organizations.

By **decision 2004/213** of 13 February, the Economic and Social Council decided that the theme for the agenda item on regional cooperation of its 2004 substantive session would be “Information technology for development: a regional perspective”.

**Meetings of executive secretaries.** The executive secretaries of the five regional commissions met on 17-19 February (New York), 26 April (Shanghai, China), 18 June (Santiago, Chile), 14 and 17 July (New York) and 20-22 October (New York) [E/2004/15, E/2005/15].

At the 2004 meetings and at those held in the second half of 2003, the executive secretaries exchanged views on: global issues and activities of their respective commissions in response to the related development challenges within the regions, particularly on the regional dimensions of the work of the United Nations; ways to further strengthen coherence of UN activities at the regional level; interregional and horizontal cooperation among the commissions in given areas; and the commissions’ participation in the eleventh session of the United Nations Conference on Trade and Development (UNCTAD XI) (see p. 954). They also reviewed the commissions’ activities on: regional follow-up to the 2002 International Conference on Financing for Development [YUN 2002, p. 953]; resources mobili-

zation and enabling environment for poverty eradication in the context of the implementation of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010 [YUN 2001, p. 770] (see p. 852); follow-up to the 2002 World Summit on Sustainable Development [YUN 2002, p. 821]; and preparations for the twelfth session of the Commission on Sustainable Development, for the first [YUN 2003, p. 857] and second (see p. 827) phases of the World Summit on the Information Society, and for UNCTAD XI (see p. 845).

Concerning measures taken by the Executive Committee on Economic and Social Affairs to involve the regional commissions more closely in the central policy work of the Secretariat, the executive secretaries agreed that there should be an improved two-way flow of information between global programmes, departments and offices, and the commissions to reflect more systematically the regional perspective in policy discussions at Headquarters and to ensure functional linkages between Headquarters and commission activities. The commissions should be more closely involved in the preparation of the Secretary-General's reports to global bodies, and the thematic groups established by the Executive Committee for the preparation of the 2004-2005 programme budget should remain active in support of that objective. Cooperation and joint work should be further pursued and clearly reflected in the work programme and budget of each of the commissions and the departments and offices concerned.

At the intergovernmental level, the Economic and Social Council, at its substantive sessions, should consider the item on regional cooperation at a separate segment to be held immediately after the high-level segment; it should be devoted to the interface between the commissions and the Council so as to ensure a more effective mainstreaming of their contributions to the Council's overall policy work and facilitate their provision of regional perspectives on global issues under consideration. That would enable the Council to better assess the commissions' response to its directives regarding policy coherence in the economic and social sectors. The executive secretaries further agreed on the need to hold yearly informal meetings at Headquarters to brief commission delegations on socio-economic policies, perspectives and outlooks in their respective regions and to encourage a more effective two-way flow of information and substantive exchange, including on the findings of the economic surveys of the five regions, thereby eliminating the need for their simultaneous launching at Headquarters.

To strengthen coherence of UN regional activities, the executive secretaries felt that there should be a framework for cooperation with regional and subregional organizations, with the commissions having the lead role. The relevant regional commissions should also be involved in initiatives undertaken by such entities as the Department of Economic and Social Affairs (DESA), UNCTAD, the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) and the offices of the Special Representative for Africa and of the High Representative for the Least Developed Countries, Landlocked Countries and Small Island Developing States.

As to the increasing need to bring more coherence to operational activities at the regional and subregional levels, the Millennium Development Goals (MDGs) [YUN 2000, p. 51] provided a sound basis for coordination and cooperation between the commissions and the United Nations Development Group.

The executive secretaries agreed that the regional commissions should align their technical cooperation work within the framework of the common country assessments/United Nations Development Assistance Framework (CCA/UNDAF) and poverty reduction strategy papers (PRSPs). To further support that approach, there should be a strong two-way communication between the commissions and the resident coordinators/UN country teams, including information flows on the commissions' country-level activities and their capacities.

The executive secretaries noted that the first phase of the World Summit on the Information Society [YUN 2003, p. 857] (see p. 845) had brought into focus the need for cooperation among relevant organizations within and outside the UN system to develop methodology for measuring selected indicators and for benchmarking and monitoring progress in the implementation of the Summit outcomes. They emphasized also the need for interregional and horizontal cooperation among their respective secretariats in that area. They recommended information and communication technologies (ICT) as the interregional theme for consideration by the Economic and Social Council in 2004 and identified ICT as an important area for a joint project by the commissions, to be funded from the Development Account. They also agreed to participate in a high-level panel organized by ESCAP, in connection with its sixtieth session, on "ICT and knowledge-economy development: a regional perspective".

By **decision 2004/323** of 11 November, the Economic and Social Council decided to hold a

dialogue with the executive secretaries of the regional commissions immediately after the high-level segment of its substantive session, and requested the Secretariat to ensure that that decision was reflected in the programme of work for the Council's 2005 substantive session. It would assess the implementation of that decision in 2008, in the context of Council resolution 1998/46 [YUN 1998, p. 1262] on the restructuring and revitalization of the United Nations and General Assembly resolution 57/270 B [YUN 2003, p. 1468] on follow-up to major UN conferences.

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

In a May report [E/2004/15], the Secretary-General updated the Economic and Social Council on the two cross-cutting issues related to the regional commissions: mainstreaming the regional dimension in UN work and enhancing the coherence of UN activities at the regional level, in accordance with the guidance provided for in Council resolution 1998/46 [YUN 1998, p. 1262] on restructuring and revitalizing the United Nations. In response to decision 2004/213 (see p. 990), the report also explored the theme "Information technology for development: a regional perspective".

In addenda to the report [E/2004/15/Add.1, 2], the Secretary-General submitted resolutions and decisions adopted at recent meetings of the regional commissions calling for action by or brought to the attention of the Council.

The Secretary-General also submitted the summaries of the overview of the economic report on Africa 2004: unlocking Africa's potential in the global economy [E/2004/17]; the economic and social survey of Asia and the Pacific [E/2004/18]; the economic survey of Europe [E/2004/16]; the economic survey of Latin America and the Caribbean, 2003 [E/2004/19]; and the survey of economic and social developments in the ESCWA region 2004 [E/2004/20].

The Council adopted resolutions on the Shanghai Declaration (resolution 2004/6), the work of ESCAP in implementing its technical cooperation projects (resolution 2004/7), the Intergovernmental Agreement on the Asian Highway Network (resolution 2004/8), the San Juan resolution on productive development in open economies (resolution 2004/45), support for the reconstruction of Haiti and the United Nations Stabilization Mission in Haiti (resolution 2004/46), and on the venue of the next session of ECLAC (resolution 2004/47). It also adopted decisions on the implementation of resolutions concerning the participation of associate member countries of ECLAC in the follow-up to UN world confer-

ences and in the Council's work (decision 2004/324), the United Nations Framework Classification for Fossil Energy and Mineral Resources (decision 2004/233), and the venue and dates of ESCWA's twenty-third session (decision 2004/320).

(For the summaries of the surveys and texts of the resolutions, see the relevant sections of this chapter.)

#### **Audit of regional commissions**

In May [A/58/785], the Secretary-General submitted the report of the Office of Internal Oversight Services (OIOS) on its audit of the five regional commissions, which evaluated the efficiency and effectiveness of programme and administrative management and made a series of recommendations.

Overall, OIOS found the financial and administrative controls in the commissions adequate. The reforms and restructuring implemented in the past few years had resulted in more relevant and appropriate substantive programmes, with an implementation rate during 2002-2003 that ranged from 87 per cent to 94 per cent. However, OIOS noted inconsistencies and weaknesses in the planning, selection, scope, methodology, conclusions, timing and costs of the self-evaluation exercises carried out by most of the commissions, and the absence of a systematic monitoring of recommendations emerging from those exercises to determine if specific process improvements had been achieved. The management of regional advisers was ineffective due to problems in coordinating and integrating their activities with the work programmes of the substantive divisions.

OIOS recommended that, to support the Economic and Social Council's discussion of the linkages among the work of the regional commissions and other UN entities in the economic and social sectors, the commissions' New York office should write its annual report more succinctly and begin with the section summarizing the executive secretaries' discussions on common issues. The Council should move its discussions relating to the commissions from the general segment to a special segment, with a day dedicated to incorporating the regional perspectives into the wide-ranging issues under consideration.

The overall coherence and effectiveness of intergovernmental bodies needed constant review for adherence to rules and procedures, for functionality and timely reporting, and for follow-up of recommendations. The calendars of the commissions' annual/biennial sessions should be harmonized with the submissions of the biennial programme plan and the proposed programme

budgets to the Office of Programme Planning, Budget and Accounts at Headquarters.

ESCWA and ECA should review the need for a separate statistics division, with a minimum critical mass of statisticians to strengthen their statistical strategy and outputs and to better guarantee methodological standards in their regions. The regional commissions should establish mechanisms for: assessing the quality of publications; categorizing a publication as a “flagship” one and harmonizing the issuance of such publications; conducting peer-review exercises; and assessing the composition of the readership. Policies on access and downloading of publications from websites also needed to be standardized.

The General Assembly, in **resolution 59/271** of 23 December (see p. 1369), took note of the OIOS report on its audit of the regional commissions and requested the Secretary-General to report to the Assembly in 2005 on actions taken by the commissions’ legislative bodies on the OIOS recommendations.

---

## Africa

---

The Economic Commission for Africa (ECA) held its thirty-seventh session/Conference of African Ministers of Finance, Planning and Economic Development (Kampala, Uganda, 21-22 May) [E/2004/38] under the theme “Mainstreaming trade policy in national development strategies”. It considered an overview report on recent economic and social conditions in Africa [E/ECA/CM.37/6], a paper on mainstreaming trade policy in national development strategies [E/ECA/CM.37/2], a progress report on the work of the ECA/Organisation for Economic Co-operation and Development (OECD) on monitoring mutual reviews of development effectiveness, a report of the Expert Group Meeting on Africa’s External Debt Problem [E/ECA/CM.37/8], the annual report on the work of ECA, 2004 [E/ECA/CM.37/4], a report on the external review of ECA’s work since 1996 [E/ECA/CM.37/5], a note on proposals for enhancing the effectiveness of the United Nations Trust Fund for African Development [E/ECA/CM.37/7] and the proposed ECA 2006-2007 programme plan [E/ECA/CM.37/3].

The Conference of African Ministers adopted a statement [E/ECA/CM.37/10] by which the Ministers reaffirmed their commitment to achieving sustained economic growth and eradicating poverty, and to promoting sustainable development as they advanced towards an inclusive and equitable global economic system; expressed concern

that, unlike other developing regions, Africa had not reaped the gains of global integration; underscored the importance of successfully concluding the Doha Development Round of trade negotiations launched in 2001 at the Fourth Ministerial Conference of the World Trade Organization (WTO) [YUN 2001, p. 1432] to better integrate Africa into the global trading system; strongly urged renewal beyond 2008 of the African Growth and Opportunity Act (AGOA), enacted by the United States to promote African exports and due to expire in September 2004; also urged trading partners to reduce cotton subsidies, with a view to eliminating them; and recommended that development partners correct the tariff escalation maintained by industrial countries.

The Ministers noted the establishment of the Commission for Africa by Prime Minister Anthony Blair of the United Kingdom to galvanize efforts to achieve the MDGs in Africa and believed that it had an important role to play in supporting the implementation of the New Partnership for Africa’s Development (NEPAD) [YUN 2001, p. 899] and advancing Africa’s agenda in international forums; recognized ECA’s key role in promoting Africa’s economic and social development and urged member States to support its efforts by contributing to the United Nations Trust Fund for Africa; and, noting the progress of reform achieved by ECA over the past eight years, believed that the way forward, proposed in the report on the external review of ECA’s work since 1996, would enable ECA to deepen the relevance of its contribution to Africa’s development agenda. Finally, the Ministers endorsed the ECA programme plan for the 2006-2007 biennium [E/2004/38 (res. 842 (XXXVII))].

The Conference was preceded by the twenty-third meeting of the Committee of Experts of the Conference of African Ministers of Finance, Planning, and Economic Development (Kampala, Uganda, 18-20 May), which discussed the agenda items of the Conference. Its report [E/ECA/CM.37/9] was adopted by the Conference.

On 13 July, President George W. Bush of the United States signed into law the AGOA Acceleration Act of 2004, extending AGOA long into the future.

### Economic trends

In 2004, Africa’s gross domestic product (GDP) grew by 4.6 per cent, the highest growth rate in almost a decade, up from the final 2003 figure of 4.3 per cent. Underpinning the improvement were higher commodity prices, good macroeconomic management, better performance in agriculture, an improved political situation in

many African countries, and increased aid and debt relief, according to the Overview of the Economic Report for Africa 2005: Meeting the Challenges of Unemployment and Poverty in Africa [E/2005/17]. Central Africa led the improved performance, with a 7.3 per cent growth rate, followed by East Africa at 5.8 per cent, North Africa at 4.8 per cent, West Africa at 4.3 per cent and Southern Africa at 3.5 per cent. At the country level, the fastest growing economies were those of Chad, Equatorial Guinea, Liberia, Ethiopia, Angola and Mozambique, while the slowest were those of Zimbabwe, Seychelles, Côte d'Ivoire, Central African Republic, Guinea-Bissau, Gabon, Kenya, Malawi, the Comoros, and Somalia.

On average, inflation declined from 10.3 per cent to 8.4 per cent due to prudent monetary and fiscal policies, good harvests and relatively stable exchange rates. Fiscal deficits also declined, with 32 countries recording either fiscal surpluses or declines in fiscal deficit. Current account performance was also favourable, with roughly one half of African countries (26 out of 51) showing improvement.

Overall, exports grew at 23.5 per cent as a result of both volume and price increases. Import growth averaged 16.9 per cent, reflecting higher incomes and rising oil and food prices.

### Activities in 2004

ECA activities in 2004 were undertaken in seven 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/2004/38, E/ECA/CM.38/2].

### Development policy and regional economic development

#### *African recovery and development*

ECA continued in 2004 to strengthen the capacity of member States to design and implement policies for economic growth and poverty reduction, in line with the priorities of the Millennium Declaration [YUN 2000, p. 49] and NEPAD [YUN 2001, p. 899]. Particular emphasis was placed on economic policy analysis, development issues related to social policy and poverty analysis, issues related to financing for development and statistical development. To follow up the implementation of the Monterrey Consensus, adopted by the International Conference on Financing for Development [YUN 2002, p. 953], an ad hoc expert

group meeting on financial systems and resource mobilization for economic development in Africa was held (Nairobi, Kenya, November) to identify the challenges constraining the emergence of well-functioning capital markets in the continent. The meeting called for the establishment of an African Monetary Fund, improvement and streamlining of regulatory and supervisory infrastructure, transparency, regional harmonization of laws and regulations, and adoption of policies for attracting remittances and mobilizing foreign resources through capital markets.

ECA hosted the fourth meeting of the ECA Big Table (Addis Ababa, Ethiopia, October) on the theme "Stimulating private sector investments in Africa", which proposed the creation of an investment climate facility to improve the policy environment for private sector growth. ECA also played a key role in the Strategic Partnership with Africa, a bilateral and multilateral donor group established to mobilize support for Africa and ensure the alignment of donor support with national poverty reduction strategies, including the tracking of results. It organized the first annual meeting of the Advisory Board on Statistics in Africa (Addis Ababa, May), which reviewed the objectives, scope, institutional arrangements and governance structure, including the future direction of ECA work in statistics.

#### New Partnership for Africa's Development

ECA continued to support the implementation of NEPAD, a programme initiated by African leaders in 2001 [YUN 2001, p. 900] for the development of Africa. The programme's African Peer Review Mechanism (APRM) became operational in 2004, with the roll-out of country support missions to Ghana, Kenya, Mauritius and Rwanda to assess the processes in those countries for self-assessment and drafting programmes of action that would be reviewed by the APRM Panel. ECA helped in the development of some APRM codes and standards, provided country economic and governance data to its secretariat, participated in all four support missions and collaborated with UN system agencies and other partners in supporting NEPAD infrastructure development. It worked with the OECD secretariat in developing a framework for mutual accountability and policy coherence, which would form the basis of a new partnership between African countries and their development partners.

ECA convened the Sixth Annual Regional Consultations of UN agencies working in Africa (Addis Ababa, July) to review progress made by the thematic clusters around which UN support for NEPAD was organized [YUN 2002, p. 977], consider immediate UN assistance to advance pro-

gress, address challenges and concerns, and chart the way forward. The consultations found that, although significant progress had been made in all the thematic clusters, the United Nations faced a number of constraints in supporting NEPAD at the regional level: increased financial commitment by the UN entities was dependent on their receiving additional resources for NEPAD programmes, without which the scope and flexibility for undertaking additional joint activities were limited. Thus, if further progress was to be made, UN entities would need to deepen their collaboration to achieve greater operational coherence in their various NEPAD support programmes using existing coordination mechanisms.

In **resolution 59/254** of 23 December (see p. 924), the General Assembly urged UN system entities to intensify their efforts in developing and implementing joint programmes in support of NEPAD at the regional level.

(For detailed information on NEPAD, see p. 920.)

#### *Illicit diamond transactions and development*

In 2004, the General Assembly and the Security Council considered the role that illegal transactions of diamonds played in fuelling conflict (see p. 57), particularly in Africa.

#### **GENERAL ASSEMBLY ACTION**

On 15 December [meeting 72], the General Assembly adopted resolution 59/144 [draft: A/59/L.46 & Add.1] without vote [agenda item 21].

#### **The role of diamonds in fuelling conflict: breaking the link between the illicit transaction of rough diamonds and armed conflict as a contribution to prevention and settlement of conflicts**

*The General Assembly,*

*Recognizing* that the trade in conflict diamonds is a matter of serious international concern, which can be directly linked to the fuelling of armed conflict, the activities of rebel movements aimed at undermining or overthrowing legitimate Governments and the illicit traffic in and proliferation of armaments, especially small arms and light weapons,

*Recognizing also* the devastating impact of conflicts fuelled by the trade in conflict diamonds on the peace, safety and security of people in affected countries, and the systematic and gross human rights violations that have been perpetrated in such conflicts,

*Noting* the negative impact of such conflicts on regional stability and the obligations placed upon States by the Charter of the United Nations regarding the maintenance of international peace and security,

*Recognizing*, therefore, that continued action to curb the trade in conflict diamonds is imperative,

*Recognizing also* the positive benefits of the legitimate diamond trade to producing countries, and underlining the need for continued international action

to prevent the problem of conflict diamonds from negatively affecting the trade in legitimate diamonds, which makes a critical contribution to the economies of many of the producing, exporting and importing States, especially developing States,

*Noting* that the vast majority of rough diamonds produced in the world are from legitimate sources,

*Recalling* the Charter and all the relevant resolutions of the Security Council related to conflict diamonds, and determined to contribute to and support the implementation of the measures provided for in those resolutions,

*Recalling also* Security Council resolution 1459(2003) of 28 January 2003, in which the Council strongly supported the Kimberley Process Certification Scheme as a valuable contribution against trafficking in conflict diamonds,

*Welcoming* the important contribution of the Kimberley Process, which was initiated by African diamond-producing countries,

*Believing* that the implementation of the Kimberley Process Certification Scheme should substantially reduce the opportunity for conflict diamonds to play a role in fuelling armed conflict and should help to protect legitimate trade and ensure the effective implementation of the relevant resolutions on trade in conflict diamonds,

*Recalling* its resolutions 55/56 of 1 December 2000, 56/263 of 13 March 2002, 57/302 of 15 April 2003 and 58/290 of 14 April 2004, in which it called for the development and implementation of proposals for a simple, effective and pragmatic international certification scheme for rough diamonds,

*Welcoming*, in this regard, the implementation of the Kimberley Process Certification Scheme in such a way that it does not impede the legitimate trade in diamonds or impose an undue burden on Governments or industry, particularly smaller producers, and does not hinder the development of the diamond industry,

*Welcoming also* the decision of countries and one regional economic integration organization to address the problem of conflict diamonds by participating in the Kimberley Process and to implement the Kimberley Process Certification Scheme,

*Welcoming further* the important contribution made by the diamond industry, in particular the World Diamond Council, as well as civil society, to assist international efforts to stop the trade in conflict diamonds,

*Welcoming* the voluntary self-regulation initiatives for the diamond industry announced by the World Diamond Council, and recognizing that a system of such voluntary self-regulation will contribute, as described in the Interlaken Declaration of 5 November 2002 on the Kimberley Process Certification Scheme for Rough Diamonds, to ensuring the effectiveness of national systems of internal control for rough diamonds,

*Noting with appreciation* that the Kimberley Process has pursued its deliberations on an inclusive basis, involving concerned stakeholders, including producing, exporting and importing States, the diamond industry and civil society,

*Recognizing* that State sovereignty should be fully respected and that the principles of equality, mutual benefits and consensus should be adhered to,

*Recognizing also* that the Kimberley Process Certification Scheme, which came into effect on 1 January 2003, will be credible only if all participants have established internal systems of control designed to eliminate the presence of conflict diamonds in the chain of producing, exporting and importing rough diamonds within their own territories, while taking into account that differences in production methods and trading practices, as well as differences in institutional controls thereof, may require different approaches to meet minimum standards,

1. *Reaffirms its strong and continuing support* for the Kimberley Process Certification Scheme;

2. *Recognizes* that the Kimberley Process Certification Scheme can help to ensure the effective implementation of relevant resolutions of the Security Council containing sanctions on the trade in conflict diamonds, and calls for the full implementation of existing Council measures targeting the illicit trade in rough diamonds that play a role in fuelling conflict;

3. *Also recognizes* the important contributions that the international efforts to address the problem of conflict diamonds, including the Kimberley Process Certification Scheme, have made to the settlement of conflicts in Angola, the Democratic Republic of the Congo, Liberia and Sierra Leone, and the ongoing value of the Certification Scheme as a mechanism for the prevention of future conflicts;

4. *Stresses* that the widest possible participation in the Kimberley Process Certification Scheme is essential and should be encouraged, and urges all Member States to participate actively in the Certification Scheme by complying with its undertakings;

5. *Notes with appreciation* the report of the Chair of the Kimberley Process submitted pursuant to resolution 58/290, and congratulates the Governments, regional economic integration organization representatives, the organized diamond industry and civil society participating in the Kimberley Process for contributing to the development and implementation of the Kimberley Process Certification Scheme;

6. *Takes note* of the decision of the General Council of the World Trade Organization of 15 May 2003 granting a waiver with respect to the measures taken to implement the Kimberley Process Certification Scheme, effective from 1 January 2003 to 31 December 2006;

7. *Welcomes* the progress achieved at the plenary meeting of the Kimberley Process held in Gatineau, Canada, from 27 to 29 October 2004, expanding the mandate of the Participation Committee to advise the Chair on matters of non-compliance by participants;

8. *Also welcomes* the important progress made towards the implementation of the peer review mechanism, including the submission of annual reports by all participants and the completion of eleven voluntary review visits, and encourages all remaining participants to receive voluntary review visits;

9. *Encourages* all participants in the Kimberley Process Certification Scheme to collate and submit relevant statistical data on the production of and international trade in rough diamonds as a tool for effective implementation and as envisaged by the Certification Scheme;

10. *Acknowledges with great appreciation* the important contribution that Canada, as Chair of the Kimberley Process in 2004, has made to the efforts to

curb the trade in conflict diamonds, and welcomes the succession of the Russian Federation as Chair and Botswana as Vice-Chair of the Process for 2005;

11. *Requests* the Chair of the Kimberley Process to submit a report on the implementation of the Process to the General Assembly at its sixtieth session;

12. *Decides* to include in the provisional agenda of its sixtieth session the item entitled "The role of diamonds in fuelling conflict".

### Information technology

ECA activities under the subprogramme on harnessing information for development was focused on assisting member States in strengthening national capacities for the utilization of information and communication technologies (ICTs), including strengthening capacities in the development and use of information knowledge systems as decision-support tools for socioeconomic development. Activities were undertaken to promote the growth of the information society in Africa and the harnessing of ICTs to achieve broad development goals, including the MDGs. A major achievement was the increase in the number of African countries that had developed national information and communication infrastructure plans and policies. ECA assisted the Comoros, Ghana, Mali and Niger in developing strategies for the adoption and use of ICTs. The Gambia and Malawi received support for integrating their ICT policies with poverty reduction strategies and the MDGs, and in building capacity for application in social sectors, such as health and education. ECA also began to implement a pilot project on the development of e-strategy at the village level, with the development of village information and communication infrastructure policies, and developed plans for Ghana, aimed at making ICTs accessible to rural communities.

As follow-up to the first phase of the World Summit on the Information Society [YUN 2003, p. 857], ECA organized a meeting (Addis Ababa, February) to discuss preparations for the second phase in 2005. It also organized two workshops (Addis Ababa, February); the first reviewed achievements under the first phase of its benchmarking initiative, the SCAN-ICT project, a multi-donor project aimed at building capacity for gathering information and data in support of investment in ICT; the second reviewed progress in the formulation and implementation of national ICT infrastructure plans and strategies.

### Transport and communications

An important objective of ECA's work in infrastructure development was to help establish an efficient, integrated and affordable transport

and communications system and to facilitate national and international traffic. ECA continued to assist member States and regional economic communities in the implementation of the Yamoussoukro Declaration on air transport liberalization [YUN 1988, p. 273], particularly in strengthening their capacity to implement the Declaration and incorporate it into their national policies. ECA and the Sub-Saharan Africa Transport Programme (SSATP), in collaboration with Ethiopia, organized the SSATP annual general meetings (September), which highlighted improvements in collaboration between regional economic communities and SSATP, the increased participation of countries (33 countries joined SSATP in 2004), and the inclusion of road safety in the SSATP action plan. The meeting identified priority activities to be implemented as part of corridor development and increased movement of people and goods.

Other notable activities in the area of transport included a study on the development of multi-modal transport in Africa, which was endorsed by an expert group meeting on the subject, and a study on best practices for the commercialization and privatization of rail, air, road and maritime transport, highlighting the importance of private sector involvement in the development of infrastructure and services. ECA also contributed to a NEPAD short-term action plan on infrastructure. It organized a forum (Yaoundé, Cameroon, December) on transport infrastructure and regional integration for the Central Africa subregion.

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

ECA's work under the subprogramme of fostering sustainable development focused on assisting member States in defining their environmental challenges and priorities, and identifying strategies for addressing them.

As a contribution to the 10-year review of the Dakar/Ngor Declaration on Population, Family and Sustainable Development [YUN 1992, p. 476] and the Programme of Action of the 1994 International Conference on Population and Development (ICPD) [YUN 1994, p. 955], ECA prepared a regional review which was adopted by the Regional Ministerial Review Conference on Implementation of the Dakar/Ngor Declaration and the Programme of Action of ICPD-10 (Dakar, Senegal, June 10-11) (see p. 1078), together with a ministerial declaration constituting a blueprint for the further implementation the Dakar/Ngor Declaration and the ICPD Programme of Action. ECA studied the role of National Councils for Sustainable Development in achieving sustainable development in Africa, as part of efforts to ensure integrated follow-up and implementation of the

outcomes of the 2002 World Summit on Sustainable Development [YUN 2002, p. 821]. It prepared studies to create awareness of the potential of science and technology in achieving food security and sustainable development, including the study on emerging issues in science and technology—principles, methodology and strategy for promoting the African Green Revolution. It was also developing an African Green Revolution Design and Training Manual as a contribution to the African Green Revolution and as a tool for achieving MDG sustainable development targets in Africa.

ECA supported member States in promoting an integrated approach to national policy-making that included issues related to mineral resources development and assisted several regional organizations in elaborating their programmes in that field. Under the NEPAD regional consultations of UN agencies on the sub-cluster on water, the ECA secretariat organized three regional workshops for decision makers and technical personnel in Geo-Water Information Development and Management for Central African countries (Yaoundé, June), East Africa (Accra, Ghana, September) and East Africa (Mombassa, Kenya, October) to facilitate the development of an African Regional Water Clearinghouse for strengthening cooperation in integrated water resources management. ECA also launched the publication of the African Water Journal.

#### **Development management**

ECA activities under the subprogramme on strengthening development management were aimed at improving and sustaining good governance practices for broad stakeholder participation in the development process to strengthen the foundations for sustainable development in Africa. ECA organized the Fourth African Development Forum (Addis Ababa, 11-15 October) under the theme "Governance for a progressing Africa" to address key issues related to the challenges of achieving good governance. Before it were the findings of an ECA secretariat project on the development of indicators for measuring and monitoring progress towards that objective. The Forum focused on conflict prevention and sustainable economic development, strategies for fighting corruption, strengthening the judiciary, and ensuring effective political parties and a strong civil society. It adopted a Consensus Statement containing major policy recommendations and time-bound actions for follow-up at the country level, including for the enhancement of the role and participation of youth and civil society in the governance process in Africa.

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

The Trade and Regional Integration Division of ECA continued to promote the integration and participation of African countries in the global economy. Its office in Geneva, established in 2003, provided assistance and technical support to the African WTO Geneva Group in preparing its negotiating positions within the framework of the Doha Development Agenda, adopted by the Fourth WTO Ministerial Conference [YUN 2001, p. 1432], and its proposals and submissions on various WTO issues under negotiation. Following the failure of the 2003 Fifth WTO Ministerial Conference [YUN 2003, p. 967], ECA organized a number of meetings to assist the region's countries in developing strategies for further negotiations, including a high-level brainstorming meeting of African trade negotiators (Addis Ababa, November) to evaluate the implications for African countries of the so-called July Framework Agreements at WTO.

ECA's work of building sustainable trade capacities of African countries was enhanced by the Africa Trade Policy Centre, recently established to strengthen Africa's trading capacity in line with the trade-related objectives of NEPAD. It supported African capacity-building efforts through policy research and training activities.

ECA increased its support to member States in building a strategy for the ongoing negotiations on Economic Partnership Agreements (EPAs) between the African, Caribbean and Pacific States and European Union countries, by undertaking an impact assessment of EPAs and organizing four subregional expert group meetings to examine the main challenges of the negotiations and the potential implications of the EPAs for subregional economies.

A major accomplishment was the launch in July of a publication entitled "Assessment of Regional Integration in Africa", produced in collaboration with the AU and the African Development Bank, which provided the first comprehensive assessment of progress towards regional integration in Africa.

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

Promoting the advancement of women in Africa remained a major priority of ECA's work programme, involving the continuing elaboration of tools and mechanisms for monitoring progress towards the goal of gender equality set in global and regional platforms of action and for mainstreaming gender into national planning instruments. Those objectives were being achieved through the African Gender and Development Index, which entered an expanded phase with field trials in 12 countries. The Index would pro-

vide tools for measuring the performance of ECA member States in addressing gender equality, promote political awareness of gender issues and help streamline reporting on gender-related human rights issues, the MDGs and NEPAD.

The seventh African Regional Conference on Women (Addis Ababa, October), organized as the regional review of the Beijing Platform for Action [YUN 1995, p. 1170] (Beijing +10), endorsed the Index. The Conference adopted an outcome document on the way forward, which reviewed progress achieved and major constraints to the advancement of women in Africa and highlighted further actions to accelerate progress in the implementation of the Beijing Platform for Action, especially in such critical areas as poverty reduction, HIV/AIDS, human rights of women, health, education, the girl-child and women's participation in peace-building and reconstruction.

To promote the collection of gender-aggregated data, ECA produced and disseminated 53 country gender profiles based on secondary data collected in a number of thematic areas. It produced a guidebook entitled "Mainstreaming Gender Perspectives and Household Production in National Accounts, Budgets and Policies in Africa" to improve the skills of statisticians, national accountants and policy analysis experts in collecting, analysing and integrating gender-disaggregated micro- and macro-economic statistics into national planning instruments. ECA also prepared the first National Satellite Accounts of Household Production for South Africa and developed a gender-aware macro-economic model to evaluate the impact of policies on poverty reduction and welfare, using the South African economy as a pilot case.

### **Subregional offices**

The five subregional offices (SROS), located in Central, East, North, Southern and West Africa, strengthened policy dialogue by sharing information with African experts principally through meetings of ad hoc expert groups and intergovernmental expert committees. They continued to collaborate with the UN system through the UN Resident Coordinator system and the CCA/UNDAF, a major outcome of which was the publication of a joint report assessing progress towards meeting the MDGs. The SROS helped to facilitate a better understanding of trade issues in the context of the Doha work programme (see p. 958) and of current negotiations on economic partnership agreements between Africa and Europe. They supported member States and subregional economic communities in translating NEPAD priorities and objectives into concrete country-level

projects and programmes, including formulation of subregional strategies for infrastructure development and the assessment of progress in implementation.

### Construction of office facilities at ECA

In October [A/59/444], the Secretary-General, in response to General Assembly resolution 56/270 [YUN 2002, p. 1459], reported to the Assembly on progress in the construction of additional office facilities at ECA headquarters in Addis Ababa, including activities related to the preliminary design. Also submitted to the Assembly were the related comments and recommendations of the Advisory Committee on Administrative and Budgetary Questions [A/59/572]. (For details on this subject, see p. 1364.)

## Regional cooperation

### Cooperation between UN and ECCAS

The Secretary-General, in his consolidated report on cooperation between the United Nations and regional and other organizations [A/59/303], submitted pursuant to General Assembly resolution 58/316 (see p. 1374), provided information on cooperation between the UN system and the Economic Community of Central African States (ECCAS).

The Assembly, by **decision 59/552** of 23 December, decided that the item on cooperation between the United Nations and ECCAS would remain for consideration at its resumed (2005) fifty-ninth session.

### Cooperation between UN and SADC

The Secretary-General, in his consolidated report on cooperation between the United Nations and regional and other organizations [A/59/303], provided information on cooperation between the UN system and the Southern African Development Community (SADC).

On 2 December, the General Assembly, by **resolution 59/49** (see p. 1459), invited SADC to participate in its sessions in the capacity of observer.

#### GENERAL ASSEMBLY ACTION

On 15 December [meeting 72], the General Assembly adopted **resolution 59/140** [draft: A/59/L.42 & Add.1] without vote [agenda item 56 (s)].

#### Cooperation between the United Nations and the Southern African Development Community

*The General Assembly,*

*Recalling* its resolution 37/248 of 21 December 1982 and all other relevant General Assembly resolutions and decisions on the promotion of cooperation between the United Nations and the Southern African

Development Community, including resolution 57/44 of 21 November 2002 and decision 56/443 of 21 December 2001,

*Welcoming* the adoption of its resolution 59/49 of 2 December 2004, in which it decided to invite the Community to participate in its sessions and its work in the capacity of observer,

*Commending* States members of the Community for demonstrating continued commitment to deeper and more formal arrangements for cooperation among themselves towards regional integration,

*Recognizing* the continued efforts to strengthen democracy, good governance, sound economic management, human rights and the rule of law and the consolidation of peace, including the adoption at the annual summit of the Community, held in Mauritius on 16 and 17 August 2004, of the Principles and Guidelines Governing Democratic Elections,

*Noting with concern* the HIV/AIDS pandemic, which has reached crisis proportions in the region, and the high prevalence of communicable diseases such as malaria and tuberculosis, which are having far-reaching social and economic consequences,

*Noting* the continued efforts of the Community to make Southern Africa a landmine-free zone,

*Expressing concern* about the very difficult humanitarian situation in countries of the region,

*Welcoming* the launch by the Community of the Strategic Indicative Plan for the Organ on Politics, Defence and Security Cooperation in August 2004 as an enabling instrument for the implementation of the development agenda embodied in the Regional Indicative Strategic Development Plan of the Community,

*Recognizing* the important role that women play in the development of the region,

*Recognizing also* the important role of civil society and the private sector in the development of the region,

1. *Takes note* of the report of the Secretary-General on cooperation between the United Nations and regional and other organizations;

2. *Expresses its appreciation* to the United Nations funds and programmes as well as the international community for the financial, technical and material support given to the Southern African Development Community;

3. *Expresses its support* for the economic reforms being implemented by States members of the Community, in pursuance of their shared vision of creating a strengthened regional economic community through deeper economic integration;

4. *Calls upon* the international community to strengthen support for the measures taken by the Community in addressing HIV/AIDS, including commitments on the outcome of the special session of the General Assembly on HIV/AIDS, as well as support for the implementation of the Maseru Declaration on the Fight against HIV/AIDS;

5. *Appeals* to the United Nations, its related bodies and the international community to assist and support the Community in its efforts against landmines;

6. *Appeals* to the international community and to relevant organizations and bodies of the United Nations system to continue providing financial, technical and material assistance to the Community to support its efforts to fully implement the Regional In-

dicative Strategic Development Plan and the New Partnership for Africa's Development as well as towards the achievement of the Millennium Development Goals;

7. *Calls upon* the international community to support the efforts of the Community in capacity-building and in addressing the new challenges, opportunities and consequences presented to the economies in the region arising from the process of globalization and liberalization;

8. *Requests* the Secretary-General, in consultation with the Executive Secretary of the Community, to enhance contacts aimed at promoting and harmonizing further cooperation between the United Nations and the Community;

9. *Also requests* the Secretary-General to submit to the General Assembly at its sixty-first session a report on cooperation between the United Nations and the Southern African Development Community.

---

## Asia and the Pacific

---

The Economic and Social Commission for Asia and the Pacific (ESCAP) held its sixtieth session (Shanghai, China, 26-28 April) [E/2004/39], preceded by a senior officials segment (22-24 April), under the theme "Meeting the challenges in an era of globalization by strengthening regional development cooperation". The High-level Visionary Meeting for Asia and the Pacific 2020 was held in place of the traditional Ministerial Round Table. The Commission reviewed policy issues for the ESCAP region; emerging issues and developments at the regional level; least developed, landlocked and island developing countries; programme planning and evaluation; ESCAP technical cooperation activities; activities of the Advisory Committee of Permanent Representatives and Other Representatives Designated by Members of the Commission; and reports of regional intergovernmental bodies.

### Economic trends

According to the summary of the economic and social survey of Asia and the Pacific, 2005 [E/2005/18], economic performance in the ESCAP region for 2004 was marked by an impressive 7.2 per cent estimated GDP growth rate, the highest since 2000, and low inflation, which was supported by robust export growth, higher commodity prices and strong domestic demand driven by low interest rates.

Overall growth in East and North-East Asia climbed to 7.5 per cent, 1.3 percentage point higher than in 2003, led by China, with a real GDP growth rate of 9.5 per cent. North and Central Asia also enjoyed another year of buoyant

growth, although marginally lower than that of 2003, with the economies of Tajikistan, Azerbaijan and Armenia maintaining their dominant positions. The energy sector was the main driver of growth, accounting for some one third of GDP and one half of exports in Kazakhstan and the Russian Federation.

Real GDP growth continued at the modest pace of 3 per cent in the Pacific island economies, supported by higher prices for commodity exports and increased tourism. Improved economic management reduced budget deficits and lowered public debt, leading to greatly improved inflation performance. However, macroeconomic stability had not resulted in faster economic growth owing to the absence of an investor-friendly environment brought on by political instability, poor governance, corruption and law-and-order problems.

In the developed economies of South and South-West Asia, the already high economic growth improved slightly, from 7.2 per cent to 7.4 per cent. Rates of inflation picked up in Pakistan and Sri Lanka, but fell somewhat in India and Iran and more sharply in Turkey. Among the least developed countries (LDCs) of South Asia, economic growth improved modestly, although Afghanistan and Bangladesh were affected by bad weather, and the Maldives was devastated by the December 2004 tsunami (see p. 952). Inflation was generally lower, partly owing to currency appreciation, which offset the rise in petroleum prices.

GDP growth in South-East Asia increased to 6.4 per cent, compared to 4.9 per cent the previous year. That growth was broadly-based, with manufacturing particularly benefiting from the upturn in the electronics cycle and strong export demand. Higher food and energy prices put upward pressure on price levels in the subregion but were partly offset by fuel subsidies in some countries. In the LDCs of South-East Asia, economic growth continued to vary widely from year to year, depending on developments in the agricultural sector. With the exception of Myanmar, inflation tended to be lower in all of those countries, owing to greater exchange-rate stability and prudent monetary policies, although higher oil prices were beginning to affect the general price level.

In the developed countries of the region, recently revised economic data from Japan indicated that, after years of stagnation, growth was much stronger, reaching a high of 2.6 per cent, compared to 1.3 per cent the previous year. Growth accelerated in New Zealand to 4.8 per cent, while remaining substantially unchanged in Australia at 3.5 per cent, supported by buoyant

domestic demand and high commodity prices. Deflationary pressures eased in Japan, but the fiscal deficit continued to present a daunting challenge. The fiscal position in Australia and New Zealand remained strong, but monetary policy in the latter was tightened in the face of price-pressure build-up. The boom in the Australian housing market appeared to have passed its peak and inflation was subdued.

### Policy issues

Among the issues with significant policy implications for ESCAP Governments in the near term was the exacerbation of an already volatile economic situation by higher oil prices, which were likely to remain under upward pressure for some time, posing a significant threat of inflation that would discourage investment. There was also the possibility that the external environment could deteriorate in the coming months. Those developments, together with a weakening dollar, posed a major challenge to the maintenance of growth and macroeconomic stability.

Several long-term development policy issues faced the ESCAP region. The tsunami disaster (see p. 952) illustrated the lack of a systematic disaster management framework, including disaster mitigation measures, in many countries and highlighted the importance of handling vulnerability to achieve a sustainable reduction in poverty in line with the MDG of halving by 2015 the proportion of the world's people whose income was less than a dollar a day [YUN 2000, p. 52]. While most countries in the region were making progress towards that goal, they nevertheless were likely to miss many of the other non-income-related goals. Reaching the targets within and across countries would require more national and international resources, and a radical shift in attitudes, priorities and policies to ensure equitable and sustainable basic services. Meeting the twin challenges of sustaining growth and reducing inequality was high on the region's policy agenda. Some of the most important issues were employment opportunities, especially for the young; access to productive assets; public spending on basic social services; gender equality; and population policy and good governance.

At its 2004 session, the Commission considered a report on the current economic situation in the region and related policy issues [E/ESCAP/1304] and a paper on meeting the challenges in an era of globalization by strengthening regional development cooperation [E/ESCAP/1305]. The Commission recognized that the most pressing long-term challenge facing the region was poverty, and its eradication had to be given the highest priority, requiring not just economic growth but also good

governance, increased regional cooperation, and integrated national strategies that focused on generating additional employment, creating productive assets, imparting technical and entrepreneurial skills, and raising the income levels of the poor on a targeted basis and providing them with wider educational facilities. Recognizing that economic indicators did not always reflect the reality of people's lives or explain the reasons for underdevelopment, ESCAP encouraged its secretariat to study alternative standard measures of poverty and assist in the design of more effective indicators of development.

ESCAP agreed that many LDCs lacked the necessary human and financial capital and institutions to enable them to reap the benefits of globalization, and that technical assistance would be useful in the restructuring and institutional development of those countries. ESCAP should use its comparative advantage and enhance its ability to assist countries within its thematic areas through technical assistance and capacity-building activities. In particular, it should strengthen coordination and partnership with other organizations to assist member countries in achieving greater cooperation by analysing and providing access to relevant cross-country experiences.

## Activities in 2004

### Strengthening regional development cooperation

ESCAP had before it a report on policy issues for the ESCAP region: meeting the challenges in an era of globalization by strengthening regional development cooperation [E/ESCAP/1305] and a publication on the subject [E/ESCAP/2319]. By a resolution of 28 April [E/2004/39 (res. 60/1)], it adopted the Shanghai Declaration, which it hoped would be a milestone for deepening cooperation among the countries and territories of the Asian and Pacific region, and recommended the Declaration for adoption by the Economic and Social Council (see below).

#### ECONOMIC AND SOCIAL COUNCIL ACTION

On 16 July [meeting 42], the Economic and Social Council, on the recommendation of ESCAP [E/2004/15/Add.1], adopted **resolution 2004/6** without vote [agenda item 10].

#### Shanghai Declaration

*The Economic and Social Council,*

*Endorses* the Shanghai Declaration adopted on 28 April by the Economic and Social Commission for Asia and the Pacific at its sixtieth session, as set out in the annex to the present resolution.

## Annex

### Shanghai Declaration

#### I. General provisions

1. We, members and associate members of the Economic and Social Commission for Asia and the Pacific, on the occasion of the historic sixtieth session of the Commission, express our deep appreciation to the Government and citizens of the People's Republic of China for hosting the present session in Shanghai, the birthplace of the Commission, and to the government and citizens of Shanghai municipality.

2. We reiterate our commitment to multilateralism and to addressing global issues through dialogue, consultation and cooperation.

3. We reaffirm that the United Nations has a central role in promoting international cooperation for development and in promoting policy coherence on global development issues, including in the context of globalization and interdependence.

4. We support further reform of the United Nations with a view to promoting its important role in peace and development and in establishing a cohesive and effective system for responding to global threats and challenges, as well as enhancing the effectiveness of the United Nations through increased coordination and cooperation between the various agencies and their programmes within the United Nations system.

5. We note the diversity in the levels of development of countries and areas of the Asian and Pacific region and the special needs of the least developed economies, landlocked and island developing economies, and economies in transition.

6. We emphasize the unique role of the Commission as the most representative body for the Asian and Pacific region and its mandate as the main general economic and social development centre within the United Nations system for the Asian and Pacific region.

7. We reaffirm our determination to strengthen further the role, capacity and efficiency of the Economic and Social Commission for Asia and the Pacific to respond more effectively to the needs of its members and associate members and to existing and new global challenges.

8. We welcome the achievements of the region in economic and social development, including progress made in achieving the internationally agreed development goals, including those contained in the United Nations Millennium Declaration, adopted by the General Assembly in its resolution 55/2 of 8 September 2000, and the outcomes and final documents of major United Nations summits and international conferences.

9. We renew our commitment to enhancing sub-regional and regional cooperation and remain conscious of the need to further improve national capacities in order to promote sustainable development in the Asian and Pacific region.

10. In this context, we acknowledge the importance of the main theme of the Shanghai session, "Meeting the challenges in an era of globalization by strengthening regional development cooperation".

11. We reaffirm that South-South cooperation, South-North cooperation and triangular cooperation play important roles in promoting development and con-

tribute to the achievement of the internationally agreed development goals, including those contained in the Millennium Declaration.

12. We note that globalization offers opportunities and challenges to the world, particularly for the developing countries, and that it is only through greater economic growth coupled with broad, sustained and collaborative efforts that globalization can be made fully inclusive and equitable so that the poor are not left behind. At the same time, the benefits of globalization can be realized only when environmental pressure from the impact of globalization is properly addressed through strengthened common strategies in the Asian and Pacific region.

13. We welcome the conclusion and holding of the signing ceremony of the Intergovernmental Agreement on the Asian Highway Network and the inaugural session of the Asia-Pacific Business Forum, and look forward to the first meeting of the Ministerial Council of the Asia-Pacific Trade Agreement as part of the efforts to strengthen the development of infrastructure and foster closer trade relations within the region. We reaffirm the importance of focusing the work of the Economic and Social Commission for Asia and the Pacific on its three thematic areas: poverty reduction, managing globalization and addressing emerging social issues.

#### II. Poverty reduction

14. In the area of poverty reduction, we will strive:

(a) To maximize the contribution of economic growth in reducing poverty and hunger, by consolidating successes and facilitating the sharing of best practices, with a view to halving, by 2015, the proportion of people suffering from poverty and hunger, thus making the region a forerunner in the global campaign against poverty;

(b) To implement policies aimed at engendering confidence in the operation of markets to assist in the creation of a favourable business environment;

(c) To emphasize the importance of according priority to the fight against hunger and poverty and, in this context, put in place the necessary policy and institutional framework and implement programmes that are designed to overcome hunger and poverty;

(d) To encourage the efficient utilization of existing financial, physical and human resources and the involvement of all stakeholders, including Governments, international organizations, international and regional development and financial institutions, donors and civil society, to achieve the internationally agreed sustainable development goals, including those contained in the Millennium Declaration;

(e) To eliminate corruption at all levels, welcoming in that regard the adoption of the United Nations Convention against Corruption and inviting all member States to sign and ratify it as soon as possible in order to ensure its rapid entry into force.

#### III. Managing globalization

15. In the area of managing globalization, we will strive:

(a) To address the regional and interregional aspects of the follow-up to the Monterrey Consensus of the International Conference on Financing for Development;

(b) To revitalize the multilateral trading system, taking into account the importance of promoting the objectives set out in the Millennium Declaration of ensuring an open, equitable, rule-based, predictable and non-discriminatory multilateral trading system;

(c) To work towards a successful, timely and development-oriented conclusion of the Doha negotiations;

(d) To take action to enable those countries in the region that are not yet members of the World Trade Organization to accede to it in order to participate more effectively in the multilateral trading system;

(e) To strengthen national capacities to negotiate, conclude and implement multilateral and regional agreements designed to promote interregional and intraregional trade and investment flows;

(f) To implement, in a timely fashion, the various regional and subregional economic cooperation initiatives in promoting trade and investment, with a view to expanding economic interaction and promoting stable growth and prosperity for the entire region;

(g) To mobilize investment from domestic and foreign resources by strengthening and developing domestic financial systems and creating an enabling environment;

(h) To advance current efforts to reform the international financial architecture as envisaged in the Monterrey Consensus and promote the effective participation of developing countries and countries with economies in transition in those efforts;

(i) To take action at the regional level to ensure the effective implementation of and follow-up to the outcomes of the World Summit on Sustainable Development, including the Johannesburg Plan of Implementation, in which some of the salient features of the Phnom Penh Regional Platform on Sustainable Development for Asia and the Pacific were reflected, to move the region towards a more sustainable path to development, with the developed countries taking the lead and with all countries benefiting from the process, taking into account the principles of common but differentiated responsibilities, while taking note of the recent follow-up activities, including the Kyoto Ministerial Declaration and the Jeju Initiative;

(j) To make the next ten years a decade of economic growth and sustainable development in the region, striving to meet the various internationally agreed goals;

(k) To undertake regular studies and analyses of regional environmental trends, strengthen national capacities for protecting the environment consistent with national commitments and support regional and subregional environmental cooperation;

(l) To assist in capacity-building and the formulation and implementation of strategies and action plans for the sustainable use of water resources, with a special focus on problems of water quality and access to safe drinking water for the poor;

(m) To promote capacity-building in sustainable energy development, enhanced utilization of renewable energy and energy efficiency improvement and to support subregional cooperation in energy sector development;

(n) To develop an integrated intermodal transport network in Asia and the Pacific as well as Asia-Europe transport corridors;

(o) To implement the Plan of Action adopted at the first phase of the World Summit on the Information Society, held in Geneva from 10 to 12 December 2003, and take action to achieve the objectives of the World Summit as enunciated in the Declaration of Principles and the Plan of Action adopted at the first phase, and to prepare for the second phase in 2005, paying special attention to least developed countries, landlocked developing countries, small island developing States and countries with economies in transition;

(p) To promote regional cooperation and effective integration of satellite-based information and communication technology applications with other information technologies for informed sustainable economic and social development planning and management and improved quality of life;

(q) To promote the development of transport and tourism in the region so as to provide opportunities for increased national, regional and international trade and better access to health and education services, and to promote cultural exchanges.

#### IV. Emerging social issues

16. In the area of emerging social issues, we will strive:

(a) To promote social policy development and the mainstreaming of social dimensions in national development programmes;

(b) To improve the development and delivery of basic social services, such as education, health and nutrition, focusing on vulnerable population groups;

(c) To enhance cooperation in capacity-building in public health, inter alia, through the exchange of information and the sharing of experience, as well as research and training programmes focusing on surveillance, prevention, control, response, care and treatment in respect of infectious diseases;

(d) To coordinate a more effective and comprehensive response to HIV/AIDS and other serious diseases in the region by prioritizing effective strategies against them in national development planning, committing sufficient resources, mobilizing the private sector and civil society, enhancing sustained and comprehensive intervention and strengthening regional cooperation in establishing preventive measures and increasing the availability of affordable quality drugs;

(e) To foster an integrated social safety net and, particularly, to establish a social safety net which provides necessary assistance to the unemployed, the poor and senior citizens, as well as other vulnerable groups;

(f) To promote and support gender equality and eliminate discrimination against women;

(g) To promote human security in the region through greater regional cooperation, especially for vulnerable people;

(h) To support and encourage the active participation of all relevant stakeholders, including the business community, for the promotion of social development.

#### V. Overarching issues

17. On overarching issues, we will strive:

(a) To fully implement the Monterrey Consensus;

(b) To promote regional cooperation by inviting the United Nations regional commissions, in collaboration with other regional and subregional organizations and processes, as appropriate, to contribute, within their

mandates, to the review of progress made towards achieving the internationally agreed development goals contained in the Millennium Declaration, which synthesizes and prioritizes the key elements of major international conferences held in prior years, and to provide input to the discussions of the Economic and Social Council on the cross-sectoral thematic issues to be addressed during the coordination segment of its substantive session, in accordance with the rules of procedure of the Council;

(c) To intensify our efforts to implement effectively in the Asian and Pacific region the International Plan of Action for the United Nations Literacy Decade;

(d) To implement the Programme of Action for the Least Developed Countries for the Decade 2001-2010 and the Almaty Plan 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;

(e) To promote initiatives for the least developed countries in the context of South-South cooperation by implementing projects that address the special needs of those countries;

(f) To support the Programme of Action for the Sustainable Development of Small Island Developing States and work towards a positive outcome at the review of the implementation of the Programme of Action in Mauritius;

(g) To strengthen and support the implementation of the United Nations Special Programme for the Economies of Central Asia;

(h) To encourage the establishment of a regional network of research institutions and universities in the Economic and Social Commission for Asia and the Pacific region by 2006 in order to promote education, technical skills development and technology transfer through the exchange of programmes, students and academics.

## **VI. Strengthening of the Economic and Social Commission for Asia and the Pacific**

18. We reaffirm the vital role of the Economic and Social Commission for Asia and the Pacific in fostering sustainable economic and social development in Asia and the Pacific.

19. We request the Executive Secretary to design programmes, within the existing mandate and resources of the Economic and Social Commission for Asia and the Pacific, that reflect the overall vision contained in the present Declaration, to present the programme of work for endorsement by the Commission and to report on these matters to the Commission at future sessions.

20. We resolve, therefore, to support efforts by the Executive Secretary to mobilize and make effective use of additional financial and in-kind resources in support of activities of the Economic and Social Commission for Asia and the Pacific and for its further revitalization in line with the needs and priorities of its members and associate members.

21. We also request the Commission to review on a regular basis the progress made in implementing the provisions of the present Declaration.

## **Poverty reduction**

ESCAP endorsed the report of the Committee on Poverty Reduction on its first session [YUN 2003, p. 1009]. The Committee had urged ESCAP, at the Economic and Social Council's June high-level segment, to present the true scope of poverty in Asia and the Pacific in order to attract the attention of donor countries and forge partnerships. Noting that poverty reduction required an enabling international economic environment, ESCAP requested the secretariat to organize a high-level meeting with the Bretton Woods institutions (the World Bank Group and the International Monetary Fund) to engage in policy dialogue and explore practicable cooperative arrangements, and to encourage countries to meet their commitments as set out in the Monterrey Consensus [YUN 2002, p. 953].

ESCAP urged countries of the region and their development partners, including ESCAP, to strengthen their efforts to accelerate the pace of achieving the MDGs, including developing national plans for that purpose. It called for the adoption of a comprehensive approach with greater emphasis on better access to financial and non-financial resources, human security, increased investments in health and education, empowerment of women, better governance, rural development, environmental protection, social protection, enhanced participation of all stakeholders and more effective partnerships between Governments, non-governmental organizations (NGOs), the private sector and other civil society entities. It also called for strengthening ESCAP's capacity to address poverty reduction and for fostering regional cooperation in that regard. The secretariat should assist developing countries and LDCs in mobilizing resources and in making them more accessible to the poor. The Commission welcomed the secretariat's work to promote the use of ICT for rural poverty reduction, especially for enhancing market access by the poor, improving social service delivery in remote areas and for lifelong learning. It recommended the promotion of public-private partnerships for the provision of basic services as an approach to poverty alleviation.

ESCAP endorsed the recommendations of the Committee on Poverty Reduction on poverty measurement and concurred with its view that sound poverty measurement at the country level depended on the national statistical system. It supported the formulation of a regional action plan to improve poverty statistics and monitoring in the region. The Commission urged the secretariat to ensure that all information was available to different users and to continue playing an active role in implementing a wide range of statisti-

cal capacity-building measures. The secretariat should also contribute to the UN Statistics Division handbook on poverty statistics and take advantage of ICT initiatives to enhance statistical capabilities. It should also collaborate in producing more accurate and objective data for measuring the MDGs, study alternative measures of poverty, and assist in designing more effective indicators of development.

In adopting the Shanghai Declaration (see p. 1002), ESCAP reaffirmed its commitments to reduce poverty (see p. 1004), as set out in the Declaration.

The Subcommittee on Poverty Reduction Practices, at its first session (Bangkok, Thailand, 30 June–2 July) [E/ESCAP/SCPRP/Rep.], discussed creating an enabling environment for successful poverty reduction initiatives, implementing ESCAP's poverty reduction strategies, evaluating the impact of targeted poverty reduction programmes, and selected policy issues in poverty reduction.

### Statistics

ESCAP noted the report of the Governing Board of the Statistical Institute for Asia and the Pacific (SIAP) [E/ESCAP/1319], which highlighted the Institute's accomplishments and the factors and strategies that guided the implementation of its activities, the 2004 work programme, the 2005–2009 long-term work programme approved by the Board at its ninth session (Chiba, Japan, 14–15 November 2003), and the Institute's financial status.

The Commission noted that additional contributions and technical assistance were required to place the Institute on a sound financial footing to enable it to respond effectively to the evolving needs of ESCAP members and associate members. It supported the Board's recommendation that a three-year, rather than a five-year, strategic plan be adopted as a more effective way to adjust programmes to changing needs and situations; it recommended that the secretariat formulate measures to implement the suggestion made in the 2003 independent evaluation [YUN 2003, p. 1015] that the Institute play a coordinating role in regional statistical training activities.

The Subcommittee on Statistics of the Committee on Poverty Reduction, at its first session (Bangkok, 18–20 February) [E/ESCAP/CRP(2)/4], conducted an overview of significant global and regional issues in official statistics and examined ESCAP activities in social, poverty and economic statistics, statistical training including the Institute's role, reports for the Subcommittee's attention and programme matters. It noted that the draft Regional Action Plan on Poverty Statistics

submitted in 2003 to the Committee on Poverty Reduction [YUN 2003, p. 1009] was broad and ambitious, and whose viability rested on the financing of the activities called for and coordination of regional efforts. The Subcommittee decided that the ESCAP secretariat should revise the Regional Action Plan on Poverty Statistics and clearly identify priority activities.

The Expert Group Meeting on Population and Housing Censuses (Bangkok, 9–10 December), held in preparation for the 2010 Round of Population and Housing Censuses, requested ESCAP to facilitate communication between the regional and global census programmes and ensure their full coordination and mutual support. The Meeting recommended that ESCAP establish a forum for census stakeholders to discuss issues of concern and share experiences. It identified a number of priorities for establishing activities to be carried out in the coming years.

### Managing globalization

ESCAP endorsed the report of the Committee on Managing Globalization on its first session [YUN 2003, p. 1010], including its recommendations, and expressed satisfaction with the progress made in implementing six ESCAP resolutions relating to the theme of managing globalization, as described in a March note by the secretariat [E/ESCAP/1308].

In its consideration of selected cross-cutting issues, ESCAP encouraged its members to establish national trade and transport committees to address the high cost of trade and transport transactions and asked the secretariat to provide support and guidance in that regard. The Commission also asked the secretariat: to provide training and advisory services to countries undertaking corridor studies in applying the ESCAP cost/time-distance model and the Trade Facilitation Framework; to accord priority to bridging the digital divide through sharing of best practices, capacity-building and pilot projects; and to promote e-centres in order to bring the benefits of globalization to rural areas. The Commission recognized that ICT had a high impact on the flow of capital, goods, services and knowledge, thus becoming one of the main driving forces of globalization.

ESCAP noted the common understanding and strategies developed at regional expert meetings for mapping out a 10-year plan for revising current consumption and production patterns and for translating international commitments into reality.

### Least developed, landlocked and island developing countries

#### *Special Body on Pacific Island Developing Countries*

ESCAP endorsed the recommendation of the eighth session (Shanghai, 20-21 April) [E/ESCAP/1312] of the Special Body on Pacific Island Developing Countries on urban management issues in Pacific island developing countries and on the revitalization of the ESCAP Pacific Operations Centre. On 28 April, ESCAP adopted a resolution on the Centre's revitalization (see p. 1011).

ESCAP also adopted a resolution [E/2004/39 (res. 60/7)] endorsing the Pacific Urban Agenda developed by an ESCAP workshop (Nadi, Fiji, 1-4 December 2003) on the urban governance initiative of UNDP, the United Nations Human Settlements Programme and the Pacific Islands Forum secretariat. It requested the Executive Secretary to accord priority to the implementation of the Agenda and called on Pacific members and associate members to address the actions outlined therein; it invited partner agencies to provide technical and financial support, and members and associate members to coordinate implementation. It also asked the Executive Secretary to convene a workshop in 2006 for the exchange of experience and capacity-building and to report to ESCAP at its sixty-second (2006) session.

#### Economic and technical cooperation

In 2004, ESCAP received \$11.5 million for technical cooperation activities [E/ESCAP/1351], significantly less than the \$13.6 million for 2003, but that did not include additional multimillion dollar contributions, which would be deferred to 2005. Of the 2004 amount, \$5.7 million (49.2 per cent) was contributed by the UN system and \$5.8 million from individual countries. Contributions from three developed countries (Japan, Finland, United States) provided over 50 per cent (\$3.3 million) of the total bilateral assistance, with Japan contributing the most. Among the developing countries, the Republic of Korea, China and India were the largest contributors. In addition to cash contributions, donor countries provided some 113 work-months of expert services on a non-reimbursable basis.

ESCAP adopted a resolution [E/2003/39 (res. 60/3)] on its work in implementing technical cooperation projects, which it recommended to the Economic and Social Council for adoption (see below).

#### ECONOMIC AND SOCIAL COUNCIL ACTION

On 16 July [meeting 42], the Economic and Social Council, on the recommendation of ESCAP [E/

2004/15/Add.1], adopted **resolution 2004/7** without vote [agenda item 10].

#### **Work of the Economic and Social Commission for Asia and the Pacific in implementing its technical cooperation projects**

*The Economic and Social Council,*

*Recalling* its resolution 37(IV) of 28 March 1947, by which it established the Economic and Social Commission for Asia and the Pacific, and in particular paragraphs 1 (d) and (e) of the terms of reference of the Commission, regarding advisory services and technical assistance,

*Recalling also* General Assembly resolution 32/197 of 20 December 1977, through which the Commission was mandated to serve as the main general economic and social development centre within the United Nations system for the Asian and Pacific region and as an executing agency for intersectoral, subregional, regional and interregional projects,

*Cognizant* of the scope of the responsibilities of the Commission, the domain of which comprises the largest region in the world in geographical coverage and contains 62 per cent of the world's population, as well as the majority of the world's poor,

*Aware* of the focus of the work of the Commission on three key thematic areas, namely, poverty reduction, managing globalization and addressing emerging social issues,

1. *Recognizes with appreciation* that the Economic and Social Commission for Asia and the Pacific has been implementing a number of technical cooperation projects that strengthen the capacity of Commission members and associate members in the development and implementation of policies and programmes in the economic and social fields;

2. *Expresses its appreciation* to those traditional donors which have made significant voluntary contributions to the technical cooperation activities of the Commission, and invites non-traditional donors to increase their contributions;

3. *Welcomes* the efforts of the Executive Secretary of the Economic and Social Commission for Asia and the Pacific to focus on high-priority, results-oriented and demand-based projects, and requests him to implement such projects in an effective and efficient manner;

4. *Recognizes* the need for the technical cooperation activities of the Commission to be guided by the internationally agreed development goals contained in the United Nations Millennium Declaration, adopted by the General Assembly in its resolution 55/2 of 8 September 2000, and the outcomes of United Nations summits and conferences, including the Doha Development Agenda, the Johannesburg Plan of Implementation, the Monterrey Consensus, the Almaty Programme of Action and the Plan of Action of the World Summit on the Information Society;

5. *Also recognizes* that the Commission has comparative strengths and advantages in certain technical cooperation activities in the Asian and Pacific region, and requests the Executive Secretary, in carrying out the technical cooperation activities of the Commission, to continue to attach high priority to the following areas:

(a) Capacity-building for members and associate members to plan and implement effective policies and programmes in the economic and social fields through training activities, such as organizing seminars, workshops and the exchange of experts;

(b) Provision of advisory services, at the request of members or associate members, to strengthen their capacity to respond effectively to the challenges of globalization in the region;

(c) Identification of existing good practices in the region and promotion of their introduction in places where feasibility studies yield positive results;

(d) Enhancement of awareness among members and associate members and facilitation of the dissemination of relevant information;

6. Urges the Executive Secretary to implement the projects in close cooperation with the participating Governments and relevant international organizations and bodies, as well as in partnership with the private sector and relevant non-governmental organizations;

7. Also urges the Executive Secretary to pay particular attention to the special needs of socially vulnerable groups and to the gender dimension when implementing projects;

8. Further urges the Executive Secretary to pay particular attention to the special needs of least developed countries, landlocked and Pacific island developing countries, and countries with economies in transition when implementing projects;

9. Expresses its appreciation to the Executive Secretary for actively monitoring and evaluating the projects of the Commission, and urges him to continue to do so in order to determine the effectiveness of those projects and to draw lessons therefrom for improved planning and implementation of future projects of the Commission;

10. Requests the Executive Secretary to include the following in his report to the Commission at its sixty-first session under the agenda item on technical cooperation activities of the Commission and announcement of intended contributions:

(a) His efforts to mobilize resources in areas such as broadening the donor base, cost-sharing, private sector funding and other innovative means in view of the trend towards declining voluntary contributions for technical cooperation activities;

(b) His strategy paper and action plan for technical cooperation activities for the year 2005 and thereafter, taking into account the priorities of the Commission and recognizing that the implementation of projects is subject to the availability of extrabudgetary resources;

(c) The results of the monitoring and evaluation of ongoing and recently completed projects for the purposes mentioned in paragraph 9 above.

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

ESCAP, having considered the report on 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 [YUN 2003, p. 1010], requested the secretariat to continue to

work with member countries to realize the vision of an integrated, international intermodal transport system that supported mobility, trade and tourism both domestically and across international borders. It endorsed the strategy on transport infrastructure and facilitation proposed by the Committee on Managing Globalization at its first session [ibid.].

Noting the progress made in the accession by member States to international conventions, and also noting that numerous agreements on transport and facilitation were already in place but that problems with implementation remained, ESCAP requested the secretariat to conduct workshops at the national and regional levels to enhance understanding and assist the implementation of existing agreements, including those listed in its resolution 48/11 [YUN 1992, p. 485]. It endorsed the convening in 2006 of a ministerial conference on transport to review the implementation of the New Delhi Action Plan on Infrastructure Development in Asia and the Pacific, 1997-2006 [YUN 1995, p. 1012] and to develop a strategy for the further development of reliable and efficient, integrated, intermodal international transport that facilitated international trade and tourism and economic integration processes.

In a resolution on the Intergovernmental Agreement on the Asian Highway Network [E/2004/39 (res. 60/4)], ESCAP welcomed the unanimous adoption in 2003 of that Agreement [YUN 2003, p. 1010], which the Economic and Social Council also welcomed in resolution 2004/8 (see p. 1008). ESCAP endorsed the development of an intergovernmental agreement on the Trans-Asian Railway and urged the secretariat to focus on additional land and land-cum-sea corridors, including the North-South and Southern Corridors.

In the context of Asia-Europe transport corridors, ESCAP underscored the importance of the joint ECE-ESCAP programme of work and noted the First Expert Group Meeting on Developing Euro-Asian Transport Linkages convened by those two regional commissions (Almaty, Kazakhstan, March). ESCAP requested the secretariat to focus on the implementation of 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 [YUN 2003, p. 875].

ESCAP noted the secretariat's work in transport facilitation and assistance to the Greater Mekong subregion in preparation for the negotiation of facilitation agreements in collaboration with the Asian Development Bank. It requested the secretariat to continue to provide guidance to the

Shanghai Cooperation Organization countries (China, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan, Uzbekistan) in the hope that that would lead to the development of a multilateral road transport facilitation agreement among them.

ESCAP endorsed the convening of an intergovernmental meeting on sustainable tourism development in 2005 to review the implementation of the Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region [YUN 1999, p. 929] and to consider launching a second phase of the Plan, focusing on the promotion of transport linkages from a tourism perspective and the promotion of tourism as a means of reducing poverty. It encouraged the secretariat to assist member countries in accelerating the use of ICT in tourism, including the creation of mechanisms for preventing its abuse.

The Subcommittee on Transport Infrastructure and Facilitation and Tourism, at its first session (Bangkok, 24-26 November) [E/ESCAP/STIFT/Rep.], noted that 27 ESCAP member States had signed the Intergovernmental Agreement on the Asian Highway Network (see above) and that seven had become parties to it. Noting the progress made at a regional meeting (Bangkok, 22-23 November) to initiate negotiation of an intergovernmental agreement on the Trans-Asian Railway network, the Subcommittee recommended that an intergovernmental meeting be organized in 2005 to finalize and adopt the draft agreement for recommendation to ESCAP in 2006.

#### ECONOMIC AND SOCIAL COUNCIL ACTION

On 16 July [meeting 42], the Economic and Social Council, on the recommendation of ESCAP [E/2004/15/Add.1], adopted **resolution 2004/8** without vote [agenda item 10].

#### **Intergovernmental Agreement on the Asian Highway Network**

*The Economic and Social Council,*

*Recognizing* the importance of international road transport to the development of the economy, trade and tourism in the Economic and Social Commission for Asia and the Pacific region,

*Recognizing also* that an intergovernmental agreement on the Asian Highway network would play a catalytic role in the coordinated development of international highways in the region and between Asia and Europe,

*Recalling* the establishment of a working group to develop an intergovernmental agreement on the Asian Highway network, as recommended by the Ministerial Conference on Infrastructure, held in Seoul from 12 to 17 November 2001, and endorsed by the Commission at its fifty-eighth session,

*Recalling also* the decision of the Commission at its fifty-ninth session to convene an ad hoc intergovernmental meeting to consider and adopt the agreement in

the second half of 2003 and its hope that the agreement could be concluded at the meeting in November 2003,

*Welcoming* the unanimous adoption of the Intergovernmental Agreement on the Asian Highway Network by the Intergovernmental Meeting to Develop an Intergovernmental Agreement on the Asian Highway Network, held in Bangkok on 17 and 18 November 2003,

*Recalling* the priority area of infrastructure development and maintenance identified in 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, adopted at the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, held in Almaty, Kazakhstan, on 28 and 29 August 2003, and acknowledging that the Asian Highway network provides transit transport opportunities,

*Expressing its appreciation* to the Government of Japan for its valuable support for the development and formalization of the Asian Highway network and for the assistance which it provided in preparing for and convening the Intergovernmental Meeting,

*Also expressing its appreciation also* to the Government of China for hosting the signing ceremony for the Agreement in Shanghai on 26 April 2004,

*Convinced* that the Agreement will strengthen relations between member countries, promote international trade and tourism through coordinated development of the Asian Highway network and have a substantial positive impact on the region by achieving internationally agreed development goals, including those contained in the United Nations Millennium Declaration adopted by the General Assembly in its resolution 55/2 of 8 September 2000,

1. *Invites* all the relevant members of the Economic and Social Commission for Asia and the Pacific to become parties to the Intergovernmental Agreement on the Asian Highway Network in order to ensure the speedy entry into force of the Agreement;

2. *Invites* the international and regional financing institutions and multilateral and bilateral donors to provide financial and technical support for the development of the Asian Highway network and related infrastructure, particularly taking into account the special needs of landlocked developing countries;

3. *Invites* subregional organizations to promote the Agreement and accord priority to the development of the Asian Highway network in their respective subregions;

4. *Encourages* landlocked developing countries and their transit neighbours that are members of the Commission to enter into bilateral or subregional transit traffic facilitation agreements which will enable the Asian Highway network to provide further tangible transit transport opportunities within the scope of the Almaty Programme of Action;

5. *Requests* the Executive Secretary of the Economic and Social Commission for Asia and the Pacific:

(a) To assist member countries in becoming parties to the Agreement;

(b) To accord priority to the development of the Asian Highway network, within the programme of work of the Commission;

(c) To collaborate effectively with international and regional financing institutions, multilateral and bilateral donors and subregional organizations for the development of the Asian Highway network;

(d) To discharge effectively the functions of the secretariat of the Agreement;

(e) To report to the Commission at its sixty-first session on the implementation of the present resolution.

#### *Science and technology*

ESCAP took note of the report of the Asian and Pacific Centre for Transfer of Technology (APCTT) on its 2003 activities [E/ESACP/1317 & Corr.1], to which was annexed the report of the APCTT Governing Board at its eighteenth session (Manila, Philippines, 6-7 February). The Commission urged its members and associate members to consider increasing their annual contributions to the Centre to enable it to deliver its technology transfer services in a more effective, regular and sustainable manner.

ESCAP, in its consideration of the report of the Coordinating Committee for Geoscience Programmes in East and Southeast Asia [E/ESCAP/1323], noted that the Committee had carried out most of its planned activities to enhance coordination of geoscience programmes of member countries. ESCAP agreed that the Space Applications Programme for Sustainable Development in Asia and the Pacific should be strengthened to help its members and associate members to meet the MDGs.

#### *Environment and sustainable development*

ESCAP, in noting the importance of the secretariat's activities to enhance the capacity of countries in the implementation of multilateral environmental agreements, environmental monitoring, biodiversity conservation, energy efficiency, enhanced utilization of renewable energy and water resources management, requested the secretariat to take cognizance of issues and problems at the subregional and national levels in its studies and projects in those areas. It noted that the achievements under the Johannesburg Plan of Implementation of the World Summit on Sustainable Development [YUN 2002, p. 822] were well below the desired level and suggested that the secretariat, in support of the UN Commission on Sustainable Development, ensure that regional inputs were effectively integrated into that body's work programme.

In other action, ESCAP endorsed the preparations [E/ESCAP/1329] for the fifth Ministerial Conference on Environment and Development in Asia and the Pacific in 2005 and recommended

that it focus on translating the Johannesburg Plan of Implementation into concrete activities. It supported the recommendations adopted by the Ninth Senior Officials Meeting (Moscow, Russian Federation, March) on the North-East Asian Subregional Programme of Environmental Cooperation. To ensure sustainable development in that subregion, it requested the secretariat to facilitate dialogue towards promoting energy cooperation. It encouraged the development of integrated water resources management and water efficiency plans, and the establishment of strategies and policies for regional and national disaster mitigation and preparedness. For that purpose, it was suggested that a research network be considered, with the cooperation of international organizations under ESCAP guidance, to deal with floods and earthquakes.

#### *Agriculture and development*

ESCAP 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 (CGPRT) [E/ESCAP/1318], which also covered the proceedings of the twenty-second meeting (Bangor, Indonesia, 15-16 January) of the Centre's Governing Board. Besides adopting the Centre's 2004 programme of work and planned 2004 expenditures, the Board agreed to meet in March to deliberate on changing the mandate and name of the Centre. Subsequently, ESCAP took note of the recommendation of the Board at its extraordinary session (22 March) that the Centre's name be changed to the "Centre for Alleviation of Poverty through Secondary Crops Development in Asia and the Pacific" (CAPSA) and that its statute be revised to reflect the realignment of its work. By its resolution on CGPRT [E/2004/39 (res. 60/5)], ESCAP agreed to the name change and granted the Centre the status of a subsidiary body, with a Governing Council, a Director and a Technical Committee.

ESCAP noted the report of the Asian and Pacific Centre for Agricultural Engineering and Machinery (APCAEM) [YUN 2003, p. 1012], in particular the establishment of its headquarters in Beijing, China. Noting the many challenges facing any new institution, ESCAP looked forward to increasing programme and fund-raising support from the secretariat to make APCAEM self-sustainable as soon as possible.

#### *Social development*

ESCAP endorsed the report of the Committee on Emerging Social Issues on its first session [YUN 2003, p. 1013]. It requested the secretariat to continue to support national efforts to promote

social development and to assist members and associate members in implementing the Biwako Millennium Framework for Action towards an Inclusive, Barrier-free and Rights-based Society for Persons with Disabilities in Asia and the Pacific [ibid., p. 1014]. It further requested its members and associate members to continue their support for and active participation in the drafting of an international convention on promoting and protecting the rights and dignity of persons with disabilities.

ESCAP concurred with the analysis and recommendations contained in the document entitled "Emerging social issues: trends, issues and strategies" [E/ESCAP/1311], which demonstrated how the rights-based approach was applied to the formulation of policies and programmes in the areas of population, ageing, disability, migration, gender and health. ESCAP called upon the secretariat to analyse the causes and consequences of international migration, in particular labour migration, including projecting future trends and assessing the use and impact of remittances. Concerned about the region's increasing trafficking in women and children, it called for improving existing mechanisms to combat such trafficking and for strengthening domestic legislative frameworks to complement multinational and bilateral initiatives. It called on the secretariat to assist in fostering regional cooperation in promoting investment in health for development and in providing capacity-building programmes for allocating, managing and utilizing funds. Noting the slow overall progress in achieving the HIV/AIDS-related targets in the Millennium Declaration, it urged the international community to increase its resources and action in order to strengthen national AIDS programmes. It urged its members and associate members to accord priority to combating the spread of HIV/AIDS and to advocate the full mobilization of all sectors and levels of government to integrate HIV/AIDS issues into national development planning.

In its resolution on a regional call for action to enhance capacity-building in public health [E/2004/39 (res. 60/2)], ESCAP urged members and associate members to implement domestic measures to counter the impact of avian influenza on human health, livestock production and economic development, in particular to strengthen reporting and surveillance systems; participate in the Global Fund to Fight AIDS, Tuberculosis and Malaria and encourage the private sector to contribute to the Fund; further integrate public health into their economic and social development strategies; raise professional and public awareness of the importance of public health and mobilize the participation of educational institu-

tions, civil society and the mass media in promoting good public health practices; and improve regional public health preparedness and response systems to better cope with major diseases, such as global or regional outbreaks of new diseases.

By the same resolution, ESCAP encouraged donors to continue to support the Asian and Pacific countries in combating infectious diseases and epidemics. It requested the Executive Secretary to coordinate with the World Health Organization (WHO) and other organizations, to assist members and associate members in mainstreaming health concerns into development sectors in support of attaining internationally agreed development goals; to promote coordinated regional action in strengthening capacity-building in public health, including through the Subcommittee on Health and Development, which held its first session (Bangkok, 1-3 December), and in facilitating the exchange of information and the sharing of experience; and to report to ESCAP in 2005 on the implementation of the resolution.

In its resolution on the Shanghai Declaration (see p. 1002), ESCAP reaffirmed the measures it would strive to carry out to address emerging social issues.

The High-level Intergovernmental Meeting to Review Regional Implementation of the Beijing Platform for Action and its Regional and Global Outcomes (Bangkok, 7-10 September) [E/ESCAP/1341] reviewed achievements, identified challenges and addressed strategies for an enabling environment to achieve gender equality. It adopted the Bangkok Communiqué, which acknowledged gaps in the implementation of the Beijing Platform for Action [YUN 1995, p. 1170] and recognized a number of challenges to be addressed. The Meeting's outcome would serve as the Asian and Pacific contribution to the global review and appraisal of the implementation of the Beijing Platform for Action at the 2006 session of the Commission on the Status of Women.

#### *Natural disasters*

ESCAP considered and took note of the reports of three regional intergovernmental bodies highlighting activities in 2003 and progress achieved in the implementation of their respective programmes related to natural disasters.

The Mekong River Commission [E/ESCAP/1324] reported its approval of two procedures of its water utilization programme; the navigation programme to address important shortcomings in the regional navigation sector; and the flood management and mitigation programme, which made up the fourth in the Commission's core programmes. The flood programme was approved as

a core programme, together with three current programmes—the Mekong Basin development plan, the water utilization programme and the environment programme.

The Typhoon Committee [E/ESCAP/1325] evaluated the activities undertaken by ESCAP members related to the meteorological and hydrological components of its regional cooperation programme implementation plan, including flood forecasting and warnings, natural disaster prevention and mitigation, and enhancement of public awareness of cyclone and water-related hazards. It reviewed activities under the disaster prevention and preparedness, training and research components. It set up a working group to review the Committee's operations and structure.

The Panel on Tropical Cyclones [E/ESCAP/1326] evaluated its activities under the meteorological, hydrological, natural disaster prevention and preparedness, training and research components of its work programme. It highlighted significant improvements in flood forecasting techniques and modelling, real-time monitoring of water levels and rainfall, risk mapping and participation of stakeholders in flood-warning systems in Bangladesh, India, Maldives, Pakistan, Sri Lanka and Thailand. It further underscored the modernization of observation and telecommunication networks and forecasting systems aimed at improving tropical cyclone monitoring, forecasting and warning services.

### Programme and organizational questions

ESCAP congratulated the secretariat on the production of the programme performance report for 2002-2003 [E/ESCAP/1414], reflecting for the first time the results-based approach. It endorsed the proposed programme changes for the 2004-2005 programme of work [E/ESCAP/1315], which reflected mandates adopted in 2003 and emerging global priorities identified by the Economic and Social Council and the General Assembly. It also endorsed the draft strategic framework for 2006-2007 [E/ESCAP/1313/Rev.1]. It supported efforts to align the activities of the regional institutions (APCTT, CGPRT, SIAP, APCAEM) [E/ESCAP/1316] with ESCAP's programme of work and to ensure that their governance structures were consistent with UN processes for intergovernmental review.

### ESCAP reform

#### *Revitalization of Pacific Operations Centre*

In its resolution on the revitalization of the ESCAP Pacific Operations Centre [E/2004/39 (res.

60/6)], ESCAP expressed appreciation for progress in implementing the key institutional changes in that regard in line with the recommendations of the independent evaluation carried out in 2003 [YUN 2003, p. 1015]. It welcomed the revised mission statement clarifying the Centre's role, noted the preparations under way for its relocation from Port Vila, Vanuatu, to Suva, Fiji, and also noted the establishment of an Advisory Council to advise it on work programme priorities. ESCAP requested the Executive Secretary to mobilize the resources required to relocate the Centre in 2004, increase its Professional staff in the 2006-2007 biennium, and use the Pacific Trust Fund for its revitalization, including capacity-development activities in support of the Pacific region and to carry out needs assessment and evaluations.

ESCAP further requested the Executive Secretary to prepare amendments to the terms of reference of the Special Body on Pacific Island Developing Countries to provide for the possible convening of its sessions prior to Commission sessions, in alternate years with the Special Body on Least Developed and Landlocked Developing Countries, and alternately between Bangkok and the location of the Centre. It welcomed the Executive Secretary's decision to establish subprogramme 3, on the development of Pacific island countries, with the objective of building policy and management capacity in Pacific island developing countries and territories.

### Date and venue of ESCAP sixty-first session

The Commission decided that its sixty-first session would be held in Bangkok on 21-27 April 2005 under the theme "Implementing the Monterrey Consensus in the Asia and Pacific region: achieving coherence and consistency".

### Subregional activities

#### Cooperation with Economic Cooperation Organization

In response to General Assembly resolution 57/38 [YUN 2002, p. 1001], the Secretary-General reported on cooperation between the United Nations, its programmes and organizations, and the Economic Cooperation Organization [A/59/303].

#### GENERAL ASSEMBLY ACTION

On 22 October [meeting 40], the General Assembly adopted **resolution 59/4** [draft: A/59/L.3 & Add.1] without vote [agenda item 56 (h)].

### Cooperation between the United Nations and the Economic Cooperation Organization

*The General Assembly,*

Recalling its resolution 48/2 of 13 October 1993, by which it granted observer status to the Economic Cooperation Organization,

Recalling also its previous resolutions on cooperation between the United Nations and the Economic Cooperation Organization, and inviting various specialized agencies as well as other organizations and programmes of the United Nations system and relevant international financial institutions to join in their efforts towards realization of the goals and objectives of the Economic Cooperation Organization,

Welcoming the efforts of the Economic Cooperation Organization with regard to consolidating ties with the United Nations system and relevant international and regional organizations,

1. Takes note with appreciation of the report of the Secretary-General on the implementation of resolution 57/38 of 21 November 2002, and expresses satisfaction at the enhanced cooperation between the United Nations and the Economic Cooperation Organization;

2. Takes note of the Dushanbe Declaration, adopted at the eighth Economic Cooperation Organization summit on 14 September 2004, following the fourth meeting of the Council of Ministers in Dushanbe on 12 September 2004;

3. Stresses the importance of cooperation between the United Nations and the Economic Cooperation Organization with regard to the provision of financial and technical cooperation for pre-feasibility and feasibility studies of projects of the Economic Cooperation Organization, consultancy services, information on drug control, training courses on trade and investment by the specialized agencies of the United Nations, including the United Nations Development Programme, the Economic and Social Commission for Asia and the Pacific, the Food and Agriculture Organization of the United Nations, the United Nations Office on Drugs and Crime, the United Nations Conference on Trade and Development, the International Trade Centres UNCTAD/WTO and the United Nations Industrial Development Organization, in the ongoing and future activities of the Economic Cooperation Organization;

4. Notes with appreciation the implementation of the ongoing project of the Economic Cooperation Organization and the International Trade Centres on expanding intraregional trade, and stresses the importance of the continuation of the second phase of the project;

5. Also notes with appreciation the signing of the Economic Cooperation Organization Trade Agreement in Islamabad in July 2003, and stresses its importance in the accomplishment of the goal of establishing a free trade area in the region;

6. Further notes with appreciation the holding of the second Economic Cooperation Organization Regional Trade and Investment Conference, and the seventh General Assembly Meeting of Economic Cooperation Organization Chambers of Commerce and Industry, in Kabul, from 18 to 20 April 2004, and stresses the close interaction in the field of trade and investment between the Economic Cooperation Organization and trade-related agencies and bodies of the United Nations;

7. Notes with appreciation the memorandum of understanding signed by the Economic Cooperation Organization and the World Customs Organization on 17 March 2003 in Brussels with a view to establishing and maintaining effective and regular consultations, cooperation and exchanges of information between the two organizations;

8. Notes with satisfaction the holding of a workshop on multimodal transport and trade facilitation, in Tehran in May 2004, sponsored by the Economic Cooperation Organization, in which the Islamic Development Bank, the United Nations Conference on Trade and Development and the Economic and Social Commission for Asia and the Pacific participated, and hopes that efforts will be made to bring about the successful completion of the multimodal transport project as soon as possible;

9. Expresses its appreciation for the importance the Economic Cooperation Organization attaches to the smooth running of container trains on the Trans-Asian Railway main line and to the fine-tuning of a draft action plan for revitalizing and operating the China-Middle East-Europe corridor, as well as for the organization of meetings in Tehran in May 2004 to discuss these issues;

10. Notes with satisfaction the efforts of the Economic Cooperation Organization to implement United Nations programmes for the development of transit transport facilities in the landlocked countries of the region;

11. Recognizes the importance of removing barriers to transport and trade development in the region, and welcomes the joint project of the Economic Cooperation Organization and the United Nations Development Programme to prepare a comprehensive report on the subject;

12. Takes note with satisfaction of the decisions of the first Economic Cooperation Organization Ministerial Meeting on Industry, held in Tehran from 25 to 27 January 2004, and notes the importance of the adoption of the Tehran Declaration and the Plan of Action for Industrial Cooperation in the Economic Cooperation Organization Region, which pave the way for consolidating regional efforts to promote industrial cooperation in the region through the mobilization of regional and international resources and the industrial potential of the member States, and to that end encourages the United Nations Industrial Development Organization to actively contribute to the activities of the Economic Cooperation Organization in the field of industry;

13. Also takes note with satisfaction of the decisions of the first Economic Cooperation Organization Ministerial Meeting on Finance/Economy, held on 29 and 30 January 2004, and the Islamabad Joint Communiqué for Cooperation on Finance/Economy, especially in the areas of: (a) macroeconomic management and global capital markets; (b) promotion of banking, investment, transit and trade from legal and financial aspects; (c) securities and capital market regulations and stock/commodity exchanges; (d) privatization of public enterprises; and (e) cost of economic adjustment and the need for social safety nets;

14. Appreciates the efforts of the Economic Cooperation Organization to implement the Millennium Development Goals, especially its attempts to reduce pov-

erty and food insecurity in the region, takes note with satisfaction of the implementation of the technical cooperation programme of the Food and Agriculture Organization of the United Nations and the regional programme for food security in the member States of the Economic Cooperation Organization, and urges the relevant financial institutions to support the ideas to be outlined within the programme;

15. *Welcomes* the initiative of the Economic Cooperation Organization to establish institutional cooperation among its member States and relevant international organizations on agriculture-related matters of the World Trade Organization, and encourages the Food and Agriculture Organization of the United Nations, the United Nations Conference on Trade and Development and other international organizations and institutions to support the activities of the Economic Cooperation Organization in this regard;

16. *Notes with satisfaction* the adoption of the Tehran Declaration on Environmental Cooperation among member States of the Economic Cooperation Organization and the Plan of Action for Cooperation among the States members of the Economic Cooperation Organization on Environment (2003-2007) at the first Ministerial Meeting of the Economic Cooperation Organization on Environment, held in Tehran, from 13 to 15 December 2002, and the revision of the Plan of Action by the member States at the first meeting of the Working Group on Environment, held in Ankara on 7 and 8 April 2004;

17. *Also notes with satisfaction* the adoption by the United Nations Environment Programme of decision 22/14 of 7 February 2003 on the role of the Programme in strengthening regional activities and cooperation in the Economic Cooperation Organization region, at the twenty-second session of the United Nations Environment Programme Governing Council/Global Ministerial Environment Forum;

18. *Welcomes* the signing of the memorandum of understanding on cooperation in the field of environment between the Economic Cooperation Organization and the United Nations Environment Programme, in Tehran on 18 August 2004;

19. *Also welcomes* the growing cooperation between the Economic Cooperation Organization, the Economic and Social Commission for Asia and the Pacific and the United Nations Environment Programme in the field of environment, and encourages their active collaboration with the Economic Cooperation Organization;

20. *Notes with satisfaction* the ongoing cooperation between the Economic Cooperation Organization and the Islamic Development Bank concerning the project of the Economic Cooperation Organization on the interconnection and parallel functioning of power systems in the region, as well as the assistance provided by the Bank to the Economic Cooperation Organization in convening meetings on power trading as well as on legal and fiscal aspects of the promotion of foreign direct investment in the mineral sector, held in 2002 and 2003, respectively;

21. *Takes note* of the decision to hold ministerial meetings in the areas of transport and communications, energy/petroleum, environment, agriculture and information technology in 2004 and 2005;

22. *Requests* the Secretary-General to submit to the General Assembly at its sixty-first session a report on the implementation of the present resolution;

23. *Decides* to include in the provisional agenda of its sixty-first session the sub-item entitled "Cooperation between the United Nations and the Economic Cooperation Organization".

### Cooperation with Pacific Islands Forum

On 4 June [A/59/95], New Zealand transmitted to the Secretary-General the Auckland Declaration, adopted by the Special Leaders' Retreat of the Pacific Islands Forum (Auckland, 6 April), in which they agreed to a Pacific Vision statement on enhanced regional cooperation, to be elaborated through the development of a Pacific Plan. The leaders confirmed the key goals of the Forum as economic growth, sustainable development, good governance and security.

The Secretary-General, in his 1 September consolidated report on cooperation between the United Nations and regional and other organizations [A/59/303], described cooperation activities between the United Nations, its programmes and organizations and the Pacific Islands Forum.

On 8 November, the General Assembly adopted **resolution 59/20** (see p. 387) on cooperation between the United Nations and the Pacific Islands Forum.

### Observer status

On 2 December, the General Assembly, by **resolution 59/53** (see p. 1460), granted observer status to the South Asian Association for Regional Cooperation in the work of the Assembly.

---

## Europe

---

The Economic Commission for Europe (ECE), at its fifty-ninth session (Geneva, 24-26 February) [E/2004/37], considered economic developments and policies of the ECE region on the basis of the *Economic Survey of Europe 2004 No. 1* [Sales No. E.04.II.E.7]. It convened two round tables to discuss policies to stimulate competitive growth: the first identified best practices and national policies that had proved successful in increasing competitiveness and growth; the second focused on regional initiatives and cooperation and ECE's role in stimulating competitiveness.

ECE discussed its work on the basis of a December 2003 report of the Executive Secretary [E/ECE/1412] on ECE achievements, constraints and perspectives. It considered preparations for, and follow-up to, global and regional confer-

ences. It endorsed proposals for ECE participation in the second phase of the World Summit on the Information Society (see p. 845) and for the Executive Secretary to help organize two sub-regional meetings to promote implementation of the information society in the countries concerned and for them to benefit from the exchange of best practices and policies. Noting the success of the first Regional Implementation Forum on Sustainable Development, ECE endorsed the Executive Secretary's proposal that, as a follow-up to the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation [YUN 2003, p. 875], ECE should continue or undertake the specific activities outlined in his 19 December 2003 note on follow-up to world and regional conferences [E/ECE/1413]. It also endorsed the proposals for organizing a regional preparatory meeting regarding follow-up to the special session of the General Assembly on women (Beijing+10) (see p. 1145), and the Executive Secretary's proposal that ECE devote a high-level policy segment of its sixtieth (2005) session to follow up the results of the International Conference on Financing for Development [YUN 2002, p. 953]. It recommended financing for development as a thematic orientation for a seminar in 2005.

Also considered were: an overview of ECE technical cooperation activities in 2003 [E/ECE/1414], which, ECE pointed out, needed to be supported by additional resources and thus urged the secretariat to make additional efforts to attract extra-budgetary resources, particularly from the private sector; and ECE reform [E/ECE/1411], regarding which ECE decided to commission a review of possible changes to its role, mandate and functions in the light of changes in the European institutional architecture since ECE's inception almost 60 years earlier. The review, also covering the mandate of the Group of Experts on the Programme of Work (GEPW) with a view to strengthening its role as an intergovernmental supervisory body within ECE, would be considered by ECE in 2005.

In connection with the review, ECE endorsed the secretariat proposals and GEPW recommendations with regard to intergovernmental structures, its principal subsidiary bodies and a priority-setting mechanism for technical cooperation activities. It requested the secretariat and GEPW to revise the work programme planning process for endorsement at ECE's next ad hoc informal session. ECE endorsed, as well as urged the secretariat to implement, the technical cooperation strategy contained in the Executive Secretary's

note of 17 December 2003 [E/ECE/1411/Add.1] identifying measures to address the new challenges faced by ECE in technical cooperation, to facilitate priority setting, coordination, monitoring, reporting and evaluation, and to strengthen coordination and fund-raising.

ECE welcomed a proposed formalization of relations between it and the Organization for Security and Cooperation in Europe [E/ECE/1410] in the form of a memorandum of understanding that should not duplicate the work under other cooperation agreements. It endorsed the proposals on best practice for the evaluation of ECE work programmes as outlined by GEPW [E/ECE/1415 & Add.1].

### Economic trends

According to the ECE summary [E/2005/16] of the *Economic Survey of Europe 2005 No. 1* [Sales No. E.05.II.E.7] covering the economic situation in and forecasts for Europe and the Commonwealth of Independent States (CIS) in 2004 and 2005 [E/2005/16], global economic recovery maintained strong momentum in 2004, with the United States and China remaining the principal engines of growth. In Europe, the CIS countries registered rapid growth due largely to the boom in commodity prices, and, in most of Central and Eastern Europe, economic activity continued at high momentum. However, as in 2003, the euro area lagged behind in the global recovery.

In the United States, GDP rose to 4.4 per cent, led by strong domestic demand and increased exports helped by a weaker dollar, but the country's trade and current-account deficit surged to record levels. Although the Federal Reserve started to gradually raise the target for the federal funds rate, monetary policy remained strongly supportive of economic growth.

In the euro area, real GDP rose by some 2 per cent, compared to 0.6 per cent the previous year, masking variations in the growth performance of individual countries; however, that ranged from a little more than 1 per cent in Italy, the Netherlands and Portugal, to a buoyant 4 per cent and more in Ireland and Luxembourg. Germany, the major euro economy, witnessed a return to positive growth of 1.7 per cent, following two years of virtual stagnation. In the non-euro European Union (EU) area, the United Kingdom maintained relatively strong momentum, with real GDP rising by 3.2 per cent, compared to 2.2 per cent the previous year, and economic growth recovered strongly in Denmark and Sweden.

In Central and Eastern Europe, economic activity in the eight new EU member States (EU-8) picked up noticeably, their aggregate GDP grow-

ing by some 5 per cent, led by a strengthened recovery in Poland. That growth was driven by robust consumption, investment expenditures and strong external demand; import growth was dynamic, reflecting strong domestic demand and exports. All Baltic economies continued to grow at a brisk pace. Economic growth in South-East Europe likewise accelerated considerably, underpinned by strong domestic demand and exports. Aggregate GDP rose by some 8 per cent, led by Romania and Turkey.

The CIS region, including the Russian Federation, continued to benefit from the surge in world commodity prices, increasing its aggregate GDP by almost 8 per cent. The rapid growth of commodity exports (particularly oil and natural gas) was the main factor behind the output growth in the most resource-rich CIS countries, leading to a surge in domestic demand, especially private consumption. The expansionary macroeconomic policy in many CIS economies further boosted economic activity.

### Activities in 2004

#### Trade, industry and enterprise development

The Committee for Trade, Industry and Enterprise Development, at its eighth session (Geneva, 10 and 14 May) [ECE/TRADE/340], approved its consolidated procedures and guidelines, including procedures for an intersessional decision-making process and for its subgroups. It renewed the mandates of the Real Estate Advisory Group, the Advisory Group on the Protection and Implementation of Intellectual Property Rights for Investment, and of the teams of specialists on industrial restructuring, quality management systems, youth entrepreneurship, women's entrepreneurship and Internet enterprise development.

Also approved were the establishment of a telecom task force and terms of reference for the Advisory Group on Market Surveillance; new terms of reference for the Working Party on Technical Harmonization and Standardization Policies (WP.6), renamed the Working Party for Regulatory Cooperation and Standardization Policies; and a proposal by the Working Party on Agricultural Quality Standards to abolish the Specialized Section on Standardization of Early and Ware Potatoes and combining its work with that of the Specialized Section on Standardization of Fresh Fruit and Vegetables. The Committee agreed that the title of its 2005 forum would be "After fifteen years of market reforms in transition economies: new challenges and perspectives for the industrial sector", and for 2006,

"Regulatory cooperation in support of international trade".

In addition, the Committee held an interactive policy discussion on priority activities for the Committee for Trade, Industry and Enterprise Development in order to promote its objectives [ECE/TRADE/340/Add.1].

#### Timber

The Timber Committee, at its sixty-second session (Geneva, 5-9 October) [ECE/TIM/2004/2], held jointly with the thirty-second session of the European Forestry Commission of the Food and Agriculture Organization of the United Nations (FAO), convened a policy forum to discuss long-term challenges for forest and timber policies and institutions in a wider Europe; forest law enforcement and governance; the future of the Timber Committee and the European Forestry Commission in the international forest policy dialogue; and forest products market developments and prospects and links between forest policy and market policy.

The joint session approved a statement on links between forest policy and market policy for publication and wide dissemination. It recommended that ECE/FAO contribute to regional efforts to improve forest law compliance in the region and that the secretariat, in consultation with partners, submit proposals on their areas of comparative advantage. It adopted the 2005-2008 integrated ECE/FAO programme of work [TIM/2004/7] resulting from the 2003-2004 strategic review process.

#### Transport

The Inland Transport Committee, at its sixty-sixth session (Geneva, 17-19 February) [ECE/TRANS/156 & Add.1], reviewed, among other subjects, its strategic objectives, intersectoral activities, the transport situation in ECE member countries and emerging development trends, transport security, assistance to countries with economies in transition, and the status of the application of international ECE transport agreements and conventions. The Committee also considered transport trends and economics, road transport, road traffic safety and safety in tunnels, harmonization of vehicle regulations, rail and inland water transport, intermodal transport logistics, border crossing facilitation, transport of dangerous goods and perishable foodstuffs, and transport statistics.

The Committee adopted its strategic objectives, focusing on the creation, improvement and unification of international transport legislation and the monitoring of its implementation; the

development of road infrastructure; increased facilitation of transport operations; and elimination of barriers to cross-border transport. It adopted resolutions on a global coordinating role for the ECE Working Party on Road Traffic Safety; a 2005 combined census of road traffic and inventory of standards and parameters on international traffic arteries in Europe; and a 2005 e-rail traffic census in Europe.

### **Energy**

In 2004, in response to calls for greater energy security, the Energy Security Forum, launched in 2003 [YUN 2003, p. 1018], examined emerging energy security risks and risk mitigation, including the contribution of the Caspian Sea region to promoting energy security. The Forum's Executive Board held discussions in Geneva (March) and Moscow (June) with representatives of Governments, the financial community and energy industries on how oil price rises could be affected by energy security risk. ECE also established the Ad Hoc Group of Experts on the Supply of Fossil Fuels to promote worldwide application of the United Nations Framework Classification for Fossil Energy and Mineral Resources, which had been approved by the Committee on Sustainable Energy at its thirteenth session [YUN 2003, p. 1018]; its endorsement by ECE was welcomed by the Economic and Social Council in its decision 2004/233 (see p. 1032).

In January, the Gas Centres set up a new Task Force on Company and Market Structure to examine gas markets and industries and the implications for countries in Central and Eastern Europe. Under regional advisory services, the CIS countries began the second phase of the energy efficiency and energy security projects in the region. A new technical assistance project was initiated on coal mine methane in Central and Eastern Europe and the CIS.

### **Environment**

The Committee on Environment Policy, at its eleventh session (Geneva, 13-15 October) [ECE/CEP/124 & Add.1], requested the secretariat to prepare the next regional implementation forum on sustainable development in 2005 or 2006, pending a decision by ECE. It reviewed the environmental performance of Bosnia and Herzegovina and of Tajikistan, adopting recommendations for those countries, and took note of the interim reports on the reviews of the environmental performance of Armenia, the Republic of Moldova and Ukraine. It extended the mandate of the Ad Hoc Expert Group on Environmental Performance for a further two years, adopted its terms of

reference and elected its members. It decided to convene a High-level Meeting of Environment and Education Ministries in 2005 for the final consideration of the strategy on education for sustainable development.

In other action, the Committee provided guidance for further work on developing a communication strategy to raise awareness of the "Environment for Europe" process; supported the cross-sectoral activities on sustainable energy, environment and health, and transport, health and environment; and established a working group of senior officials for the sixth Ministerial Conference "Environment for Europe" and adopted its mandate.

### **Human settlements**

The Committee on Human Settlements, at its sixty-fifth session (Geneva, 20-22 September) [ECE/HBP/134], agreed to submit a paper on challenges and policy options for human settlements in the ECE region to the regional preparatory meeting for the 2005 session of the UN Commission on Sustainable Development (see p. 827). It also agreed that, at its next session, the Committee and its Working Party on Land Administration would assess, in the context of the preparations for the World Urban Forum in Canada in 2006, the implementation of the ECE Strategy for a Sustainable Quality of Life in Human Settlements in the Twenty-first Century, adopted in 2000 [YUN 2000, p. 946]. The Committee noted the activities of the Working Party, in particular its reviews and studies on real estate units and identifiers, and public/private partnerships in land administration. It undertook to strengthen the linkage between the country profile programme and the land administration reviews whenever they took place in the same country. It would also strengthen its activities in urban and regional planning and study spatial planning at the local level in cooperation with the Council of Europe. It stressed the need to cooperate with the Conference of European Statisticians in preparation for the new round of housing censuses.

The Committee adopted its 2005-2006 programme of work and confirmed the high priority of the country profile programme for the housing sector.

### **Statistics**

The Conference of European Statisticians, at its fifty-second session (Paris, 8-10 June) [ECE/CES/66], considered the implications of the meetings of its parent bodies—the February session of ECE (see p. 1013) and the March session of the UN Statistical Commission (see p. 1255). It agreed

that the Conference itself, its Bureau and the Statistical Division secretariat should continue to work towards strengthening ECE. It asked the Bureau to review its intergovernmental structure and the work programme of the Conference biennially; it also asked the ECE Statistical Division to find ways to increase its technical assistance, and regularly draw the attention of Conference members to those statistical areas where the less developed statistical offices in the region needed technical assistance but were currently underfunded.

The Conference reviewed the Integrated Presentation (IP), a unique document crucial to the coordination of international statistical work in the ECE region, and agreed that its improvement was an ongoing process and that several changes were expected with regard to its structure and procedures for its review updating. A Task Force was created to review the classification of IP statistical activities. The Conference approved the issues agreed to by its Bureau for the future development of the IP, the Annual Statistical Programme for 2004, and guidelines for establishing teams of specialists.

### Operational activities

Operational activities in 2003, as described in a note by the Executive Secretary [E/ECE/1414], were carried out through capacity-building workshops, seminars, study tours, policy advisory services and field projects. Those activities were funded from the UN regular budget, with a value of \$1,210,648, of which 46.3 per cent went to trade, industry and enterprise development, 15.4 per cent to the environment sector, 14.9 per cent to transport, 11.8 per cent to energy and 11.6 per cent to statistics. ECE technical cooperation activities financed from extra-budgetary sources (general trust funds, local trust funds and other sources) totalled \$5,880,199.

ECE noted that, while cooperation with other organizations in implementing technical cooperation activities was appreciated, there was a need for stepping up inter-agency coordination.

### Subregional activities

Pursuant to General Assembly resolution 57/34 [YUN 2002, p. 1008], the Secretary-General, in his consolidated report on cooperation between the United Nations and regional and other organizations [A/59/303], described cooperation between the United Nations and the Black Sea Economic Cooperation Organization, in the areas of transport, promotion of entrepreneurship, and support and development of small and medium-

sized enterprises. Negotiations were ongoing to extend cooperation to trade facilitation and sustainable energy.

#### GENERAL ASSEMBLY ACTION

On 23 December [meeting 76], the General Assembly adopted **resolution 59/259** [draft: A/59/L.57 & Add.1] without vote [agenda item 56 (d)].

#### Cooperation between the United Nations and the Black Sea Economic Cooperation Organization

*The General Assembly,*

*Recalling* its resolution 54/5 of 8 October 1999, by which it granted observer status to the Black Sea Economic Cooperation Organization, as well as its resolutions 55/211 of 20 December 2000 and 57/34 of 21 November 2002, on cooperation between the United Nations and the Black Sea Economic Cooperation Organization,

*Recalling also* that one of the purposes of the United Nations is to achieve international cooperation in solving international problems of an economic, social or humanitarian nature,

*Recalling further* the Articles of the Charter of the United Nations that encourage activities through regional cooperation for the promotion of the purposes and principles of the United Nations,

*Recalling* its Declaration on the Enhancement of Cooperation between the United Nations and Regional Arrangements or Agencies in the Maintenance of International Peace and Security of 9 December 1994,

*Pointing out* the fact that since its transformation into a regional economic organization with an international legal identity as from 1 May 1999, the Black Sea Economic Cooperation Organization has established itself as a reliable partner in boosting economic cooperation in the Black Sea region,

*Recognizing* that any dispute or conflict in the region impedes cooperation, and stressing the need to solve such a dispute or conflict on the basis of the norms and principles of international law,

*Convinced* that the strengthening of cooperation between the United Nations and other organizations contributes to the promotion of the purposes and principles of the United Nations,

*Recalling* the report of the Secretary-General submitted pursuant to resolution 57/34,

1. *Welcomes* the statement issued in Istanbul, Turkey, on 25 June 2004 by the Council of Ministers for Foreign Affairs of the States members of the Black Sea Economic Cooperation Organization on the contribution of the Organization to security and stability, and encourages the ongoing process of considering ways and means of enhancing the contribution of the Organization to security and stability in the region;

2. *Takes note* of the entry into force of the Additional Protocol to the Agreement among the Governments of the Black Sea Economic Cooperation Organization Participating States on Cooperation in Combating Crime, in Particular in its Organized Forms, done in Kyiv on 15 March 2002, as well as the imminent signature of the Additional Protocol on Combating Terrorism to the same Agreement;

3. *Welcomes* the activities of the Black Sea Economic Cooperation Organization aimed at strengthening regional cooperation in various fields, such as trade and economic development, banking and finance, communications, energy, transport, agriculture and agro-industry, health care and pharmaceuticals, environmental protection, tourism, science and technology, exchange of statistical data and economic information, collaboration among Customs services, and combating organized crime and the illicit trafficking of drugs, weapons and radioactive material, all acts of terrorism and illegal migration, or in any other related area;

4. *Also welcomes* the adoption of the Baku Declaration on energy cooperation in the region of the Black Sea Economic Cooperation Organization by the Ministers of Energy of the States members of the Organization on 19 September 2003 and the Joint Declaration by the Ministers of Transport from countries of the Black Sea and Caspian Sea region on 3 October 2003;

5. *Further welcomes* the operationalization and financing of the first projects by the Project Development Fund of the Black Sea Economic Cooperation Organization to the benefit of the sustainable development of the Black Sea region;

6. *Takes note* of the positive contribution of the Parliamentary Assembly of the Black Sea Economic Cooperation Organization, the Business Council, the Black Sea Trade and Development Bank and the International Centres for Black Sea Studies to the strengthening of multifaceted regional cooperation in the Black Sea area;

7. *Welcomes* the Cooperation Agreement between the Economic Commission for Europe and the Black Sea Economic Cooperation Organization, signed on 2 July 2001, and the support given by the Commission to the activities of the Organization in the fields provided for in the Agreement, notably in small and medium-sized enterprises, energy and transportation policy development;

8. *Also welcomes* the collaboration between the Black Sea Economic Cooperation Organization and the United Nations Environment Programme based on the Cooperation Agreement signed in Istanbul on 20 February 2002;

9. *Further welcomes* the cooperation between the Food and Agriculture Organization of the United Nations and the Black Sea Economic Cooperation Organization, as well as the financial support provided by the Food and Agriculture Organization in implementing the project on institutional strengthening to facilitate intraregional and interregional agricultural trade among States members of the Black Sea Economic Cooperation Organization and other projects on trade promotion;

10. *Takes note* of the cooperation between the Black Sea Economic Cooperation Organization and the World Bank and the World Trade Organization and the working contacts with the World Tourism Organization, aimed at the sustainable development of the Black Sea region;

11. *Also takes note* of the importance attached by the Black Sea Economic Cooperation Organization to the strengthening of relations with the European Union, and supports the efforts of the Organization to take concrete steps to advance this cooperation;

12. *Further takes note* of the cooperation established between the Black Sea Economic Cooperation Organization and other regional organizations and initiatives;

13. *Invites* the Secretary-General to strengthen dialogue with the Black Sea Economic Cooperation Organization with a view to promoting cooperation and coordination between the two secretariats;

14. *Invites* the specialized agencies and other organizations and programmes of the United Nations system to cooperate with the Black Sea Economic Cooperation Organization in order to continue programmes with the Organization and its associated institutions for the achievement of their objectives;

15. *Requests* the Secretary-General to submit to the General Assembly at its sixty-first session a report on the implementation of the present resolution;

16. *Decides* to include in the provisional agenda of its sixty-first session the sub-item entitled "Cooperation between the United Nations and the Black Sea Economic Cooperation Organization".

---

## Latin America and the Caribbean

---

At its thirtieth session (San Juan, Puerto Rico, 28 June–2 July), the Economic Commission for Latin America and the Caribbean (ECLAC) [LC/G.2267] considered a document [LC/G.2234 (SES.30/3)] analysing the strategies in Latin America and the Caribbean for furthering productive development in open economies in pursuit of the region's integration into the global economy. ECLAC adopted a number of resolutions, among them the San Juan resolution on productive development in open economies [LC/G.2267 (res. 612(XXX))], which it recommended to the Economic and Social Council for adoption (see p. 1019), and a resolution on support for the United Nations Stabilization Mission in Haiti (see p. 296).

The remaining resolutions were on support for the work of the Latin American and Caribbean Institute for Economic and Social Planning [res. 597(XXX)]; implementation of resolutions concerning the participation of ECLAC associate member countries in the follow-up to UN world conferences and in the work of the Council [res. 598(XXX)], consideration of which the Council deferred to its January 2005 organizational session (**decision 2004/324**); ECLAC Statistical Conference of the Americas [res. 599(XXX)]; ECLAC Caribbean Development and Cooperation Committee [res. 600(XXX)]; modalities for the introduction of amendments to the work programme of ECLAC's subregional headquarters for the Caribbean [res. 601(XXX)]; monitoring sustainable development in Latin America and the Caribbean [res. 602(XXX)]; the 2004-2006 calendar of conferences

[res. 603(XXX)]; priority activities for 2004-2006 in population and development [res. 604(XXX)]; the Regional Conference on Women in Latin America and the Caribbean [res. 605(XXX)]; ECLAC programme of work for 2006-2007 [res. 607(XXX)]; promotion of coordination in studies and activities concerning South America [res. 608(XXX)]; financing and management for education [res. 609(XXX)]; follow-up to the World Summit on the Information Society [res. 610(XXX)]; cooperation among developing countries and regions [res. 611(XXX)]; and the place (Uruguay) of the next session [res. 613(XXX)].

#### ECONOMIC AND SOCIAL COUNCIL ACTION

On 22 July [meeting 48], the Economic and Social Council, on the recommendation of ECLAC [E/2004/15/Add.2], adopted **resolution 2004/45** without vote [agenda items 10].

#### San Juan resolution on productive development in open economies

*The Economic and Social Council,*

*Bearing in mind* resolution 595(XXIX) of 10 May 2002, adopted by the Economic Commission for Latin America and the Caribbean at its twenty-ninth session, in which it urged the secretariat to analyse the relationship existing between the liberalization agendas of the countries of the region and the associated productive development policies including, in particular, their links with trade, national and international financing and social and environmental issues, in order to ensure that those policies take into account the interests of the countries of Latin America and the Caribbean,

*Recognizing* that progress has been made in the gradual dissemination of economic and social reforms in countries of the Economic Commission for Latin America and the Caribbean region but that this has not been manifested in high, stable rates of growth that would create the necessary conditions to provide the individual and shared resources that would meet the inherent need for economic, social and cultural rights, as is emphasized, in particular, in the United Nations Millennium Declaration,

*Noting* that the emergence of signs of growing interdependence among countries of the region in a number of areas, such as trade, international finance and the environment, opens up new opportunities but also hinders the policy-making autonomy of national authorities,

*Aware* of the profound processes of productive, trade and financial restructuring now taking place worldwide, with the active participation of transnational corporations at the helm of internationally integrated production systems into which some countries of the region are being incorporated,

*Observing* that the expansion of trade has not resulted in rapid worldwide economic growth, that the inflow of capital to the region, including foreign direct investment, has declined and that this has been a factor in widening the gap in knowledge and technological innovation between the region and the industrialized countries,

*Noting* that a trend towards income disparities across countries of the region persists; that, within those countries, the low density of the processes involved in changing production patterns has exacerbated the heterogeneity of the production structure, with some sectors displaying differing patterns; and that, through their impact on the composition and quality of employment, those sectors have an influence on the disparity among households in levels of well-being,

*Underlining*, in sum, that the current phase of access to international markets offers a range of opportunities for productive development, some of which have been fully utilized by some sectors in developing countries, but that it also has negative consequences owing to the structural change required to adapt to changing conditions in terms of competitiveness,

*Underlining also* the tradition and vitality of sub-regional integration schemes and the potential for deepening them within a framework of open regionalism, along with the rich pool of regional institutions present in Latin America and the Caribbean,

*Aware* of the various means demonstrated by countries of the region of expanding their trade both within and outside the region and the difficult conditions under which they attract financial resources, including resources in the form of foreign direct investment, and the fact that in many cases the procyclical behaviour of capital flows to the region has led to unsustainable indebtedness,

*Highlighting* the progress achieved by many countries of the region in the area of macroeconomic management, especially with regard to the control of public finances and inflation; the strides made towards a more effective incorporation of the sustainable development agenda; the expansion, in many cases, of public expenditure on education, which has made it possible to increase the coverage of basic and intermediate education and to launch activities aimed at giving the population access to computerized information networks and audio-visual media; the efforts being devoted to making the labour market more adaptable by introducing new worker training arrangements and unemployment insurance; the participation of the private sector in the modernization of various infrastructure sectors and in interacting with the public sector to develop innovative approaches in the area of social security; and the fact that, nonetheless, efforts should be made to place greater emphasis on devoting attention to the difficulties that the implementation of pension reforms has raised in some countries,

*Observing* that obstacles to the process of changing production patterns with social equity and environmental sustainability in the region persist; that poverty levels regrettably persist; that economic growth has been insufficient and volatile; that the increase in productivity has not narrowed the gap with the developed world; that the linkages of export activities and foreign direct investment with other economic activities remain insufficient; that institutions for sustainable development have few instruments and scant resources at their disposal; that the insufficient creation of quality jobs continues to impede a reduction in open unemployment and informal employment; that the educational gap with the developed world persists in terms of both coverage (secondary and higher education)

and learning outcomes; and that increased demands are being made for social security systems to cover traditional risks (health care, old age and illness) and new risks associated with the increased employment and income vulnerability.

1. *Welcomes* the document prepared by the secretariat of the Economic Commission for Latin America and the Caribbean, entitled "Productive development in open economies", considering that, thanks to the concepts it explores, the information it contains and the proposals it sets forth regarding international linkages, productive development and social vulnerability, it makes a significant contribution to the current phase of trade liberalization, levels of competitiveness and development of labour markets, education and training;

2. *Welcomes* the proactive agenda proposed by the secretariat of the Commission for meeting the challenges posed by the current phase of the productive development process, in particular the reaffirmation of national strategies for improving linkages with the world economy as pillars of the process of strengthening competitiveness; the region's potential contribution to building cohesive societies that can mitigate social vulnerability and give the countries greater room for manoeuvre in restructuring production systems; and the stress laid on the importance of an integral approach in which macroeconomic solvency is consistent with productive development and social cohesion policies;

3. *Requests* the secretariat of the Commission to ensure the wide dissemination of the document entitled "Productive development in open economies" and to encourage its consideration in the following areas:

- (i) Political, social, academic and business spheres and civil-society organizations in the region, through national, subregional and regional dialogues on the chief components of the proposed agenda;
  - (ii) International organizations dealing with the various dimensions of economic development, with a view, in particular, to fostering an exchange of ideas regarding proposals for correcting asymmetries and gaps in the international agenda, especially with the International Labour Organization in relation to employment and social cohesion policies and the creation of decent jobs for a just form of globalization;
4. *Requests* the Executive Secretary of the Economic Commission for Latin America and the Caribbean to undertake a more in-depth analysis of the following issues:
- (i) Education, science and technology, highlighting the development of national and regional innovation systems that unite the efforts of the public and private sectors;
  - (ii) Social protection and active labour-market policies aimed at achieving complementarity between public and private mechanisms in order to broaden coverage and adopt solidarity-based approaches, as part of a major effort to enhance social cohesion;
  - (iii) Countercyclical macroeconomic management, adding national, subregional and regional measures to complement the changes required at the international level;

- (iv) Production linkages, defining policies for developing and deepening them and for forming production clusters;
- (v) Sustainable development and competitiveness, devoting special attention to the economic valuation of environmental goods and services and to the improvement of their market access conditions;
- (vi) Financing for development, placing special emphasis on the financial development needed to replace intermediation systems dominated by banks with systems that include large capital markets; strengthening of development banks with a view to promoting the institutional changes needed to capture and extend long-term financing and to design risk management instruments to give different types of enterprises easier access to financing; reliance on subregional financial institutions to provide countercyclical financing, correct situations of illiquidity and support investment programmes for sustainable development; and the role of infrastructure in productive development and competitiveness;
- (vii) Trade integration and development, paying special attention to trade in agricultural goods and access to markets that can enable the region's economies to capitalize on their competitive advantages and use appropriate technology;

5. *Calls upon* the secretariat of the Commission to pursue its examination of the development strategies of the Latin American and Caribbean countries in the context of globalization, based on an integrated approach to economic, social and environmental issues which also incorporates gender analysis, and to identify the measures that should be adopted at the national, regional and international levels.

### Economic trends

In 2004, the Latin American and Caribbean economy grew by 5.8 per cent, with per capita GDP expanding by some 4.2 per cent, accompanied by a surplus on the balance-of-payments current account, according to the summary of the economic survey of Latin America and the Caribbean, 2004 [E/2005/19]. With the exception of Haiti, all the countries of the region recorded positive growth rates, led by Venezuela, which achieved the highest growth rate, at 17.3 per cent, followed by Uruguay at 11.8 per cent, Argentina at 9.0 per cent, Ecuador at 6.6 per cent, Chile at 5.8 per cent and Brazil at 5.2 per cent.

The strong economic performance of the region was tied to the expansion in world economic activity and trade. The combination of higher export prices and larger volumes gave rise to an unprecedented boom in merchandise trade. Exports expanded by 23 per cent while imports climbed by 20.9 per cent. Improved terms of trade brought an additional \$24.2 billion in foreign exchange into the region.

For the second year in a row, the region posted a surplus in the balance-of-payments current account, reaching \$18 billion in 2004. The macroeconomic performance of the region resulted in a significant improvement in the countries' fiscal accounts. The financial surplus made it possible to reduce debt-to-GDP ratios, which remained very high, averaging 50 per cent. Monetary policy supported the recovery of domestic demand by lowering the cost of financing, and real interest rates generally followed a downward trend and were actually negative in some cases.

Job creation picked up in 2004, although labour supply expansion was slower than in 2003. The unemployment rate declined from 10.7 per cent in 2003 to 10 per cent in 2004, the largest region-wide decrease since 1986. The rate of inflation also continued its downward trend, declining to a region-wide average of 7.4 per cent, compared to 8.5 per cent in 2003.

### Activities in 2004

#### Development policy and regional economic performance

The Economic Development Division of ECLAC continued to report on the macroeconomic performance of the region as a whole and individual countries in the ECLAC publications entitled *Economic Survey of Latin and the Caribbean 2003-2004*, *Preliminary Overview of the Economies of Latin America and the Caribbean 2004* and *Macroeconomic of Development Series*. Two of the Division's projects, on the integration of young people into the labour market and on international mobility of talent, were in the process of implementation; six others were awaiting approval. Its inter-divisional activities included providing technical assistance to Brazil's Ministries of Finance and of Planning on matters of public spending and their implications for fiscal policy, technical cooperation with Bolivia, preparing a project on social public spending in Latin America, and organizing a workshop on the role of legislative power in the budgetary process in Latin America (Santiago, Chile, 12 July).

The Latin American and Caribbean Institute for Economic and Social Planning (ILPES) focused its activities on public administration and regulation; decentralization, territorial planning, management and development; programming and investment projects; and cooperation among Latin American and Caribbean organizations. It organized meetings and international and national seminars, among them the sixteenth regional seminar on fiscal policy (Santiago, 26-29 January); 11 international seminars,

attended by a total of 343 representatives from 18 countries; 10 national courses attended by 297 participants; and one subregional course for 28 representatives from Latin America and the Caribbean. It provided consultancy services to the Honduran municipalities association to assist in the preparation of local economic development policy for its institutional development plan. The ECLAC/ILPES agreement with the German Agency for Technical Cooperation on State reform, productive development and sustainable use of natural resources enabled a series of technical support missions to be carried out in several countries of the region.

The meeting of the Presiding Officers of the Regional Council for Planning (San Juan, 29 June), the intergovernmental body directing the work of the Institute, reviewed its activities in the 2002-2003 biennium and considered its 2004-2005 work programme. The Regional Council adopted a resolution expressing support for the Institute's work and requested ECLAC to organize a meeting to explore opportunities for implementing economic instruments as a complement to instruments for environmental regulation. ECLAC took note of the resolutions adopted at the June meeting of the Presiding Officers, reiterated to the Regional Council members the importance of their contributions to the regular system of government financing, and requested the Executive Secretary to continue to provide resources to support ILPES [res. 597(XXX)].

The Committee on Cooperation among Developing Countries and Regions (San Juan, 30 June) reviewed the ECLAC secretariat report entitled "Activities of the ECLAC system to promote and support technical cooperation among developing countries and regions during the 2002-2003 biennium" [LC/G.2242(SES.30/18)] and discussed opportunities and challenges for international cooperation in Latin America and the Caribbean. ECLAC, in its resolution relating to that review [res. 611(XXX)], took note of the report and stressed the need to broaden South-South cooperation in areas related to strategies for productive development in open economies; to support activities for extending the use of South-South mechanisms and modalities in the priority areas of economic and social development policy; and to arrange for greater financial participation by countries and agencies to strengthen cooperation for development.

ECLAC requested the Executive Secretary to modernize its strategic approaches to international cooperation for development, including South-South, North-South and multilateral cooperation; intensify the incorporation of South-South cooperation modalities into the secreta-

riat's 2006-2007 programme of work; strengthen strategic partnerships with donors to increase North-South and South-South cooperation; disseminate, through the new ECLAC Internet site, activities promoting South-South cooperation; request the international community to support Latin American and Caribbean countries in responding to globalization; strengthen collaboration with UN development bodies to foster interregional cooperation in the context of globalization; participate in regional coordination activities for South-South cooperation in the areas of ECLAC competence; and support UNDP and the Latin American Economic System activities to promote South-South cooperation in UN regional work. In addition, ECLAC decided to change the name of the Committee on Cooperation among Developing Countries to the Committee on South-South Cooperation.

In the resolution on follow-up to the first phase of the World Summit on the Information Society [YUN 2003, p. 857], ECLAC requested the secretariat to prepare regional countries for the second phase by, among other actions, developing and updating indicators for the ongoing assessment of progress; supporting a regional preparatory meeting to define goals for the second phase; and developing a work plan aimed at building an inclusive information society [res. 610(XXX)].

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

The International Trade and Integration Division of ECLAC undertook several projects, the most important of which was a comparative study of East Asian and Latin American information technology industries, which resulted in an international seminar that provided a useful exchange of ideas on best practices for using information and communication technology (ICT) in those two regions. Among other projects were: a UNDP-funded project with the other four regional commissions on interregional partnership for promoting trade as an engine of growth through knowledge management and for taking advantage of ICT; and an international collaboration project to assess the overall impact of free trade agreements.

The Division continued to offer technical assistance, taking part in more than 30 talks, courses and seminars for government officials, university officials, students and technicians throughout the region. It issued a series of papers and studies on international trade and finance, among other publications.

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

The Social Development Division of ECLAC prepared a framework document defining aspects for a regional report on progress made by countries of the region towards achievement of the MDGs [YUN 2000, p. 51]. An inter-institutional meeting (6-7 October) supported the initiative and decided to contribute to the preparation of that report. The Division launched the 2004 edition of the *Social Panorama of Latin America* on 30 November, which focused on poverty and distribution of income, demographic changes, the social situation of young people, changes within families and the social agenda of programmes for young people. A document on poverty, hunger and food security was also published. The second stage of an ECLAC/World Food Programme agreement was implemented, with an analysis of hunger and inequality in the Andean countries, which was considered at a Hunger Forum of the Andean Nations (Quito, Ecuador, 22-23 November). The Forum ended with a declaration on investing in programmes for hunger eradication in Andean countries.

The Division conducted and published five national studies (Argentina, Chile, Costa Rica, Mexico, Uruguay) on the processes of construction and application of public policies, the management of reforms and the role of political actors. A regional seminar of experts was held (August, 10-12) on the improvement of the institutionalization of social policies and the constitution of a social authority. In October, ECLAC signed an agreement with the United Nations Children's Fund (UNICEF) for the evaluation of the costs of implementing goals on children's rights.

ECLAC held a seminar on education financing and management in Latin America and the Caribbean, at which it considered an ECLAC/United Nations Educational, Scientific and Cultural Organization (UNESCO) document on the subject [LC/G.2253(SES.30/15)]. As a result, ECLAC decided [res. 609(XXX)] to undertake with UNESCO an analysis of options for financing and managing education and to promote the formulation of public policy agendas to help countries to meet their education targets, as well as an analysis of the causes of educational inequality in the region, and to stimulate the formulation of regional strategies for reducing inequalities in economic, social and educational development. It also undertook to follow up the fulfilment of the education-related MDGs; help mobilize stakeholders to uphold the principle of social responsibility for education; promote interaction among education and finance authorities with a view to arriving at agreements on management and fi-

nancing options; and promote activities with other UN bodies and multilateral agencies to follow up on financing and management of education. ECLAC agreed to support UNESCO in the fulfilment of its mandate to follow up on the educational goals agreed upon in international forums.

### **Sustainable development and human settlements**

In 2004, the Sustainable Development and Human Settlements Division of ECLAC completed a number of projects, including a training programme to improve environmental management in Latin America and the Caribbean; an action-oriented strategy to strengthen the capacity of urban governments and institutions to craft policies and manage programmes for the reduction of urban poverty at the national and local levels; consulting services for drawing up a model for sustainable development by integrating environmental policies with social and economic policies; the development of an economic sector through cooperative alliances and agreements that benefited from market opportunities created by the growing demand for environmental services and technologies; and assistance for organizing an editorial group and coordinating the writing of a book on science and technology for sustainable development. The Division also carried out a number of interdivisional activities in the areas of energy and climate change, and of water, sanitation and human settlements for the Commission on Sustainable Development.

ECLAC commended the secretariat for organizing a special meeting within the framework of its session to analyse the challenges and opportunities that sustainable development represented for the region; agreed to proceed with a regional forum on sustainable development for the implementation of decisions adopted at the World Summit on Sustainable Development [YUN 2002, p. 821], to be convened by the Executive Secretary; and invited the international community and ECLAC member countries to collaborate in organizing those meetings to ensure their regularity and permanence as a forum for dialogue and consensus-building [res. 602(XXX)].

### **Population and development**

In 2004, ECLAC's Latin American and Caribbean Demographic Centre (CELADE) provided technical assistance to regional countries in drawing up policies and programmes related to the elderly to meet the requirements of the International Plan of Action on Ageing, 2002 (the Madrid Plan of Action) [YUN 2002, p. 1194] and

those of the regional strategy approved by the Regional Intergovernmental Conference on Ageing [YUN 2003, p. 1022]. CELADE continued to update and disseminate a database on international migration, which proved of assistance to the Statistical Information System on Migrations in Central America, established by CELADE and the International Office for Migration. CELADE participated in national and regional seminars, intergovernmental forums on migration in the region and meetings related to the UN Global Commission for International Migration. It also convened a meeting of experts to discuss the relation between migration, regional integration and human rights. It developed specific studies on the interrelation of the demographic dynamic and development.

The open-ended meeting of the Presiding Officers of the sessional Ad Hoc Committee on Population and Development (Santiago, 10-11 March) [LC/L.2141] adopted a Declaration in commemoration of the tenth anniversary of the International Conference on Population and Development (ICPD) [YUN 1994, p. 955] and requested the Committee Chair to present the results of the meeting to the Commission on Population and Development at its thirty-seventh session in March and to the Ad Hoc Committee at its next meeting. The Declaration urged countries to intensify their efforts in a number of areas and requested ECLAC and the United Nations Population Fund (UNFPA) to prepare a regional strategy for meeting the need for trained human resources in population and development for submission to the Ad Hoc Committee.

The Ad Hoc Committee, at its meeting (San Juan, 29-30 June), adopted conclusions that were reflected in the ECLAC resolution on population and development covering priority activities for 2004-2006 [res. 604(XXX)]. By that resolution, ECLAC endorsed the Declaration, urged regional countries to intensify efforts to implement the CPD Programme of Action, and adopted the recommendation that the Committee assume responsibility for monitoring the regional strategy for implementing the Madrid Plan of Action. ECLAC recommended that the Ad Hoc Committee analyse in 2006 international migration, human rights and development, and prepare relevant documents. It requested the Presiding Officers, during the intersessional period and in coordination with UNFPA, to examine the issues related to indigenous peoples and other ethnic groups, ageing, and human resources development in preparation for the Committee's 2006 session. It called on the region's countries to provide resources for the implementation of the ICPD Programme of Action and the key actions it

specified and to ensure their inclusion in policies aimed at reducing social inequalities, eliminating gender inequality and eradicating poverty; it urged the international community to increase technical and financial cooperation for fulfilling those objectives.

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

The Regional Conference on Women in Latin America and the Caribbean (ninth session, Mexico City, 10-12 June) [LC/G.2256(CRM.9/6)] adopted the Mexico City Consensus, by which participating Governments reaffirmed their determination to, among other actions, adopt measures to ensure the full development and advancement of women of all ages, with a view to guaranteeing their access to justice and their enjoyment of all human rights. The Conference welcomed the research agenda proposed in the document entitled "Roads towards gender equity in Latin America and the Caribbean" [LC/L.2114(CRM.9/3)] and requested the ECLAC secretariat to put it into practice, in collaboration with regional Governments and other international organizations. It declared that the Mexico City Consensus should constitute the region's contribution to the work of the 2005 session of the Commission on the Status of Women and asked the Chairman to submit it to ECLAC at its thirtieth session.

ECLAC took note of the report of the Regional Conference and reaffirmed the Mexico City Consensus [res. 605(XXX)].

The thirty-seventh meeting of the Presiding Officers of the Regional Conference on Women in Latin America and the Caribbean (Santiago, 29-30 November) agreed on a regional strategy for participation in UN system activities related to the tenth anniversary of the Fourth World Conference on Women (Beijing +10) (see p. 1144), the special session of the Economic and Social Council on the analysis of cross-cutting of gender issues in the UN system, and the charting of the objective of the Millennium Declaration on the promotion of gender equality [YUN 2000, p. 52] and of the cross-cutting of other goals.

ECLAC organized a meeting of experts (Quito, Ecuador, 25 August) on policies and programmes for overcoming poverty from the perspective of democratic governance and gender. It also organized the twelfth meeting (Santiago, 30 November) of UN system bodies on the advancement of women in the region.

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

The ECLAC Statistics and Economic Projection Division published, in addition to the *Statistical Yearbook*, various technical documents designed

to offer methodological tools in the production and analysis of social and economic statistics, and prepared a Cuaderno Estadístico on the classification of international statistics, including a framework for the economic analysis of tourism information. As an initial response to the growing demand from member States for the improvement of the institutional and organizational aspects of national statistics systems, the Division translated into Spanish the UN manual on the organization of statistical institutions. It redesigned the *Statistical Yearbook* and the Cuadernos Estadísticos, as well as its online databases and website.

The Division carried out a number of projects, such as those for the creation of a network of institutions and experts in social and environmental statistics (REDESA project), the improvement of surveys and measurement of living conditions in Latin America and the Caribbean (MECOVI project), and the International Comparison Programme (ICP project), a global initiative to obtain statistics of the parities of purchasing power. It also played a central role in coordinating information, documents and data for monitoring the MDGs.

ECLAC [res. 599(XXX)] endorsed the agreements adopted by the second meeting of the Executive Committee of the ECLAC Statistical Conference of the Americas [YUN 2002, p. 1014] and the Conference's resolution [YUN 2003, p. 1023].

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

The ECLAC Division of Natural Resources and Infrastructure focused on productive development based on the exploitation of natural resources and a conceptual review of the development of infrastructure and economic growth. It conducted studies on sustainable management and natural resources, on the integration of regional infrastructure, and on the regulation of infrastructure and public utility services and its impact on competitiveness, economic growth and social equality. It carried out projects on sustainable management of natural resources and on the regulation of infrastructure and public utility services. It cooperated with other Divisions, UN agencies and regional organizations, in particular with the Inter-American Development Bank and the World Bank, and assisted 12 countries in drawing up regulations for infrastructure and energy services and legislation for water and mining resources. The Division presented the study "Renewable energy resources in Latin America and the Caribbean: the situation and policy proposals" at the World Conference on Renewable Energies.

## Subregional activities

### Caribbean

The ECLAC subregional headquarters for the Caribbean—the Caribbean Development and Cooperation Committee (CDCC) in Port of Spain, Trinidad and Tobago—held its twentieth meeting (St. Croix, United States Virgin Islands, 22-23 April) [LC/CAR/L.15]. The meeting reviewed the implementation of its work programmes for 2002-2003 and for 2004-2005 up to March 2004, and considered the draft 2006-2007 work programme. It also considered the draft revised text of the CDCC Constituent Declaration and Rules of Procedure [LC/G.2251(SES.30/9)], preparations for the international meeting to review the implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States [YUN 1994, p. 783], recent developments in relation to the proposal for securing international recognition of the Caribbean Sea as a special area in the context of sustainable development, obstacles to the implementation of the Plan of Action of the World Summit on the Information Society [YUN 2003, p. 857], the challenges of the Free Trade Area of the Americas and of social development in the Caribbean small island developing States, and measurements of social and economic trends in the Caribbean.

ECLAC noted the report of CDCC's twentieth session, endorsed its resolutions and approved its Constituent Declaration and Functions and Rules of Procedure [res. 600(XXX)]. It requested that the amendments proposed by the Monitoring Committee or adopted by the CDCC ministerial session with respect to the CDCC work programme be incorporated into any revision of the ECLAC work programme, and that the Executive Secretary establish a time frame for the submission of proposed amendments [res. 601(XXX)].

ECLAC also adopted a resolution [res. 606(XXX)] on support for the United Nations Stabilization Mission in Haiti (see p. 288), which it recommended for adoption by the Economic and Social Council (see below).

#### ECONOMIC AND SOCIAL COUNCIL ACTION

On 22 July [meeting 48], the Economic and Social Council, on the recommendation of ECLAC [E/2004/15/Add.2], adopted **resolution 2004/46** without vote [agenda item 10].

#### Support for the United Nations Stabilization Mission in Haiti

*The Economic and Social Council,*

*Recalling* resolution 503(XXIII) of 9 May 1990, adopted by the Economic Commission for Latin America and the Caribbean, on support for Haiti,

*Recalling also* General Assembly resolution 57/337 of 3 July 2003 on the prevention of armed conflict, and in particular the role assigned to the Economic and Social Council in that connection,

*Bearing in mind* Security Council resolution 1542 (2004) of 30 April 2004, in which the Council decided to establish the United Nations Stabilization Mission in Haiti and considered its various aspects, including the promotion of the social and economic development of Haiti and the need to design a long-term development strategy to that effect,

*Bearing in mind also* that Security Council resolution 1542(2004) underscores the need for Member States, in particular those in the region, and bodies of the United Nations system, among other actors, to provide appropriate support for these actions,

*Highlighting* the role that the Economic and Social Council can play in a long-term programme of support for Haiti,

*Highlighting also* the fact that these economic and social efforts will make an important contribution to the longer-term peace and security objectives of the Mission, which are currently the most immediate priority on the ground,

*Considering* the content of the Programme of Action for the Least Developed Countries for the Decade 2001-2010,

1. *Welcomes* the commitments undertaken by the countries of the region in connection with the efforts towards the reconstruction of Haiti;

2. *Trusts* that these commitments will be extended to all the spheres envisaged in the mandate of the United Nations Stabilization Mission in Haiti, with special emphasis on economic and social development, in accordance with the spirit of Security Council resolution 1542(2004);

3. *Requests* the secretariat of the Economic Commission for Latin America and the Caribbean to support the countries of the region in the context of this effort, in full cooperation with the transitional Government of Haiti and in close coordination with the Mission, with a view to optimizing the actions they seek to carry out under the terms of reference of the Mission;

4. *Instructs* the Executive Secretary of the Economic Commission for Latin America and the Caribbean to evaluate, in coordination with the transitional Government of Haiti, the Secretary-General and the Mission, the timing and modalities of such collaboration;

5. *Expresses its satisfaction* with the assistance being provided by the Governments participating in the Mission, and urges other Governments in the region, to the extent of their abilities, to join in this manifestation of solidarity.

### Mexico and Central America

In 2004, the ECLAC subregional headquarters in Mexico, at the request of those member States that faced a particularly intense cycle of hurricanes and torrential rains, undertook seven evaluations of the socio-economic and environmental impact of natural phenomena: two on floods in Mexico and five on hurricanes

in the Caribbean. It also held five training courses on the methodology used for such evaluations.

The subregional headquarters provided consultancy services to 18 member States and held one meeting of experts and 14 training courses. A total of 19 projects were carried out at a cost of some \$1.2 million from extra-budgetary sources. It conducted a number of interdivisional activities, including coordination with CDCC for technical cooperation with Haiti's provisional Government and the United Nations Stabilization Mission in Haiti, joint preparation with the ECLAC office in Washington, D.C. of an extra-budgetary project proposal on the strengthening of capacities related to trade, and provision of technical assistance to Andean nations for negotiating a free-trade agreement with the United States.

#### South America

ECLAC, in taking account of the interest of the South American countries in strengthening the coherence of studies and projects concerning the subregion, recommended that the various ECLAC national offices and organs carry out joint integrated and complementary studies and activities, focusing in depth on the subregion; in that connection, it highlighted the need to guarantee coordination and unity in their work, especially with respect to physical integration, international trade and the analysis of macroeconomic convergence in South America, without prejudice to issues relating to the social sphere and sustainable development [res. 608(XXX)].

#### Programme and organizational questions

ECLAC approved the draft 2006-2007 programme of work of the ECLAC system [LC/G.2238 (SES.30/6)], including ILPES, and endorsed the proposed priorities, which encompassed the promotion of a broader vision of macroeconomic stability to fuel growth and reduce volatility, the importance of regional affairs and integration into the rest of the world, an increase in the region's production potential and in social cohesion, improvements in global institutions, and the importance of migration, sustainable development and financing for development. It asked the Executive Secretary to strengthen the structure of its national and liaison offices, to submit proposals for the execution of the programme of work, and to convene the Committee of the Whole in between Commission sessions so as to strengthen and broaden the dialogue be-

tween member States and the secretariat [res. 607(XXX)]. In other action, ECLAC approved its calendar of conferences [LC/G.2248(SES.30/7)] for 2004-2006 [res. 603(XXX)].

#### Venue of and participation in ECLAC thirty-first session

On 22 July [meeting 48], the Economic and Social Council, on the recommendation of ECLAC [E/2004/15/Add.2], adopted **resolution 2004/47** without vote [agenda item 10].

#### Place of the next session of the Economic Commission for Latin America and the Caribbean

*The Economic and Social Council,*

*Bearing in mind* paragraph 15 of the terms of reference and rules 1 and 2 of the rules of procedure of the Economic Commission for Latin America and the Caribbean,

*Considering* the invitation of the Government of Uruguay to host the thirty-first session of the Commission,

1. *Expresses its appreciation* to the Government of Uruguay for its generous invitation;
2. *Notes* the acceptance by the Economic Commission for Latin America and the Caribbean of this invitation with pleasure;
3. *Endorses* the decision of the Commission to hold its thirty-first session in Uruguay in 2006.

Also on 22 July, the Council, by **decision 2004/246**, deferred consideration of a draft resolution recommended by ECLAC on the participation of ECLAC associate member countries in the follow-up to UN world conferences and in the Council's work.

#### Cooperation with regional organizations

##### Cooperation between United Nations and Latin American Economic System

In accordance with General Assembly resolution 57/39 [YUN 2002, p. 1016], the Secretary-General, in his consolidated report on cooperation between the United Nations and regional and other organizations [A/59/303], provided information on cooperation between the various programmes and agencies of the UN system and the Latin American Economic System (SELA).

##### GENERAL ASSEMBLY ACTION

On 23 December [meeting 76], the General Assembly adopted **resolution 59/258** [draft: A/59/L.55], as orally revised, without vote [agenda item 56 (b)].

### Cooperation between the United Nations and the Latin American Economic System

*The General Assembly,*

*Recalling* its resolution 57/39 of 21 November 2002 on cooperation between the United Nations and the Latin American Economic System,

*Having considered* the report of the Secretary-General on cooperation between the United Nations and regional and other organizations,

*Bearing in mind* the Agreement between the United Nations and the Latin American Economic System, in which the parties agree to strengthen and expand their cooperation in matters that are of common concern in the fields of their respective competence pursuant to their constitutional instruments,

*Noting* that cooperation between the Latin American Economic System and the United Nations has been evolving, strengthening and diversifying over the years with regard to its areas of cooperation,

*Welcoming* the changes in the treatment of topics relating to the United Nations system, in close contact with the delegations of the Member States participating in such deliberations,

1. *Takes note* of the holding of the thirtieth regular meeting of the Latin American Council of the Latin American Economic System from 22 to 24 November 2004;

2. *Takes note with satisfaction* of the report of the Secretary-General;

3. *Urges* the Economic Commission for Latin America and the Caribbean to continue deepening its coordination and mutual support activities with the Latin American Economic System;

4. *Urges* the specialized agencies and other organizations, funds and programmes of the United Nations system to continue and intensify their support for and to strengthen their cooperation with activities of the Latin American Economic System and to contribute to joint actions to achieve the internationally agreed development objectives, including those contained in the United Nations Millennium Declaration, in Latin America and the Caribbean;

5. *Reiterates its request* to the Secretary-General of the United Nations and the Permanent Secretary of the Latin American Economic System to assess, at the appropriate time, the implementation of the Agreement between the United Nations and the Latin American Economic System and to report thereon to the General Assembly at its sixty-first session;

6. *Requests* the Secretary-General to submit to the General Assembly at its sixty-first session a report on the implementation of the present resolution.

### Cooperation with Caribbean Community and OAS

The General Assembly, on 10 December, adopted **resolution 59/138** on cooperation between the United Nations and the Caribbean Community (see p. 306). On 23 December, the Assembly adopted **resolution 59/257** on cooperation between the United Nations and the Organization of American States (see p. 307).

## Western Asia

The Economic and Social Commission for Western Asia (ESCWA) did not meet in 2004. Its twenty-third meeting was scheduled to be held in 2005.

### Economic and social trends

#### Economic trends

Despite the situations in Iraq and Palestine, 2004 was another positive year for the overall economic growth of Western Asia. GDP, which grew by 4.8 per cent, compared to 5.7 per cent in 2003, still represented a considerable improvement over the growth of recent years, according to the summary of the survey of economic and social developments in the ESCWA region, 2005 [E/2005/20]. That was due to a combination of high oil prices and production, low interest rates, ample liquidity in the public and private sectors and an expansion of domestic demand. With average population growth estimated at 2.4 per cent, per capita GDP, excluding Iraq and Palestine, increased by 2.3 per cent in real terms.

In the Gulf Cooperation Council States (GCC) (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates), real growth was only 4.7 per cent, as compared with a final figure of 6.6 per cent in 2003, largely due to high oil and natural gas production and revenues. Non-oil sectors performed well, particularly transport, telecommunications, real estate, banking and finance, as well as high domestic liquidity and low, albeit gently rising, interest rates. Among the GCC countries, Qatar achieved the highest GDP growth rate (6.0 per cent), followed by Saudi Arabia (5.3 per cent) and Bahrain (5.0 per cent).

In the more diversified economies (Egypt, Jordan, Lebanon, Syrian Arab Republic, Yemen), favourable external factors, including low dollar interest rates, the expansion of regional tourism, a sustained increase in worker remittances and other income transfers, resulted in healthy domestic demand, which drove the real GDP up to 4.9 per cent, the highest since 2000. Egypt and Jordan each had the highest growth rate, at 5.5 per cent, followed by Lebanon at 5.0 per cent.

Tensions and political instability continued to overshadow prospects for steady economic growth and development in the conflict zones of Iraq and Palestine, leading to falling levels of per capita income and widespread poverty. However, the Iraqi economy showed signs of recovery from a very low base, with an improvement of per ca-

pita GDP, reversing the decline of preceding years, although not enough to achieve self-sustaining economic growth. The Palestinian economy registered a real GDP growth rate of 1.6 per cent, down from the 6.1 per cent rate in 2003.

#### *Oil*

In 2004, the average basket price of crude oil of the Organization of Petroleum Exporting Countries (OPEC) was \$36.05 per barrel. Oil production in the ESCWA region expanded by 6 per cent from its 2003 level, with ESCWA's OPEC members (Kuwait, Qatar, Saudi Arabia, United Arab Emirates) producing an average of 4 per cent more than in 2003, while production in non-OPEC ESCWA countries (Bahrain, Egypt, Oman, the Syrian Arab Republic, Yemen) declined by 5 per cent as they struggled to maintain output. All ESCWA oil-exporting countries experienced a boost in oil export revenue, which rose to an estimated \$213 billion, a 29 per cent increase over 2003.

#### *Trade*

In 2004, total merchandise exports of ESCWA member countries reached \$297 billion, while that of merchandise imports reached \$194 billion. The GCC countries accounted for 86 per cent of those exports and 70 per cent of all imports. Total gross exports from the region increased by 24 per cent, largely as a result of increased oil export values. Exports from the more diversified economies, notably Egypt, Jordan and Lebanon, also rose significantly, as did imports, which increased by 22 per cent due to an expansion in domestic demand.

#### **Social trends**

In the social sphere, the region remained trapped in a vicious circle of poverty, unemployment and violent conflict, each reinforcing the other and interacting with other negative parameters, including weak and/or waning social protection systems, non-participatory modes of governance, segmentation, modest growth and a shock therapy approach to economic reform, resulting in worsening social conditions for large parts of the population. Poverty was a serious challenge to both policy makers and decision makers. Household surveys revealed clear symptoms of widespread poverty. Non-money metric measures of poverty provided a different perspective on living conditions other than the income measure. Most ESCWA member countries performed quite well when judged by life expectancy at birth and by infant and under-five mortality rates. However, the region still experienced

literacy rates of only 67 per cent for its adult population and 75 per cent for its youth population.

#### **Activities in 2004**

During 2004, ESCWA activities under its 2004-2005 work programme [YUN 2003, p. 1028] focused on the four pivotal priorities: water and energy resources, social policies, globalization, and technology; and on the interdisciplinary issues of the empowerment and advancement of women, national statistical capacity-building, especially in monitoring the attainment of the MDGs [YUN 2000, p. 51], and the special needs of countries emerging from conflict.

#### **Economic development and cooperation**

The Economic Analysis Division of ESCWA focused on increasing the capacity of ESCWA member countries to coordinate their economic policies and achieve economic development by providing a quantitative assessment of economic and financial data and trends. Activities included the provision to end-users of in-depth analyses showing macroeconomic variables and trends, workshops, studies, and dialogue with regional stakeholders. A workshop on the role of indebtedness in regional economic development was held (Beirut, Lebanon, 6-7 December) and a study on the impact of economic variables was published.

The Globalization and Regional Integration Division concentrated its activities on, among other aspects of its work, facilitating transboundary flows of goods, services, people and capital; increasing awareness of ESCWA member countries to new developments in the multilateral trading system and familiarity with WTO negotiations and agreements and their implications; and disseminating knowledge and capacity-building through expert group meetings, seminars and workshops. To that end, an expert group meeting was organized (Beirut, 11-12 May) to follow up the results of the Fifth WTO Ministerial Conference [YUN 2003, p. 1535], as were six seminars/workshops, including two regional seminars in Beirut on trade facilitation (1-3 June) and on trade in services for the Arab countries (7-9 December). Briefing notes on recent developments in respect of the WTO Doha round of WTO trade negotiations (see p. 958) and an Arabic translation of the 2004 framework agreement were prepared.

#### **Transportation**

The Committee on Transport, at its fifth session (Beirut, 2-4 March) [E/ESCWA/GRID/2004/IG.1/7], recommended that the draft action plan

[E/ESCWA/GRID/2004/1] for the implementation of the Agreement on International Roads in the Arab Mashreq [YUN 2001, p. 928] be adopted to allow implementation to begin; that member States accelerate implementation of the action plan before the expiry of the maximum period allowed for under the Agreement; and that countries that had not yet done so, sign and ratify the Agreement. They should likewise sign and ratify the Agreement on International Railways in the Arab Mashreq [YUN 2003, p. 1026]. Noting the efforts made by member countries to establish and activate national committees for the facilitation of transport and trade, the Committee urged the ESCWA secretariat to provide those countries with technical assistance to enable them to accelerate measures for doing so.

The Committee further recommended that member States approve by 30 June the amended memorandum of understanding on cooperation in maritime transport in the Arab Mashreq, with a view to submitting it to ESCWA in 2005, and, by that date, complete and update data on the regional road transport information system and on international road network connections. ESCWA was to submit the collected data to the Committee in 2005.

### Statistics

The Statistical Committee, at its sixth session (Beirut, 6-8 October) [E/ESCWA/SCU/2004/IG.1/6], called on ESCWA member countries to strengthen human and material capacities of central statistical offices and units; communicate with one another through ESCWA in order to develop national capacities; submit proposals on the modification of the Statistical Committee's internal organization and enhancement of its performance by the end of 2004; and exchange expertise and experts in various statistical fields with a view to raising the level of statistical activities and reducing implementation costs.

The Committee called on ESCWA to form a task force to coordinate the region's work on population and housing censuses with a view to harmonizing national censuses. Regarding drafting a strategy for national statistical development, the Committee proposed that the Paris 21 Consortium (Partnership for Statistics) assist ESCWA member countries in preparing national statistical strategies by the end of 2006 and provide the necessary funding. It recommended that ESCWA member countries take a number of measures to fulfil the statistical requirements related to the MDGs and asked ESCWA to establish a joint regional technical task force of UN agencies to coordinate efforts related to the United Nations Millennium Declaration [YUN 2000, p. 49]. It fur-

ther recommended that ESCWA strengthen the partnership between its member countries and the UN Statistical Department with regard to support for and development of activities related to population censuses, as part of the 2010 World Programme on Population and Housing Censuses and Related Surveys.

### Natural resources, energy and environment

The Committee on Water Resources, at its sixth session (Beirut, 2-4 December) [E/ESCAP/SDPD/2004/IG.2/6], recommended that water resources in ESCWA member countries be developed and their management assured by realistic goals and feasible national policies based on integrated management. Approval should be given for the adoption of a mechanism for consolidating regional cooperation, proposed in the ESCWA study on the principles for formulating guidelines for groundwater management. Through effective coordination and cooperation with all relevant parties, greater effort should be exerted to protect water resources from contamination, maintain water quality, formulate and develop indicators on the quality of surface water and groundwater, rainwater and water from springs feeding aquifers, and formulate comprehensive monitoring programmes for water quality management at basin level. The Committee urged ESCWA to continue efforts to build national capacities, especially in strengthening integrated water resource management; assist countries in developing their national plans with a view to achieving the MDGs and the goals of the Plan of Implementation of the 2002 World Summit on Sustainable Development [YUN 2002, p. 821], and, in that regard, assist countries in formulating policies and mechanisms for improving water supplies and sanitation services; convene a preparatory meeting in 2005 to coordinate the countries' positions; and develop a regional stance on water issues for the Fourth World Water Forum to be held in 2006 (see p. 1039).

The Committee on Energy, at its fifth session (Beirut, 11-12 October) [E/ESCWA/SDPD/2004/IG.1/7], recommended that member countries formulate national strategies, implement policies and programmes for energy conservation and efficiency in production and use, use clean fossil fuel technologies, exploit renewable energy resources, and formulate national strategies for sustainable development in energy. The Committee recommended to ESCWA that it include in its programme of work studies on policies involving social, economic and environmental aspects of energy resources management, with a view to achieving sustainable development, and continue the development of an energy database, which

should be updated to include use for sustainable development.

#### **Quality of life**

The Committee on Women, at its first session (Beirut, 4-5 December 2003) [E/ESCWA/WOM/2003/IG.1/9], reviewed achievements for the advancement of Arab women 10 years after the 1995 Fourth World Conference on Women [YUN 1995, p. 1169], the tasks before the Committee and the programme of work of the Centres for Women in that regard. It identified country needs concerning the empowerment of women in preparation for the 2006-2007 strategic framework and programme of work of the Centres. It adopted recommendations directed at Governments and ESCWA, focusing on commitment to the formulation of a comprehensive programme for Beijing +10 (see p. 1144), the provision of technical assistance to Arab countries in the preparation of national reports and the review, and revision and testing of an indicator for measuring the status of Arab women.

The Committee, at its second session (Beirut, 8-10 July 2004) [E/ESCWA/WOM/2004/IG.1/6], convened in conjunction with the Arab Regional Conference Ten Years after Beijing: Call for Peace, adopted the Beirut Declaration on Arab Women Ten Years After Beijing: Call for Peace, which was issued by the Arab Regional Conference. The Declaration appealed to the international community to take action to end wars and find a just and lasting solution for the occupied territories in the Arab region, called on all Governments to implement the Beirut Declaration, and urged them to strengthen national machineries for women. It requested ESCWA to provide advisory services in the areas of empowerment and the advancement of women, and called for the allocation of human and material resources to the Centres for Women to enable it to assume its expanded tasks.

The Committee also adopted the subprogramme on the empowerment and advancement of women within the 2006-2007 proposed strategic framework.

In other developments, ESCWA was preparing the first draft of the integrated social policies report and issued a booklet providing a comparative analysis of and guidelines for formulating such policies in the ESCWA region. It assisted the Palestinian Authority, the Palestinian private sector and civil society in articulating a coordinated vision for rehabilitation and development and in establishing socio-economic needs and priorities. It organized, in coordination with the League of Arab States, the Arab-International Forum on Rehabilitation and Development in the Occupied Palestinian Territory (Beirut, 11-14 October).

ESCWA also focused on advocacy for empowering youth and disabled persons, providing them with opportunities for employment, and on maintaining gender perspectives in such activities. It convened the Regional Expert Group Meeting on Information and Communication Technologies for Persons with Disabilities (Beirut, 25-26 May) and launched a website entitled "Net Forum for the Blind" and another for the Arab Youth Directory.

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

##### **Venue and dates of ESCWA twenty-third session**

By **decision 2004/320** of 5 November, the Economic and Social Council approved the ESCWA request to accept the invitation of the Government of the Syrian Arab Republic to hold its twenty-third session in Damascus in April/May 2005.