

**ECONOMIC COMMISSION FOR EUROPE
EXECUTIVE COMMITTEE**

Eighty-fifth Meeting
Geneva, 20 June 2016

EXCOM/CONCLU/85

CHAIR'S CONCLUSIONS

Meeting of the Executive Committee
20 June 2016

1. The Executive Secretary welcomed the newly-arrived Ambassador of Kazakhstan, Her Excellency Mme Zhanar Aitzhanova, to ECE and expressed the hope for good collaboration, also in her capacity as Chair of the Commission.

FORMAL SEGMENT

Item 1 – Adoption of the agenda

2. The provisional draft agenda for the 85th meeting (ECE/EX/2016/4) was adopted.

Item 2 – Chairman’s conclusions from the last meeting

3. The conclusions from the 84th meeting of EXCOM (EXCOM/CONCLU/84) were adopted.

INFORMAL SEGMENT

Item 3 - Bureau elections: Call for nominations for Vice-Chair.

4. The Chair explained that, following the withdrawal of Switzerland from the Bureau, elections must be held to replace the Vice-Chair. The mission of Switzerland had informed the Bureau that their incoming representative did not wish to take over the EXCOM functions of his predecessor. Therefore, in accordance with the relevant ECE and ECOSOC rules of procedure, a new Vice-chair needed to be elected for the unexpired portion of the term, with possibility to stand for a new term at the 2017 Commission session.

5. The Chair concluded that EXCOM requests member States to submit nominations for the position of Vice-Chair to the secretariat by 10 August. EXCOM thanks the mission of Switzerland for their contributions to the work of the Commission.

6. In the context of that conclusion, the Chair noted again the wish of the Russian Federation from the last EXCOM that the current composition of the Bureau be maintained, consisting of one member State from the Western part of the UNECE region, one from the Eastern part, and one from the other parts.

Item 4 - Annual report on technical cooperation activities 2015

7. The Executive Secretary introduced the 2015 report on technical cooperation activities contained in informal document 2016/32. He said that, given the prominence of extrabudgetary resources in funding technical cooperation activities, ECE will be developing a resource mobilization strategy to ensure predictability and sustainability of resources, in particular to support the implementation of the 2030 Agenda for Sustainable Development in the region.

8. The representative of the Russian Federation stated that the report gave an opportunity to assess the extent of the work done and set priorities for the future, and hoped for continuation of this practice. He commended the good results of technical cooperation, observing that it was implemented at relatively low cost. He said the Russian Federation would continue to finance project activities in CIS countries in areas such as transport, energy, innovation and the implementation of the ECE multilateral environmental agreements.

9. The representative of the European Union and its member States agreed that the report and its dissemination to EXCOM were good practices. Regarding the resource mobilization strategy

mentioned by the Executive Secretary, which is to be submitted to EXCOM for approval, he deemed it interesting to look into possible options aimed at increasing funding predictability but without forgetting the need to ensure proper management and accountability of the projects.

10. The Executive Secretary said ECE would continue its efforts to enhance the transparency of projects and extrabudgetary funding. He believed the resource mobilization strategy should apply to the whole organization rather than the two subprogrammes audited by OIOS. He hoped EXCOM would engage in the development of the strategy and help ECE identify potential contributors, including from the private sector which uses many ECE products but contributes little funding.

11. The Chair concluded that EXCOM thanks the secretariat for the comprehensive report on technical cooperation and takes note of the information therein.

Item 5 - Outcome of the Office of Internal Oversight Services (OIOS) evaluation.

12. The Executive Secretary introduced the report of OIOS evaluation of ECE contained in informal document 2016/33, and informed EXCOM that ECE would be working to implement the recommendations thereof.

13. The representative of the Russian Federation took note of the positive assessment of ECE activities by OIOS and found the recommendations useful. He expressed the view that ECE should continue to play a leading role among the Regional Commissions in transport, energy, innovation, statistics, environment etc. With regard to Recommendation 3, he stated that ECE's success was linked to sectoral experts from member States formulating the Commission's agenda in line with member States' needs, helping to arrive at products which then proved useful outside the ECE region as well. He believed this should continue, and that reorienting ECE's work to serve non-ECE countries could have resource implications.

14. The representative of the European Union and its member States commended ECE, saying that the adoption of ECE products outside the region was a testament to their quality. He saw merit in Recommendation 1 of the evaluation and requested that EXCOM be informed of the steps taken by the end of the year. He supported the mapping exercise from Recommendation 2, recalling good examples in ECE, such as the collaboration between the Housing and Sustainable Energy divisions on energy efficiency in buildings. He requested that EXCOM be informed of the results of the mapping. On Recommendation 4, he agreed that the SDGs and Agenda 2030 should factor into the daily work of ECE and appreciated ongoing related efforts. He requested that EXCOM be kept abreast of the results of the proposed exercises to align ECE activities with SDG implementation. He noted the importance of striking the right balance between incorporating the SDGs into ECE's work and ECE's mandate and resource capacity, and suggested to establish priorities if necessary. On Recommendation 5, he acknowledged the importance of partnerships especially in the context of fulfilling Agenda 2030 and looked forward to the results of the relevant mapping being presented to EXCOM. He stressed the need for a balanced approach, and a lean and efficient interaction with partners that makes use of current structures and systems as much as possible. He noted that it was important for ECE to continue current efforts to improve internal workings such as auditing, transparency and lessons learned. Regarding Recommendation 3, he believed the matter of a global focus for ECE should be addressed carefully. He noted that the use of ECE products outside the region and the participation of non-ECE delegates in ECE meetings did not automatically mean that ECE should actively pursue the globalization of its work, especially when globalization was not clearly defined. Resource requirements to support implementation of ECE products in new beneficiary countries should be kept in mind. He pointed out that adoption of ECE standards by non-ECE countries had positive effects on ECE member States and noted the importance of ensuring continuous high quality of this normative work. He believed the secretariat should deliver the recommended mapping of activities beyond the borders of ECE, including relevant benefits and weaknesses, and ECE's comparative advantages. This work should be internal to ECE at this stage, with any future steps to be decided at EXCOM.

15. The representative of Switzerland echoed the call of the previous two speakers for a cautious approach with regard to Recommendation 3 of the evaluation. He supported the suggestion of the delegate of the European Union for a paper highlighting the pros and cons of a global scope, bearing in mind the need for quality assurances related to this work.

16. The representative of the United States called for caution before undertaking an endeavour that could change ECE's fundamental outlook. She stated that the adoption of ECE products outside the region was a testament to their quality. She recalled that ECE was an organization with a regional mandate, shaped by the needs of its member States, and that the increasingly global nature of its work does not imply a change in its mandate. She agreed on the need for a paper on the topic and encouraged its careful consideration.

17. The representative of Spain supported the statement by the representative of the European Union and its member States. He congratulated the secretariat on the positive audit and evaluation but noted that these results should not lead to complacency. He noted that certain issues that he had raised with the auditors had not been reflected in the evaluation report. He expressed the wish that certain resource issues such as creeping administrative costs and increasing dependency on voluntary contributions, which he had pointed out when interviewed for the evaluation, had been reflected in the report. He noted the importance of having a strong internal evaluation unit with sufficient resources to fulfil its functions. He inquired how many people worked in the Programme Management Unit, whether there were any vacancies, and plans to fill these vacancies or otherwise increase the number of staff in the Unit.

18. The representative of Kazakhstan pointed out that the use of ECE agricultural standards by countries outside the region could enhance the latter's cooperation with ECE member States.

19. Regarding Recommendation 3, the Executive Secretary explained that the secretariat was not intending to change the focus of its work and concurred with the notion that it was prudent to proceed with caution. He said the mapping exercise would deepen understanding of the different activities undertaken, and help to clarify and better disseminate information about the global nature of certain activities. He recalled that ECE's work on agricultural standards had been questioned by a delegate from outside the region in New York and generated debate during the discussions on the Strategic Framework at the Committee for Programme and Coordination, and he expressed his hope that ECE member States would help to explain the nature of the work to other member States. during such discussions. He encouraged the representative of Spain to share the issues he wishes had been included in the evaluation report. He said the secretariat would be happy to provide related answers. Regarding evaluations, he recalled that a strengthened ECE evaluation policy had been approved by EXCOM, and that the independency and focus of the evaluation work within the Programme Management Unit had also been strengthened.

20. In response to the delegate from Spain, the Director of the Programme Management Unit explained that the Unit consisted of herself and three professional staff, one of whom was responsible for technical cooperation, one for programme management, and one for evaluation.

21. As a follow up to the Executive Secretary's statement on delegates from non-ECE countries questioning the global nature of ECE's work, the representative of the United States inquired whether the Executive Secretary felt that the secretariat should consult outside the regions before norms and standards were developed, potentially with a view to pre-empting possible criticism from non-ECE countries. She also queried if such an approach would have resource implications.

22. The Executive Secretary responded that it would be helpful to clarify to non-ECE delegates why the relevant work was being undertaken at UNECE., but also noted that it would require resources if developing countries were to be offered an opportunity to further participate in the work of ECE for instance in the work on agricultural standards or road safety.

23. The Executive Secretary confirmed that EXCOM would be kept informed of the implementation of the recommendations of the evaluation.

24. The Chair concluded that EXCOM takes note of the outcome of the OIOS evaluation of ECE contained in informal document 2016/33. EXCOM encourages ECE to work towards the implementation of the recommendations in close consultation with ECE member States and looks forward to receiving information about progress in this regard.

Item 6 – Outcome of the OIOS audit

25. The Executive Secretary introduced the report of the OIOS audit contained in informal document 2016/34. He informed EXCOM that, of the three recommendations made by OIOS, the first one had already been closed thanks to the strengthened Directive on Establishment and Management of Extrabudgetary Resources. The other recommendations are due for implementation by the end of the year. With regard to the third recommendation, on the recruitment of consultants, the Executive Secretary explained that the highly specialized nature of ECE's work limited the pool of appropriate experts and had, on occasion, led to reusing consultants in the past. ECE was taking steps to make consultant recruitment more competitive.

26. The representative of the Russian Federation welcomed the positive results of the audit. He underlined the importance of a transparent, impartial, competitive process with wide participation to strengthen the hiring of consultants.

27. The representative of the European Union and its member States welcomed the positive results of the audit. Regarding Recommendation 1, he had not been aware that the Directive mentioned by the Executive Secretary was available on the ECE website and requested an overview of it. On Recommendation 3, he requested that EXCOM be presented with evidence that ECE consultancies are advertised on the UN secretariat online platform as established by the audit. He also pointed out that no recommendation had been made regarding the selection of implementing partners and grantees, and inquired about the revised guidelines for competitive selection of grantees.

28. Regarding consultancies, the Executive Secretary said ECE was looking for a mechanism to be administered by UNOG to recruit consultants in line with all UN rules and regulations. ECE was also developing an online portal for advertising consultancy positions.

29. Regarding Directive 18, the Executive Secretary explained that the revised document now provides more detailed guidance on the management of technical cooperation projects based on criteria such as size and duration. Projects with a value of less than \$250,000 can be submitted with a concept paper, while those exceeding that amount require a full-fledged project document. This requirement did not exist previously. The revised Directive also adds clarity with respect to procedures and parameters of receiving donations, and the requirements regarding sufficient capacity and gender balance elements within projects. The definition of conflict of interest has been developed further for added clarity and transparency.

30. Regarding grantees, the Executive Secretary explained that ECE has implemented further measures to improve the competitiveness and transparency of grantee selection. The Director of the Programme Management Unit explained further that OIOS had not made recommendations on this issue, as the changes in the guidelines for the Grants Committee had addressed its concerns. These changes include renewal of credentials for returning/continuing grantees every five years, and an obligation for project managers to consider at least three candidates when submitting grant proposals and the requirement for a public bidding process for grants above a threshold.

31. The Chair concluded that EXCOM takes note of the OIOS audit of selected subprogrammes and related technical cooperation projects in ECE. EXCOM looks forward to updates on the implementation of two recommendations, which is currently in progress.

Item 7 – Important new developments: briefing by the Executive Secretary

32. The Executive Secretary informed EXCOM that, at their respective sessions towards the end of May, the Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP) and the Steering Committee on Trade Capacity and Standards (SCTCS) had agreed to jointly organize a conference on "*Laying the Foundation in the UNECE region for economic integration and sustainable development towards 2030*". The event is envisaged to take place in Minsk in October. It will be firmly framed within ECE's economic mandate and the thematic sessions will address relevant topics such as trade standards, competitiveness, energy, innovation and green economy. The report of the Conference could become an input into the 2017 Commission session. The Executive Secretary informed that the Secretary-General mentioned the Minsk Conference at the opening of the recent St. Petersburg International Economic Forum and encouraged member States to attend. He thanked the Russian Federation for the financial support towards the Conference. The secretariat seeks US \$60,000 of additional funding under the extrabudgetary project contained in informal document 2016/40. The secretariat stands ready to adjust the scope of the conference based on the funding received, as needed.

33. The representative of Belarus commended the pragmatic approach of the secretariat with regard to the organization of this Conference and considered the topics relevant in the current geopolitical context. He underlined that the Conference intended to exchange experiences and visions for cooperation in a practical and scientific manner and on issues within ECE's mandate. He said Belarus would do its utmost to host a successful Conference and called on all member States to participate.

34. The representative of the Russian Federation believed the Conference would enhance ECE's role in harmonizing integration processes by strengthening trade and economic relations and, inter alia, the achievement of the SDGs. He welcomed the topics selected. He stood ready to help the Conference's co-organizers (Belarus and ECE) to attract participants and develop thematic material. He hoped ECE would become actively involved in the preparatory work for the Conference, underlining that integration also affects countries that are not in regional economic unions.

35. The Chair concluded that EXCOM takes note of the preparations for the conference, and looks forward to a briefing on its outcomes.

36. The Executive Secretary updated EXCOM on recent developments regarding the financing and follow-up and review of the 2030 Agenda:

- Regarding the report of the Secretary-General on supporting the *implementation of the 2030 Agenda and the Addis Ababa Action Agenda*, the Executive Secretary explained that the Fifth Committee had not approved additional resources in May. The Secretary-General had been requested to submit a comprehensive report and ECE is waiting for instructions on how to contribute to it.
- The conclusions of the recent Regional Forum on Sustainable Development (RFSD) will be issued as an official document for the High-level Political Forum (HLPF). The Permanent Representative of Latvia, who chaired the RFSD, will present these conclusions at the "Regional experiences" session of the HLPF on July 15.
- UNECE has applied for two side events at the HLPF, one jointly with the Regional UNDG to launch the joint RCM/R-UNDG report on the transition from the Millennium Development Goals to the SDGs in Europe and Central Asia, and one jointly with the World Resources Institute on public participation in SDG implementation. As the number of proposed side events was significant, these events were yet to be confirmed.

- The text of the resolution on follow-up and review of the 2030 Agenda is almost agreed and leaves it up to each region to identify the regional mechanism. ECE will produce a non-paper with modalities for regional follow-up and review. This can inform the next informal dialogue on the topic, which the secretariat suggests to hold after the HLPF.

37. The Chair concluded that, regarding the developments on the 2030 Agenda and its financing, follow-up and review, EXCOM takes note of the information provided and looks forward to further updates.

38. The Executive Secretary informed that the recent General Assembly *resolution on improving global road safety* requests the Secretary-General to consider establishing a Road Safety Trust Fund to support the implementation of the Global Plan for the Decade of Action and the relevant SDGs. ECE is recruiting a consultant to examine the related resource requirements, potential hosting arrangements, and the grant modalities, including eligibility and monitoring arrangements. The goal is to present to the Secretary-General a paper with recommendations on the fund's establishment by early fall.

39. The Chair concluded that EXCOM looks forward to updates on the developments of a proposal for the establishment of such a Fund.

40. The Executive Secretary informed EXCOM that the 2015 report of the *ECE Grants Committee* is now available on the ECE website. He noted that OIOS had confirmed that the grants process in ECE is being handled in compliance with UN procedures and oversight mechanisms.

41. The Chair concluded that, regarding the report from the Grants Committee, EXCOM takes note of the report, and appreciates the efforts of the Committee to ensure a transparent and fully accountable process in line with established procedures.

42. The Executive Secretary informed EXCOM that the *OECD's International Transport Forum* has launched a carbon-free transport initiative called "Decarbonizing Transport", which ECE will take part in. ECE also plans to cooperate with UNEP on fuel efficiency. Both initiatives were a contribution to the Paris Climate Agreement.

43. The Executive Secretary informed EXCOM about the following *recent missions and meetings*:

- 11-12 May, Geneva, Meeting of the Regional Coordination Mechanism and the Regional undg;
- 18-19 May, Leipzig: International Transport Forum 2016 Summit on Green and Inclusive Transport;
- 23 May, Nairobi: 2nd session of the UN Environment Assembly;
- 2 June, Minsk: Launch of the 3rd EPR of Belarus;
- 6-8 June, Batumi: 8th Environment for Europe Ministerial Conference;
- 14-15 June, Brussels, European Development Days;
- 16-17 June, St. Petersburg International Economic Forum.

44. The Executive Secretary also informed EXCOM about the following upcoming events:

- 23-24 June, Geneva: 5th Meeting of the Trade Ministers of Landlocked Developing Countries;
- 1 July: ECE Staff Day;
- 7 July, Geneva: Conference "Reviewing the State of Safety in World Cities".

45. Regarding the 7 July Conference, the Executive Secretary informed EXCOM that, following the concerns raised by the Russian Federation, the Conference is now organized by UN-HABITAT and the Geneva Peacebuilding Platform in cooperation with ECE and with logistical assistance from

UNOG. ECE will limit its participation to one session on “Smarter and Safer Cities”, with the goal of presenting the Geneva UN Charter on Sustainable Housing and the ECE/ITU Smart Sustainable City Indicators and Standards to a wide audience of government representatives, local authorities and other stakeholders. ECE has explored the possibility of organizing a session on road safety as proposed by the Russian Federation, but this has proven not to be feasible within the available timeframe.

46. The representative of the Russian Federation took note of the fact that ECE’s contribution will now be limited to the “Smarter and Safer Cities” session and thanked the secretariat for its responsiveness to his delegation’s views. He noted that ECE’s work on housing and land management, in particular the Geneva UN Charter on Sustainable Housing, were highly commended by Russian experts.

Item 8 – Extrabudgetary projects (for approval)

47. Regarding the extrabudgetary project in informal document 2016/40, the representative of the European Union and its member States said he had no objection to the project but requested confirmation that no donor has been identified for the US \$60,000 solicited within.

48. The representative of the Russian Federation also had no objections to the project. He said that he understood the above-mentioned sum to be an indicative target.

49. The Executive Secretary confirmed that no donor has been identified yet and that the conference plans would be scaled to the available resources. He underlined that additional funds would enhance a substantive and positive result.

50. The representative of the European Union and its member States said he would be thankful for information on the final amount and intended use of funding.

51. The Executive Secretary said that EXCOM would receive an update on the extrabudgetary project at its next meeting with details about the amount of funding received, and the intended utilization.

52. The Chair concluded that EXCOM approves the extrabudgetary projects contained in informal documents 2016/36, 2016/37, 2016/38, 2016/39 and 2016/40.

Item 9 – Other business

53. The Executive Secretary noted that currently EXCOM documents were not readily available publically and inquired whether EXCOM would be open to posting its documents on the ECE website without password protection, which would increase the visibility of the work of the Commission and provide openness and transparency. He suggested that the Bureau could decide if a document warranted confidential treatment, in which case the password protection would be maintained for that document.

54. The representative of the European Union and its member States saw merit in efforts towards greater transparency and supported the Executive Secretary’s proposal.

55. The representative of the Russian Federation did not object to posting EXCOM documents openly as long as these were officially adopted or approved.

56. The representative of Spain supported the Executive Secretary’s proposal, stating that most international organizations in Geneva followed the same approach.

57. The representative of Slovakia requested that the practice of providing heads of missions with the list of participants of upcoming meetings of working groups be reinstated, or alternatively that these lists be published on the ECE website, with password protection if necessary. He noted this would also improve transparency.

58. In response to the Russian Federation, the Executive Secretary clarified that under the Secretariat's proposal the password-protected portion of the EXCOM website would be retained and that the Bureau would decide if documents should be posted in that section. Document postings would be made prior to EXCOM meetings. He stated that the Secretariat had taken note of the request from Slovakia and would review it further.

59. The Chair concluded that in the interest of increased transparency of the work of the Commission, EXCOM decides to post its documentation openly on the ECE website. It requests the Bureau to determine on a case-by-case basis if select documentation should be classified as confidential, as necessary, and be shared with member States under password protection only. EXCOM further requests the Secretariat to consider providing a list of participants for expert groups attending the sessions.
