

**Activities of the organizations of the United Nations system and other relevant institutions
in providing policy advice and technical assistance
to the countries with economies in transition.**

Introduction

In its resolution 59/243 of 22 December 2004, the General Assembly reaffirmed the need for the full integration of the countries with economies in transition into the world economy. It also called upon the organizations of the United Nations system, including the regional commissions, and invited the Bretton-Woods institutions, in collaboration with other relevant multilateral and regional institutions, to continue to conduct analytical activities and to provide policy advice and technical assistance to the Governments of the countries with economies in transition in order to strengthen their social, legal and political framework for completing market-oriented reforms. The following is a complement to the report on integration of the economies in transition into the world economy, contained in A/61/269. It provides a summary of the activities carried out in response to resolution 59/243, based on contributions from 12 funds, agencies and organizations of the UN system and other relevant international institutions, and underscores the need and highlights prospects for continued support to those countries by the UN system.

ESCAP

- The annual Economic and Social Survey of Asia and the Pacific (2005; 2006) reviewed the progress of UNESCAP countries with economies in transition in their transformation to a market-based economy. The Surveys assessed macroeconomic performance, issues, policies, socio-economic implications and prospects, and examined trends of integration into regional and world economies. The Surveys focused on the feasibility of MDG achievement, and emerging issues (poverty reduction, unemployment, population ageing, education and health).
- The 2005 Survey analyzed population ageing dynamics, their socio-economic implications and policy responses required in transition economies. It highlighted areas where further market reforms and policy coordination across all levels of governments were crucial for the long-term viability of social welfare systems in transition economies. The 2006 Survey examined the concerns of those economies in addressing the emerging phenomenon of “jobless” growth, and persistently high youth unemployment. It explored trends, causes and policy interventions already in place. Furthermore, it provided policy recommendations based on good practices and lessons learned elsewhere in Asia-Pacific. The findings were used in the UNESCAP project on “Building capacity for participatory planning, monitoring and evaluation for income and employment generation programmes at local and regional levels” which included Central Asian economies as participants.
- Assistance focused on the sharing of regional experiences and good practices in poverty reduction. Cambodia, Mongolia, Lao People’s Democratic Republic and Viet Nam participated in UNESCAP projects on establishing community-based social safety nets; replication of the *Saemaul Undong* approach to rural community development; urban low-income housing; community-based solid waste management; and rural-urban linkages.
- UNESCAP countries with economies in transition participated in all training activities under the WTO/ESCAP Technical Assistance Programme held within the reporting period (June 2004-June 2006), including high-level policy dialogues in preparation for and immediately following WTO Ministerial Conferences. They were also participants in two UNESCAP/UNECE projects on trade integration and WTO accession.
- UNESCAP assisted countries with economies in transition in improving their transportation systems and infrastructure through involving them in the Intergovernmental Agreements on the Asian Highway Network and the Trans-Asian Railway Network. In close cooperation with the Shanghai Cooperation Organization (SCO) and ADB, the UNESCAP secretariat assisted SCO member States (China, Kazakhstan, Kyrgyzstan, the Russian Federation, Tajikistan and Uzbekistan) in formulating an Inter-Governmental Agreement of SCO member States on the facilitation of international road transport.
- The UNESCAP secretariat facilitated dialogue among countries in North-East Asia on energy production and rational use through the introduction of the Inter-governmental

Collaboration Mechanism on Energy Cooperation in North-East Asia (adopted at the first session of the Senior Officials' Committee on Energy Cooperation in North-East Asia, Mongolia, November 2005).

- The International Conference on Strengthening Sub-regional Economic Cooperation in Central Asia and the Future Role of Special Programme for Economies of Central Asia ([SPECA], Astana, May 2005) endorsed proposals to reform the Programme, invite Afghanistan's participation in SPECA, and to implement the SPECA Work Plan (2005-2007). UNESCAP and UNECE established six SPECA project working groups (transport; water, energy and environment; trade development; statistical capacity-building; ICT for development; and gender and economy). The first SPECA Economic Forum on "Energy dividend: spreading the growth impulse for prosperity and stability in the SPECA region" was held (Baku, June 2006).
- Activities concerning emerging social issues included: assistance to Governments (Armenia, Kazakhstan and Uzbekistan) in promoting innovative and gender-responsive social protection services, health and social security for older persons; support for combating the spread of HIV/AIDS, as well as multi-sectoral responses to young people's needs (Lao People's Democratic Republic and Viet Nam).

FAO

FAO has worked at the policy level as well as the field level to assist transition countries in integrating into the world economy and in their efforts for integration and accession to the European Union (EU). Since the prospects for EU integration differ from region to region, FAO has a specific approach for the *Central Asian CIS*¹ countries that are not in the European Neighbourhood Policy (ENP) region; for the other *CIS countries part of the ENP*² region (which have the prospect of free trade agreements with the EU but not EU accession) and for the Balkan countries³, which are in the accession process, candidate countries or potential candidate countries for EU accession.

FAO assistance in agricultural (including water resource management, agricultural management, marketing, rural finance, rural infrastructure and agro-industries), food safety, food security, forestry and rural development and monitoring of food and agriculture situation has been provided through direct policy advice, capacity-building activities and technical assistance in the form of field projects.

- In the CIS countries outside the region of the European Neighbourhood Policy (5 Central Asian countries) FAO has assisted in developing trade with the rest of the world through capacity building in controlling animal diseases (avian influenza, foot and mouth disease) and WTO accession. Attention has also been given to support in reforming food safety and quality institutions to bring them into compliance with WTO standards. Furthermore, FAO has built capacity in these countries for analysis of land reform, land consolidation and farm restructuring issues.
- In the CIS countries within the region of the ENP FAO has assisted, in addition to the above-mentioned topics, in formulating agricultural policies that address the challenges of WTO accession and EU trade integration. Particular attention has been given to capacity building in reforming food safety and quality institutions and laboratories to bring them into compliance with EU standards in order to benefit from the prospective free trade agreements.
- For the Balkan countries on the field level FAO has directly assisted producers in forming marketing cooperatives, facilitated links to processors and to financial institutions in order to export high value products suitable for EU countries. On the policy level, FAO has worked with governments of this region to reform the institutional set-up for food safety and quality standards in order to align these standards with those of the EU (*acquis communautaire*). FAO has also built capacity in trade facilitation measures for agricultural and food products in a number of countries and assisted governments in formulation of rural development strategies required for EU pre-accession assistance. In addition, FAO has assisted countries in this region in developing trade with the rest of the world through projects aimed at eliminating pests (western corn root worm) and controlling animal diseases (foot and mouth disease, avian influenza).

Through the Cooperative Programmes with the World Bank EBRD and IFAD, FAO has contributed to the change from centrally planned to market oriented economies, especially in the

¹ Central Asia: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan

² ENP: Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine.

³ EU accession countries: Bulgaria and Romania; candidate countries: Croatia, FYRO Macedonia and Turkey; potential candidate countries: Albania, Bosnia and Herzegovina, Serbia and Montenegro.

rural sector, with the objective of a better integration into the world economy. by the following activities:

Investments activities (preparation of new projects and supervision of on going projects) carried out in 2005-06 with the WB have included:

- (i) agricultural sector restructuring: support to agriculture competitiveness, preparation of agricultural policy, commodities analysis, formulation of rural economy modernization;
 - (ii) support to agricultural production units: set up of agricultural services, support to farm privatization, land management and titling, assistance for rural credit services;
 - (iii) assistance to private enterprises: rural business environment, rural enterprise strategy;
 - (iv) implementation of large investment programmes dealing with rural development activities, natural resources conservation and development, irrigation and infrastructure rehabilitation; emphasis has been put on programmes related to resources shared by two or more countries;
 - (v) assistance for emergency situation: Avian Flu projects quickly prepared and implemented.
- Reforming forest policies and legislation and improving institutional capacity to operate in a market environment continue to be the most important in improving the forestry sector in economies in transition. Accordingly FAO, through its regular and field programmes continues to provide critical assistance in these areas. Policy reviews have been undertaken in a number of countries and assistance provided to update the legislation. Institutional support is provided at various levels and includes support to improve participatory approaches, especially community based forest management. Supporting the private sector, especially the large number of small-scale forest owners is another thrust area of support.
 - Inability to build up adequate institutional capacity in the context of economic liberalization has led to substantial increase in illegal logging with its attendant loss of income to governments and possible negative environmental and social impacts. FAO in collaboration with other organizations are addressing the issue of illegal logging and improvement in forest law compliance.
 - Integration in the world economy enhances the opportunities and challenges in the forest sector in the transition economies. These issues have been specifically
 - addressed in the regional and global forest sector outlook studies that FAO has recently undertaken. Specific attention has been paid to assess the future scenarios of development in Eastern Europe, Central Asia and the Caucasus countries, indicating the priorities and strategies that the countries may pursue to improve the forestry situation and at the same time to benefit from the opportunities provided by globalization.

- FAO also continues to provide support to improve the technical capacity in the areas of forest fire control, management of pests and diseases and forest resource assessment, all contributing to sustainable management of forest and tree resources.

A more detailed description of some FAO activities in countries in transition can be found at:

- FAO Regional Office for Europe:
http://www.fao.org/world/Regional/REU/index_en.htm
- Regional priorities:
http://www.fao.org/world/Regional/REU/Content/RPriorities/index_en.htm
- National and Regional Projects:
http://www.fao.org/world/Regional/REU/Content/FProgramme/index_en.htm

C:\Documents and Settings\Stanisci\My Documents\Alma's Absence\FAO Contribution to SG Report 2006 - Economies in Transition 2nd.doc.

ICAO

Recognizing that the growth and improvement of international air transport can make important contributions to the social and economic development of States, ICAO, through its Technical Co-operation Programme, provides support to countries with economies in transition with a view to promoting their achievement of self-sufficiency in the field of civil aviation, thus facilitating their integration into the world economy. In this regard, the safe and secure conduct of air transport operations is dependent upon a well-structured civil aviation authority capable of fulfilling its international responsibilities and enforcing internationally-applicable safety standards. The satisfactory provision and operation of air navigation facilities and services is, in turn, reliant on a high standard of personnel training in a wide range of disciplines and emerging technologies.

Primary requirements of countries with economies in transition for ICAO assistance have concentrated in the development of human resources and the strengthening of civil aviation institutions. Technical assistance has been provided by ICAO on a regional, sub-regional and country-specific basis through, *inter alia*, the provision of field experts, the training of national civil aviation personnel, the development of Civil Aviation and Airport Master Plans, the formulation of adequate legal frameworks, including civil aviation rules and regulations in accordance with ICAO standards and recommended practices (SARPs), and the procurement of the necessary equipment. Particular consideration has been given to the restructuring of Civil Aviation Departments and the desirability of establishing Autonomous Civil Aviation Authorities, where improved efficiency and financial results could be achieved.

Commonwealth of Independent States (CIS)

ICAO continues to provide support to the Commonwealth of Independent States (CIS) within the framework of the fund established by the CIS, Airbus, the Boeing Company, General Electric, the European Commission, the Ilyushin Aviation Complex and the Interstate Aviation Committee. The objective of this technical cooperation project is to enhance the flight safety capabilities of participating States by establishing a regional training and advisory centre. This Centre should be capable of providing assistance to States in overcoming identified safety-related deficiencies, as well as in the training of safety inspectors and in the harmonization of national civil aviation legislation, as may be required. Project activities also take into consideration the results of ICAO audits conducted in these countries, as well as aircraft accident investigations carried out by the Interstate Aviation Committee, contributing significantly to the rectification of identified deficiencies.

The project has proved to be a cost-effective solution for the harmonization of safety-related regulations in the region in compliance with ICAO Standards and Recommended

Practices (SARPs), enabling the development of a comprehensive set of operations and personnel licensing regulations. Model aviation rules were also developed and introduced into the national legislation of the CIS States. Extensive training of flight safety personnel continued with the participation of over 1700 specialists since 2004.

United Nations Mission in Kosovo

ICAO has continued to cooperate with the United Nations Mission in Kosovo (UNMIK) in a technical cooperation project initiated in 2003 with the objective of assisting UNMIK in developing the institutional components necessary for a safe and efficient civil aviation infrastructure in accordance with ICAO SARPs. Since 2004, substantial progress has been made towards the establishment of an efficient civil aviation regulatory system and the development of local expertise in the civil aviation administration. With ICAO assistance, primary aviation legislation (UNMIK Provisional Regulation on Civil Aviation in Kosovo) and secondary legislation (UNMIK Administrative Directions) were developed by the Civil Aviation Regulatory Office (CARO) and promulgated by the Special Representative of the United Nations Secretary-General, enabling UNMIK to take over aviation management functions from the International Security Presence in Kosovo (KFOR) in April 2004.

A second technical cooperation project funded by UNMIK was initiated in 2003. ICAO's responsibility is to assist UNMIK in ensuring that airport and air navigation services are being developed in a safe and orderly manner, in accordance with ICAO SARPs. Since 2004, the provision of expert assistance by ICAO enabled Pristina Airport to improve its operational and human resource capabilities and financial sustainability, as well as to plan future development activities. The development of manuals and procedures in accordance with the requirements of ICAO Annex 14 (Aerodromes), and the provision of on-the-job training, further contributed to the enhancement of the efficiency of airport operations in Kosovo.

Bosnia and Herzegovina

Throughout year 2004, ICAO continued to provide support to Bosnia and Herzegovina through a technical cooperation project funded by the European Commission, in order to establish a viable and sustainable civil aviation authority. Project achievements included the development of the structure for the Directorate of Civil Aviation (BH DCA), including the establishment of Safety Regulatory and Air Navigation Divisions, and the development of a comprehensive training programme for the required civil aviation staff. Expert assistance was also provided in the development of the civil aviation regulatory framework, including the formulation of the Civil Aviation Law and detailed national civil aviation regulations in compliance with ICAO legal instruments and SARPs, Joint Aviation Requirements (JARs) and Eurocontrol Safety Regulatory Requirements. The preparation of an air transport policy was also attained. The project also contributed to the development of air navigation services and facilities. As a result of the project, BH DCA successfully passed the ICAO safety-oversight follow-up audit and aviation security audit, as well as the safety assessments carried out by JAA and Eurocontrol. This project was concluded in June 2005.

IMF

1. The International Monetary Fund remains supportive of transition countries in their efforts to deepen economic transformation and integration with the global economy. Maintenance of stability supported by deepening structural reform and institution-building remain the key focus, with progress generally being recorded in recent years.

2. Among the advanced transition group—the Baltics and Central European countries which have joined the EU—progress over the past two years was mixed. While Slovenia secured acceptance into the euro area, other advanced countries found themselves buffeted by a repricing of risk amongst emerging market countries during 2006. Those most affected also exhibited the most marked imbalances. Fund support for transition countries from the Baltics to the Balkans has continued in the form of surveillance activities, including providing advice on management of monetary and exchange rate policies in anticipation of eventual euro adoption. Among Central European countries aspiring to early EU accession, the focus remains on exit arrangements with the IMF, with programs in Bulgaria and Croatia expiring soon. Further East, Russia has benefited from strong energy prices, repurchasing all outstanding IMF credit and continuing with disinflation, while political uncertainties and adverse terms-of-trade developments in Ukraine have unsettled policies. The Fund continues to provide assistance to the UN in special cases (e.g., Kosovo).

3. Over the past two years, other CIS countries in the Caucasus and Central Asia (Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan) have benefited from high commodity prices and strong export earnings. For most of these countries, real GDP growth has continued to be robust, the current account and official reserve positions have improved, fiscal performance has strengthened, and the external debt-to-GDP ratios have declined. However, rapid monetary growth, often sparked by large unsterilized foreign exchange intervention by many central banks, has resulted in a rise in inflation in a number of countries. On the structural reform area, progress has been mixed. While a number of countries have achieved some progress, structural reform has lagged in Turkmenistan and Uzbekistan. Advancing structural reforms remains crucial to boost investment and ensure sustainable growth in the region. In particular, further efforts are needed to advance financial sector reforms, enhance the business climate, improve governance and transparency, and reduce poverty.

4. Technical assistance (often co-financed with the EU, the UNDP, the World Bank, central banks, and bilateral partners) remains a key element in the IMF's engagement with the transition area, including its more advanced members. The emphasis remains on training senior officials responsible for management and implementation of macroeconomic policy through the Joint Vienna Institute. In the CIS area, TA has also included fiscal, monetary, financial, statistics and legal issues. Furthermore, many of these countries have availed themselves of opportunities to demonstrate the strength of their institutional arrangements by completing full reviews of observance of international standards and codes in areas such as fiscal and monetary affairs, completing Financial Sector Assessment Programs (FSAPs) conducted jointly by the Fund and the World Bank, and publishing IMF staff reports.

UNCTAD

- In the area of **investment**, UNCTAD's *World Investment Report (WIR), 2005*, reported that FDI inflows to South-East Europe and the CIS recorded a fourth year of growth in 2004, reaching an all-time high of \$35 billions (Please see chapter II of the Report under: http://www.unctad.org/en/docs/wir2005ch2_en.pdf). Economies in transition were the only region to escape the three-year decline (2001-2003) in world FDI flows, and maintained robust growth in inward FDI in 2004. The automobile industry, in particular, has attracted a number of investments in recent years. *WIR 2005* reported that FDI patterns in individual South-East European countries and CIS countries reflect both natural-resource endowments and other location-specific economic factors, and diversity in policy approaches to inward FDI. In Bulgaria and Romania, the prospects of joining the EU in 2007 is prompting rapid adoption of the EU's *acquis communautaire*, increased efforts towards improving the business environment and the completion of large privatization deals. FDI inflows to the region are expected to grow further in the near future based on the expectation that, with their competitive wages, they will attract an increasing number of efficiency-seeking or export-oriented projects.
- UNCTAD also continued to assist economies in transition in assessing their own FDI performance by producing and disseminating data on FDI and the activities of TNCs. UNCTAD's dedicated FDI statistics website (www.unctad.org/fdistatistics) continued to maintain profiles for 26 economies in transition.
- From 2005, UNCTAD has participated in implementing the UNDP project on promoting Development and Implementation of the Moscow-based System for Exports and Investment Promotion – Moscow Exports Initiative (MEXI). This project will support the efforts of the government of the Russian Federation to promote the exports of Moscow-based enterprises. UNCTAD will assist the Government to establish and strengthen the investment department of the Moscow Exports and Investment Promotion Agency (MEIPA) and to establish an information system to service the investment process. UNCTAD organized a sensitizing seminar for major stakeholders (Moscow, 26 September 2005). In November 2005 and February 2006, two workshops were organized in Moscow to discuss and develop the investment-related information network on the basis of UNCTAD's Investment Gateway (IGW) system. A prototype of the Moscow IGW system was put online in July 2006.
- In June 2005, UNCTAD, in cooperation with the World Association of Investment Promotion Agencies (WAIPA), organized a workshop on Investment Promotion Agencies (IPAs) policy advocacy for the emerging economies of the Central and Eastern European countries. In December 2005, UNCTAD organized a regional training workshop on a cluster based approach to attracting FDI for IPAs from MEDA and a number of countries with economies in transition.
- Bulgaria is amongst the first countries where UNCTAD's newly developed Investment Gateway, an electronic tool in support to investment promotion, is being installed.

The system will give access to investment opportunities in the biotech, ICT and health care sectors and present detailed information on administrative procedures applicable to investment in these companies.

- In 2006, UNCTAD initiated a technical cooperation project in the Autonomous Province of Vojvodina (APV), Serbia and Montenegro to prepare an investment promotion strategy to effectively guide the Vojvodina Investment Promotion Fund (VIP Fund) to attract strategic investors into Vojvodina's priority economic development sectors. An advanced draft of this strategy was submitted to major stakeholders in July 2006 and the final version is expected to be ready in the autumn of 2006. To upgrade the professional level of the VIP Fund staff, a training workshop on investment promotion issues was organized in Novi Sad from 4 to 6 July 2006.
- In June 2005, UNCTAD, in cooperation with the Organisation Internationale de la Francophonie and the WTO, organized a seminar on trade and investment issues in the context of **International Investment Agreements (IIAs)** for six Central and Eastern European countries, members of the Organisation Internationale de la Francophonie, at INA in Bucharest, Romania.
- UNCTAD continued to carry out an in-depth analysis of the internationalization of developing country enterprises through Outward Foreign Direct Investment. Several case studies were conducted throughout 2005, including for Slovenia and the Russian Federation (http://www.unctad.org/en/docs/c3em26d2a4_en.pdf).
- The Silk Road Initiative, through the UNCTAD/ICC Investment Advisory Council, aims to foster cooperation and integration between Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and China. Focusing on trade, investment and tourism, the objective is to establish new, long-lasting mechanisms to further regional integration. These include the Silk Road Investment Forum, which took place in June 2006 in Xi'an China (Please see <http://www.silkroad.undp.org.cn>)
- UNCTAD is implementing a technical cooperation project in China aimed at the development of an investment promotion strategy in the tourism sector of Western Silk Road provinces and autonomous regions of this country. Within this project, a training workshop on developing sustainable tourism through FDI promotion was organized in Xi'an from 6 to 8 April 2006.
- In the area of **corporate governance**, UNCTAD launched a USAID sponsored, technical assistance project on developing a regional accounting qualification in the CIS countries. It is based on the UNCTAD/ISAR model accounting curriculum that the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) adopted in 1999 and revised in 2003. UNCTAD previously carried out technical assistance programmes in Uzbekistan (1994-1995), Azerbaijan (1997-2000) and the Russian Federation (1998-2001) to help these countries to meet international requirements in the area of financial reporting.

- UNCTAD's EMPRETEC programme recently started to develop projects in Central and Eastern Europe. This is an integrated capacity-building programme that promotes the creation of sustainable support structures to help promising entrepreneurs build innovative and internationally competitive small and medium enterprises (SMEs). Based on the positive results achieved by EMPRETEC in Romania in 2004, the Government committed substantive funding to ensure the programme was maintained in 2005, and a new national regional EMPRETEC Centre was established (see: <http://www.empretec.net/DITE/EMPRETEC/ECRomania.nsf/>).
- In the area of **debt**, from 2004-2006, UNCTAD provided assistance to Georgia, Kyrgyz Republic, and the Republic of Moldova in rescheduling their Paris Club debt. UNCTAD further assisted Albania, Russian Federation, Turkmenistan, Moldova, Lithuania, and Romania in operating and maintaining the DMFAS system (Debt Management and Financial and Analysis System).
- **Development and Globalization: Facts and Figures** is a compact statistical reference book for evaluating the growth prospects of developing countries and economies in transition. It provides basic information in a user-friendly format on subjects addressed by UNCTAD such as trade, investment, external finance, commodities and development issues, together with relevant facts about populations; UNCTAD's **annual Handbook of Statistics** provides a comprehensive collection of statistical data relevant to the analysis of international trade, investment and development for individual countries and economic and trade groupings, including the economies in transition.
- **On WTO accession**, UNCTAD provides technical assistance to Azerbaijan, Bosnia-Herzegovina, Kazakhstan, Serbia, Montenegro and Uzbekistan. Technical assistance and capacity building programmes are geared to assist countries to accede on terms commensurate with their level of development and their ability to adhere to obligations associated with WTO membership and to benefit from WTO membership in dealing with supply side constraints, export potential, and competitiveness issues. The Programme also assists them to acquire GATT and WTO consistent domestic legislations thus providing assurances to foreign investors and facilitating trade - both imports and exports.
- Further to the training activities undertaken at the country level, UNCTAD's WTO accession-related technical assistance and capacity building activities include sectoral / impact studies by national consultants under UNCTAD's supervision, review of all trade-related domestic legislations for GATT and WTO consistency, assistance in the preparation of accession-related documents and public awareness workshops. Whenever and wherever appropriate, UNCTAD includes the private sector and civil society in such programmes.
- UNCTAD is organising a Roundtable for SPECA countries on WTO accession issues (Baku, Azerbaijan, 6-8 September 2006). Turkmenistan, which has yet to apply for WTO membership, has also been invited as it is envisaged that the discussions would also be beneficial to them. The participants to the Roundtable would comprise government officials, private sector and civil society (women's groups, trade unions, private think tanks).

- In the area of **diversification of commodities-based development**, UNCTAD organized a national workshop "Diversification of Agricultural and Mineral Sectors, International Trade and Development" in Mongolia in October 2005. On commodity futures and exchanges, UNCTAD provided advisory services at the request of Ukraine, for developing agricultural futures markets, and at the request of Romania, for commodity exchange development. UNCTAD gave presentations on the current trends of the world steel market and on the state of and prospects for the world iron ore market at international CIS conferences and summits. At the request of the International Cocoa Organization (ICCO), UNCTAD continued to provide its assistance to the ICCO and Russian authorities in launching the ICCO Project on Generic Promotion of Cocoa and Chocolate in the Russian Federation.
- UNCTAD, in cooperation with the Antimonopoly Committee of Ukraine, organized an international conference on **competition policy** for countries in transition in Kiev, Ukraine from 18-19 May 2004. It was attended by representatives of CIS countries, several Eastern European and Baltic States. UNCTAD further organized a Romanian national seminar on competition law and policy with the Romanian Competition Council and the Chamber of Commerce and Industry of Romania from 16 – 17 March 2005 in Bucharest. UNCTAD co-organized with the Department of Antimonopoly Policy of the Ministry of Economic Development of Azerbaijan an international conference on the contribution of competition policies to the achievement of the UN Millennium Development Goals (MDGs) in countries in transition in Baku, Azerbaijan, from 27-28 September 2005.
- UNCTAD's continuing work focused on **facilitating trade, transit, customs and transport** in order to promote regional integration and strengthen cooperation among countries. The ASYCUDA (Automated System for Customs Data) programme aims to review existing trade and customs practices, improve the collection and use of trade statistics and advance customs systems automation. Transport facilitation initiatives, including ACIS (Advance Cargo Information System), and transit facilitation work aim to reduce cross-border barriers and to advance the implementation of existing international transport and transit agreements, including the review of transit trade agreements. Activities that promote regional cooperation and integration aim to establish mechanisms for longer-term cooperation.
- The ECO/UNCTAD/ESCAP/IsDB project on multimodal transport continues to perform national diagnostic studies, the outcomes of which will be presented at a regional workshop on "Multimodal Transport and Trade Facilitation in the Economic Cooperation Organization Region (ECO): Measuring Trade and Transport Facilitation Instruments for Development" which is planned for the second half of 2006.
- UNCTAD continues to provide technical assistance to selected regional intergovernmental organizations, including ECO and their member States, in developing a Trade and Transport Framework Agreement (TTFA), including follow-up to the recommendations of two technical missions to selected Central Asian countries in 1999. Technical group discussions and training sessions are conducted on topics related to the Trade, Transit, Customs and Transport Facilitation issues during Central Asian country missions.

- UNCTAD has participated in a number of intergovernmental and expert group meetings in the region. The Secretary-General of UNCTAD was a keynote speaker at the SPECA⁴

⁴ Afghanistan, Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan

UNDP

National Development Strategies:

In the post-communist transition countries of the former Soviet Union, Central and Southeast Europe, the UN Development Programme has supported the design and implementation of national development strategies (PRSPs, PRSSs, NDSs) that facilitate the region's political and economic integration into the world economy. In addition, UNDP has been instrumental in developing national MDG agendas (29 Millennium Development Goals reports have been produced). It also has partnered with the European Commission to align the MDGs with EU social inclusion processes.

The Global Compact:

UNDP has been advocating for the *UN Global Compact* as a framework for promoting the role of business in achieving the MDGs. Global Compact networks have been established in Bulgaria, Bosnia and Herzegovina, Hungary, Kazakhstan, Lithuania, Macedonia, Poland, Russian Federation, Ukraine and Turkey. UNDP has helped establish country-based networks, bringing together domestic companies with international investors, civil society organizations, media, trade unions, governments and academia.

Environment and Energy:

Since 2004, UNDP has been assisting transition economies in establishing Kyoto Protocol implementation mechanisms and building capacities for identification and development of greenhouse-gas reduction projects that are eligible for Joint-Implementation and Clean-Development mechanisms of the Protocol. For example, in late 2005, UNDP launched its MDG Carbon Facility to offer carbon financing for projects that simultaneously reduce greenhouse gas emissions and contribute to the achievement of the MDGs

Cross-border Efforts:

UNDP has provided support for cooperation between the countries of former Yugoslavia and Albania. This has the objective of ameliorating the negative effects of new international borders where once, at least within former Yugoslavia, there was a common economic space. An example of cross border assistance is investment promotion for regions of former Yugoslavia even though parts of the regions concerned now fall into different countries.

Economic Think-Tanks:

The Economic Policy Institutes Network (<http://www.epinetwork.org/?part=members>) project supports the development of economic policy institutes in transition countries. The goal is to develop the capacity of economic policy institutes so they can serve as independent voices on policy issues. The project also works to transfer knowledge from successful transition economies to promote the socio-economic development of less developed ones ("east-east cooperation").

Economic Forum, 25-26 June 2006, Baku, Azerbaijan, moderating the discussion on "The Energy Dividend: spreading the growth impulse for prosperity and stability in the SPECA Region including Regional Integration and Trade and Transport development".

- UNCTAD continues to implement the **ASYCUDA Customs Modernization Programme** in a number of countries in transition, including Albania, Macedonia, Bosnia Herzegovina, Moldavia, Rumania, Georgia and Armenia.

UNCTAD has conducted missions and developed contacts with selected transition economies on the issues of **ICT and competitiveness** and of **e-finance** (see http://www.unctad.org/en/docs/sdteedc20051_en.pdf : chapter 3 of the Information Economy Report 2005), in order to prepare a capacity building project proposal and respond to the needs of transition economies in these areas. As a facilitator of several action lines of the WSIS Tunis Agenda for the Information Society, UNCTAD will pay particular attention to countries with economies in transition in its contribution to the WSIS follow-up (see paragraphs 14, 20 and 26 of the Tunis Agenda). A module on the key policy issues of the information economy will be implemented in a Training Course on Key Issues on the International Economic Agenda for Eastern Europe and CIS countries, to be held in Belgrade.

Trade and WTO Accession:

UNDP has contributed to the integration of transition economies into the world economy by strengthening capacities to manage and benefit from trade and investment. Approximately half of UNDP country offices in the region have trade and investment promotion activities in the following areas: i) support in policy analysis and development; ii) capacity building of trade and investment support institutions; and iii) direct assistance to enterprises to improve trade or attract investment. Select country examples include:

- Albania is concluding a \$2 million EU-funded programme meant to build the capacity of policy makers in attracting investment. "*Support for Trade Regulation and Trade Promotion*": <http://www.undp.org/al/?projects,56>.
- In Uzbekistan, UNDP is implementing a project to build the government's capacity to improve trade and investment policy: <http://www.undp.uz/projects/project.php?id=36>.
- With UNDP assistance, Georgia and Macedonia have received a sovereign debt rating from Standard and Poor's that will help attract foreign investment.

Select Publications:

- Together with the London School of Economics, UNDP launched *Development and Transition* in 2005. This quarterly publication has become a key forum for debate about development and transition issues.
- In 2005 UNDP published the *Central Asia Human Development Report*, which demonstrates the economic and political benefits of regional cooperation.
- In 2006 UNDP launched *At Risk: Roma and the Displaced in Southeast Europe* (<http://www.undp.org/europeandcis/vulnerability>), a study about the determinants of vulnerability that was based on a major regional household survey.

UNCTAD will deliver a second regional **training course** for Eastern Europe and CIS countries on Key Issues on the International Economic Agenda, from 18 September to 6 October 2006, in Belgrade (see <http://p166.unctad.org/>). The course will focus on the links between trade, investment and development, especially in the context of the current WTO negotiations, in order to enhance the capacity of Eastern Europe and CIS countries to identify the development dimension of negotiation issues and their treatment. It will also increase awareness of the various policy and other conditions necessary for attaining competitiveness and participating effectively in the current global economic environment.

U N E C E

A report on the activities of the Economic Commission for Europe since July 2004

Over the past two years, economies in transition have generally made significant progress in their economic and political transformation. Market reforms have been accompanied with the opening of these economies, leading to their further integration into the European and global economy. But this transition and integration process has advanced at different speeds across countries and has contributed to increased economic heterogeneity across the region. This can be well illustrated by the fact that by 2004, 20 out of 27 countries had not reached their pre-transition real GDP level. Moreover, only 4 out of 7 countries from South East Europe and 4 out of 12 CIS countries are members of the WTO. Those who are negotiating their future WTO membership are at various stages in this process and most of them are still struggling with basic systemic and structural reforms. Russia and Ukraine's "market economy status" has been recognized both by the EU and by the US.

During this period the UNECE, through its various activities, continued to assist transition economies in facing the policy challenges related to this diversity of situation in terms of transformation and integration. During the period 2004-2005 the UNECE, in its *Economic Survey of Europe*, (<http://www.unece.org/ead/survey.htm>), continued to review macroeconomic developments and structural reforms in the ECE region, with specific chapters focused on Eastern Europe and CIS countries. It also examined various policy issues in the transition economies, including the integration of some of them into the European Union. The studies concluded, among others, that the realization of the long-run growth potential of the region hinges on the acceleration and deepening of the systemic and structural reforms including the reduction of barriers to competition in, and increasing the flexibility of, the domestic product, labor and capital markets.

UNECE also facilitated a wide dialogue among policy makers, government officials, academics as well as representatives of the civil society on transition-related issues, particularly in the context of its Annual (Spring) Seminar and the High-Level Policy Segment of its the Annual Session. The 2005 Spring Seminar focused on financing for development in promoting growth in low-income transition economies. It discussed the role of foreign direct investment,

domestic financial sector, trade and natural resource endowments and their management for economic development, particularly in southeast Europe, Russia and the Caspian region.

International trade is one of the main avenues for the integration of the economies in transition into the world economy. The work of the UNECE concentrates on regulatory convergence to facilitate trade. In the UNECE region – perhaps unlike the other regions – multilateral and bilateral trade arrangements proved to be second best solution and in the absence of global trade arrangements – even the best solution to promote economic cooperation and development in the region. The EU integration – that by far exceeds trade arrangements – has proved to be a strong engine for transformation of the economies from planned to market. The UNECE contributed to this process by promoting the implementation of norms, standards and recommendations, conventions and protocols and non-binding legislations in trade, environment (e.g., Environmental Impact Assessment, The Long range Transboundary Air Pollution Convention) and transport.

In the UNECE region, the main constraints faced in the transport sector are insufficient or inadequate transport infrastructures, including the existence of bottlenecks and missing links, as well as non-physical obstacles such as conflicting legislations and time consuming border procedures. In response to these problems, UNECE facilitated the participation of transition economies in the international transport standard-setting bodies, assisted them in the modernization of their transport systems and infrastructures and helped them make border crossing easier. Most transition economies became Contracting Parties to the main UNECE international Agreements and Convention on transport. UNECE also provided strategic guidance and support to sub-regional cooperation among East European governments in the framework of the TEM and TER Projects, establishing an inventory of the priority transport infrastructure needs of these countries. In cooperation with ESCAP, UNECE started the implementation of a UN Development Account Project, aimed at identifying the main Euro-Asian routes for development and covering also intermodal and border crossing issues. The project involves the participation of 18 countries with transition economies, including all Caucasus and Central Asian countries.

UNECE continued to provide a wide range of technical assistance to the economies in transition, focused on the implementation of legally binding instruments, agreed recommendations, norms and standards, and on the development of related national policies, regulations and actions. The main channels of providing technical assistance have been capacity-building workshops, seminars, study tours, policy advisory services and field projects in the areas of environmental protection, energy efficiency, transport infrastructure development, trade facilitation, development of statistics, and entrepreneurship (<http://www.unece.org/operact/opera/report.html>). In order to maximize impact in capacity building and promote exchange of experiences among neighboring countries, many of ECE's technical assistance activities were undertaken in cooperation with subregional initiatives such as the Black Sea Economic Cooperation (BSEC), the Central European Initiative (CEI), and the Stability Pact.

The UNECE and ESCAP continued their support to the UN Special Programme for the Economies of Central Asia (SPECA), which aims at promoting sub-regional cooperation among

Central Asian countries and their integration into the world economy. Following the 2004 initiative by the UN Secretary-General, the Executive Secretaries of UNECE and UNESCAP undertook consultations with the Governments of SPECA member countries on strengthening the Programme. As a result a set of proposals for improving SPECA's institutional set-up, working methods and funding, as well for significantly broadening the scope of cooperation within its framework were developed along with the UNECE-UNESCAP Work Plan for 2005-2007 in support of SPECA. These proposals were submitted for consideration to the International Conference on Sub-regional Economic Cooperation in Central Asia and the Future Role of SPECA (Astana, Kazakhstan, May 2005), and were subsequently approved by SPECA member States. In addition to cooperation in the field of transport and water and energy resources, new areas of work under SPECA, now include trade, statistics, ICT for development, and gender and economy. In 2006 Afghanistan officially joined the Programme. The first sessions of SPECA Economic Forum and Governing Council were held in Baku, Azerbaijan in June 2006.

As a result of its 2005 reform, UNECE established a new subprogramme on Economic Cooperation and Integration, which will focus mainly on countries with economies in transition. The objective is to promote policy, financial and regulatory environment conducive to economic growth, innovative development and higher competitiveness that will facilitate the integration in the world economy of these countries. In order to foster this aim, the newly created Economic Cooperation and Integration Division (<http://www.unece.org/ceci/Welcome.html>) will undertake comparative reviews, collect lessons learned and experiences gained, prepare case studies and elaborate proposals and options for policy debate among member States and other stakeholders in the new UNECE Committee for Economic Cooperation and Integration. The results of this work will serve as a basis for demand driven technical cooperation and capacity building activities.

U N E S C O

UNESCO, which covers education, sciences, culture and communication, has been contributing in an inter-disciplinary manner to the intergration of the economies in transition into the world economy. Although UNESCO's mandate does not directly deal with economic issues, the Organization's strategy and actions to support development in each economy in transition as well as to foster dialogue among these countries through regional and international cooperation in science, education, culture and communication constitute a crucial element contributing to peace building and stabilization, and therefore, in the long run, to wealth generation.

The present paper presents a short update of our Organization's relevant activities undertaken recently in response to the General Assembly resolution 59/243 of 28 February 2005.

1. UNESCO has played a crucial role in fostering dialogue among South Eastern European countries through regional cooperation in science, education and culture. Examples of UNESCO's actions in this region include:

- Organizing regional meetings of Heads of State (Croatia 2006), thereby providing a platform for dialogue and regional cooperation.
- The publication of the UNESCO Report: 'Science, Technology and Economic Development in South Eastern Europe', UNESCO Venice Office, Science Policy Series n°1, 2005 providing a series of policy recommendations for the integration of the SEE countries into the knowledge-based society.
- Our contribution to institution building and reform of the science policy system in Bosnia and Herzegovina; the publication of the Report 'Guidelines for Science and Research Policy in Bosnia and Herzegovina' UNESCO Venice Office, Science policy Series n°2, 2006.
- The mapping exercise and report on 'S&T statistics and indicators systems in SEE';
- Our efforts to convince the European Commission and the Stability Pact to create specific funding schemes for S&T in SEE;
- The forthcoming Conference and high-level Round table 'Why Invest in Science in South Eastern Europe?'(28-29 September 2006).

Similar UNESCO activities elsewhere, including in Africa, aim to introduce science and innovation policy frameworks to national governments (upon request), and to improve S&T capacity, thus leading to improvements in national economies

2. Organizing the International Forum on Social Science- Policy Nexus

As evidence-based policy-making is important also in the context of integrating (and how to integrate) the economies in transition into the world economy, the International Forum on the Social Science-Policy Nexus could be considered as a relevant response to the UNGA resolution 59/243.

The forum, held under the auspices of UNESCO Most Programme in collaboration with Argentine and Uruguay Governments in February 2006, with the objective of exploring the different regional and thematic dimensions of the nexus between public policy and social science research, and suggesting ways to overcome the existing gap between these two areas. Several countries with economies in transition participated in the Forum.

Through the debate, the key elements of five themes were identified and analyzed, and the essential characteristics which define the challenges of contemporary social reality in Africa, the Americas, Asia, Europe and the Middle East were highlighted: global problems and dynamics, social policies, population and migration, regional integration, and urban policy and territorial decentralization. Using research results and analysis is of importance in optimal policy making for the integration of the economies in transition into the world economy.

3. Promoting the integration of economies in transition by harnessing ICTs

Within the framework of CCT project “*Harnessing ICTs for the audio-visual industry and public service broadcasting in developing countries*”, UNESCO published a set of research studies on the current audiovisual trends in the world.

Going beyond the areas and themes traditionally covered by UNESCO (e.g. media development, cultural industries and enterprises), this book introduced a new, intersectoral dimension into the programme: the impact of international trade on the audiovisual industry and its effects on local cultural expression.

The research conducted throughout 2004-2005 provides an overview of the main trends in the broadcasting and audiovisual industry worldwide, with a focus on regional patterns of production, consumption and trade in Africa, Asia and Latin America. The sample of countries was selected so as to represent contrasted audiovisual landscapes, some of the studied countries boasting tremendous audio-visual trade volumes while others have very limited production capacities.

Parallel to the publication of this research, UNESCO organized a series of regional workshops in Bogotá, Singapore and Dakar, where the findings of the studies were shared and discussed with key groups in the three regions, and where a dialogue was encouraged among stakeholders.

While developing countries are facing crucial decisions affecting the broadcasting and audio-visual industry, today’s pillar for information and cultural exchange, policy and decision makers in these countries may sometimes lack the necessary tools to adequately inform their choices and strategies. It is hoped that this work will assist UNESCO Member States in analysing and understanding the impact of multilateral, regional and bilateral trade policies on the future audiovisual landscapes of their countries, while stimulating a reflection on the potential implications, positive or negative, for the expression of local cultures.

UNIDO

- UNIDO is fully committed to continue its support to facilitate the integration of the countries in transition into the world economy by strengthening productivity and competitiveness of economic sectors, capacity building and institutional support, as well as promotion of foreign investment and environmentally friendly technologies.
- UNIDO assistance has been implemented in the form of TC programmes and projects implemented in these countries as well as regional conferences, training workshops with participation of specialists from this region.

- At present UNIDO TC programmes and projects are going on in 19 countries in transition. They are implemented within the framework of more than 90 country and regional projects of the total budget exceeding US\$ 20 million.
- Compare with other regions UNIDO assistance to economies in transition is modest but very specialized. UNIDO TC delivery in 2004 amounted to US\$ 4.4 million in 2004 and US\$ 4.2 million.
- TC is provided in line with UNIDO three areas of focus namely poverty reduction, trade capacity building and energy and environment and includes eight service modules. The majority of the assistance concentrates in the field of phasing out ozone depleting substances by replacing the obsolete technologies. The projects are implemented under Montreal Protocol Funds and includes: Albania, Bosnia and Herzegovina, Georgia, Kyrgyzstan, Moldova, Montenegro, Romania, Serbia, FRY Macedonia.
- A number of projects have been launched under GEF financing in preparing National Implementation Plan to eliminate persistent organic pollutants (POPs) in compliance with the Stockholm Convention to reduce the hazardous effect of the most toxic chemicals to the environment. They include: Armenia, Croatia, Hungary, Romania, FRY Macedonia.
- UNIDO worldwide programme on establishing the national cleaner production centres combined also the economies in transition. The centers contribute to strengthening competitiveness and productivity of industry, promoting sustained social advance in compliance with environmental norms. The NCPC projects includes: Armenia, Bulgaria, FRY Macedonia, Romania, Serbia, Montenegro, Russian Federation, Uzbekistan. In a few other countries projects are under preparation.
- The energy development programmes that include energy efficiency and renewable sources of energy is promoted in such countries as Montenegro, Romania. At present UNIDO intends to intensify its cooperation with GEF and national focal points to promote these programmes within “Climate Change” component in order to reduce a risk of global warming effect originating from this region.
- In cooperation with the Government of Hungary and the UK Trade and Investment, UNIDO organized in 2005 a Seminar on Linking the Kyoto Project-Based Mechanisms with the European Emissions Trading Scheme for participants from new EU member states, EU accession and candidate countries, as well as other economies in transition. The Seminar provided a forum for business and industry to advance the understanding and operationalization of emissions trading provided for under the Kyoto Protocol to promote the reduction of greenhouse gases emissions in a cost-effective manner.
- UNIDO is helping some countries in transition by promoting the development of productive sector especially agro-industries, which provide an important employment and income generation opportunities for a large segment of the population in this region. It

includes TC projects in the field of food processing, footwear and shoe manufacturing in such countries as: Azerbaijan, Russian Federation, Romania, Ukraine.

- As part of its regional Technology Foresight Programme UNIDO has implemented in 2005 four training programmes on technology foresight in the Czech Republic, Hungary, and the Russian Federation. In 2004 seminars were conducted in Bulgaria, Czech Republic, Russian Federation and Ukraine.
- To support the implementation of the Technology Foresight Programme, UNIDO has launched a regional Virtual Technology Foresight Centre, which is located in Budapest. The Centre will advise on and coordinate technology foresight activities in the region.
- In 2004 UNIDO launched the project on corporate social responsibility (CSR) in Croatia and in 2005 the regional CSR project as a tool to help companies, especially SMEs to integrate social and environmental concerns in their business operations.
- In Croatia UNIDO is implementing a project to introduce the production of biodiesel as a renewable source of energy in order to reduce the consumption of fossil fuels, reduce the CO2 emission to the environment, and increase the profitability of the agricultural sector.
- In Russia, UNIDO started with the implementation of a EU-financed project to develop methodologies of information and communication technology (ICT) statistics for Russia. The project aims at ensuring compliance and comparability with international concepts, definitions and methodologies; introducing modern techniques and tools for the collection of ICT statistics and assisting businesses.
- In Ukraine, UNIDO continues to assist the city of Lviv in developing a capacity in environmental management and planning of water infrastructure and sewage facilities. The project currently aims at strengthening the Pipe Development Center, preparing a Master Plan for rehabilitation of the city water infrastructure, and demonstrating new technologies of water pipe rehabilitation for local industries.
- The regional programme to increase industrial e-productivity and quality has been implemented (2004-2006) on a pilot basis in Poland. The project focuses on exploring methodologies and instruments leading to lean manufacturing, rapid designing and prototyping, e-methods and logistics, management systems for quality improvement and inter-organizational productivity improvement. The follow up phase to include 14 countries in transition is under preparation.
- UNIDO plans to launch a TC programme for NIS countries on trade capacity building to facilitate the countries in transition to meet the WTO accession requirements as well as increase the export of goods from this region to world markets. The programme aims at increasing the standardization, certification, metrology and accreditation support in these countries as a prerequisite for upgrading the quality of exportable goods;

UN DAW

Preparation of the upcoming report of the Secretary-General on the integration of the economies in transition into the world economy provides an opportunity strengthen attention to gender perspectives of macro-economic aspects, and examine the impact of transition on women and men, respectively, in these economies.

The input provided below draws from the 10-year review and appraisal of the implementation of the Beijing Declaration and Platform for Action (2005), and from a recent report on women in development. Attention to the differential impact of macro-economic aspects on women and men has also been highlighted by the Committee on the Elimination of Discrimination against Women in regard to countries with economies in transition considered during sessions held in 2005 and 2006 (Bosnia and Herzegovina, Croatia, Romania, The Former Yugoslav Republic of Macedonia, Turkmenistan).

- The Beijing Platform for Action recognized that the feminization of poverty [was] a significant problem in the countries with economies in transition as a short-term consequence of the process of political, economic and social transformation.⁵ The outcome of the twenty-third special session of the General Assembly entitled “Women 2000: Gender equality, development and peace for the twenty-first century” emphasized that “fundamental economic restructuring experienced by countries with economies in transition has led to lack of resources for poverty-eradication programmes aimed at empowerment of women.”⁶ It further noted that “in countries with economies in transition, women are bearing most of the hardship induced by the economic restructuring and are the first to lose jobs in times of recession.”⁷
- The 10-year review of the implementation of the Beijing Platform for Action and the outcome documents of the 23rd special session of the General Assembly⁸ highlighted the differential impact of poverty and of economic phenomena on women and men and provided information on measures taken by governments towards promotion of gender equality and the empowerment of women.
 - A number of countries confirmed that the impact of poverty on women was greater than on men and that poverty affected more women than men. In addition, there were regional differences. Certain Eastern European countries, for example, Lithuania and Slovakia, indicated that rural women were at a higher risk of living in poverty.⁹
 - Some countries reported on specific steps taken to address the effects of globalization and macroeconomic policies on women. For example, Tashkent University of Information

⁵ Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995 (United Nations publication, Sales No. E.96.IV.13), chap. I, resolution 1, annex II, para. 48.

⁶ A/RES/S-23/3, para. 8

⁷ Ibid, para. 39

⁸ E/CN.6/2005/2

⁹ Ibid, para. 88 and 91

Technologies in Uzbekistan set up a centre to enhance women's skills in addressing the effects of globalization and macro-economic policies.¹⁰

- A number of countries established and/or supported women's networks, passed legislation and adopted policies to improve women's access to economic resources, financial services, training and technical support. Networks empowered women entrepreneurs by facilitating production and marketing, providing training and capacity-building or exchanging experience and information. Women entrepreneurs from Kazakhstan, the Russian Federation and Ukraine collaborated on the use of ICT for business purposes, the legislative context, corporate responsibility and wider cooperation within the Commonwealth of Independent States.¹¹
- Gender stereotypes and discrimination limit women's contribution to the labour market, the economy and to development. Women are less likely than men to hold paid and regular jobs and more often work in the informal economy. The report of the Secretary-General on women in development highlighted the pattern of informalization in Eastern Europe and the Commonwealth of Independent States.¹² Major forms of women's informal sector activities in these countries include secondary jobs undertaken to supplement poorly paid formal-sector jobs, such as in health and education, and work as subcontracted agents in small-scale border or suitcase trade. In the St. Petersburg region in the Russian Federation, for example, women make up the bulk of employees among informal enterprises in education, health and culture (86 per cent), catering and services (85 per cent) and retail (69 per cent). The pattern of concentration of women's jobs at the lower end of the informal labour market replicates trends in the formal economy.
- The Committee on the Elimination of Discrimination against Women voiced concern about serious disadvantages women face in the labour market, as reflected in high unemployment rates, vertical and horizontal job segregation, wage differentials, and strong predominance of women in low-wage sectors, and in the informal economy. It has also been concerned when women were disproportionately affected by job elimination in certain sectors.¹³

U N O D C

In June 2005, UNODC released the report "Crime and Development in Africa", which aims to explore how crime hampers development efforts, drives business away from Africa and, consequently, is at the detriment of investment on the continent. Section 2.2 "The

¹⁰ Ibid, para. 285

¹¹ Ibid, para. 305

¹² A/60/162, para. 8

¹³ See A/60/38, and <http://www.un.org/womenwatch/daw/cedaw/> for the concluding comments of the 34th and 35th session (January and May 2006).

impact of crime on the economy" deals specifically with that issue. Furthermore, corruption, particularly in terms of paying bribes to be able to conduct business in a country, also prevents investment prospects from coming to fruition. Other issues highlighted in the report include how economic and trade barriers in Africa prevent many countries from getting access to markets outside the continent and how conflict, drought and high debt rates also affect negatively the African economies. http://www.unodc.org/pdf/African_report.pdf

Ways to address these and other issues in relation to crime as an impediment to development have been compounded in a "Programme of Action for Africa 2006-2010" which was endorsed by African member states in Nigeria in September 2005. https://www.unodc.org/art/docs/english_prog_action.pdf

UNWTO

1. Within its general programme of work UNWTO assists economies in transition in its efforts to further develop the tourism sector. This includes assistance in the elaboration of relevant tourism statistics (Tourism Satellite Accounts) and economic measurement of tourism. In this regard countries receive on a regular basis statistical publications as well as technical assistance. UNWTO keeps the countries in transition informed of current market performance, trends and best practices in the area of market research and promotion. In the field of sustainable development UNWTO shared with the countries in transition a guidebook on Indicators of Sustainable Development for Tourism Destinations, which describes major sustainability issues and suggests the use of relevant indicators and measurement techniques. UNWTO's programme on Quality Support and Trade in Tourism focuses, among other things, on liberalization and competition and their relationship to foreign investment, especially foreign direct investment in the tourism sector. The programme furthermore aims at promoting sustainable use of financial, human, cultural and natural resources for tourism investments and fair competition. The UNWTO Department of Education and Knowledge Management provides regular trainings to public tourism officials, including officials from countries in transition.

2. Several UNWTO seminars on tourism-related issues like public- private partnerships in tourism, destination marketing issues, tourism quality, sustainable development and tourism communication were held in the reported period in and for economies in transition. One of particular relevance was the UNWTO seminar on “Tourism: A tool for sustainable development in transition economies” in Belgrade on 20-21 June 2005. This seminar looked into the strengths, weaknesses and risks of tourism development in transition economies. The still unexploited tourism potential and the political willingness to place tourism as a priority in the national agenda of transition economies are among the strengths identified. Price competitiveness with traditional destinations and proximity to generating markets as well as the diversification of the tourist demand with a curiosity for new locations and products increase the tourism potential of economies in transition. Not fully developed infrastructures with a huge demand for investments, as well as the slow process of privatization of large public tourism structures and the slow adaptation of “old” social tourism concepts to new realities are some of the weaknesses identified. In addition the distorted perception of destinations and the lack of relevant qualifications of human resources affect the further development of the tourism sector.

For further information: <http://www.world-tourism.org/regional/europe/menu.htm>

3. UNWTO established in 2004 a Technical Cooperation Service which provides technical assistance to its member states. Within this service several project formulation missions were fielded to countries in transition, which focused on sustainable rural and ecotourism development and sustainable tourism legislation in Albania and on the development of community- based tourism, rural tourism and ecotourism in Moldova. A short- term mission to Georgia formulated the project documents on a tourism development master plan and a sub-plan for the development of winter sports and ski tourism, while a formulation mission to Uzbekistan focused on capacity building and strengthening the tourism sector. Also the Autonomous Republic of Crimea/ Ukraine benefited from the technical cooperation service and received assistance in the formulation of a project document on the development of a sustainable rural tourism master plan and the development of ethnographic village tourism.

For further information: <http://www.world-tourism.org/techcoop/eng.html>

Within the framework of UNWTO’s long-term tourism project on the Silk Road, the overall aim of which is to promote a special Silk Road Tourism concept, a Silk Road office was opened in Samarkand in October 2004. Furthermore a study to assess the current visa procedures in the countries of the Silk Road with recommendations on implementing suitable measures for more effective visa and cross-border facilitation was published. In addition to this study, UNWTO published “Tourism Pearls of the Silk Road” in collaboration with UNDP and UNCTAD and a Silk Road Brochure with country information on more than eighteen countries participating in the UNWTO Silk Road Project.

