



**Economic and Social
Council**

FILED IN ADV

1988 3 - 1989

UN/3A COLLECTION

GENERAL

E/1989/34/Add.1

E/ECE/1196/Add.1

30 June 1989

Original: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

ANNUAL REPORT

(22 APRIL 1988 - 21 APRIL 1989)

ADDENDUM

ECONOMIC AND SOCIAL COUNCIL

OFFICIAL RECORDS, 1989

SUPPLEMENT NO.15

ECONOMIC COMMISSION FOR EUROPE

Annual Report covering the period from 22 April 1988 to 21 April 1989

ADDENDUM

CHAPTER III

FORTY-FOURTH SESSION OF THE COMMISSION

D. Account of Proceedings

1. In accordance with provisions of decision A (44), the forty-fourth session resumed on 5 June 1989, to complete its discussions on agenda items 8 and 9 (E/ECE/1173/Rev.1/Add.1).
2. In his opening statement to the plenary, the Chairman recalled that the resumed forty-fourth session of the Commission was convened in accordance with the provisions of Commission decision A (44). He also recalled the agreed statement by the Chair prior to the adoption of decision A (44) when he specified that the purpose of the resumed session was not to consider the programme budget per se, or to intervene in the United Nations budget process, but rather to use the information contained in the draft ECE section of the proposed programme budget and other available relevant information to consider the relationship among programme activities and available resources in the light of priorities established by the Commission. He also referred to the proposals adopted by the Commission in April 1989 to implement the provisions of decision A (44) at a resumed session, to be held within existing resources, and in the context of agenda items 8 and 9, namely, Programme of Work for 1989-1993 and the Medium-Term Plan for 1992-1997.
3. He indicated that the officers for the resumed session were those who had presided over the forty-fourth session in April and that Mrs. E. Reidy (USA) and Mr. N. Maimeskou1 (Ukrainian SSR) would serve as rapporteurs.
4. Condolences made on behalf of the participants and the secretariat were extended to the Government and people of the Soviet Union on the recent railway catastrophe which had occurred in that country.
5. In his introductory statement to the Sessional Committee, the Executive Secretary mentioned that the objective of certain innovations, both in the budgeting process and the formulation of the Medium-Term Plan was to establish a closer link between the Medium-Term Plan and the Biennial Programme Budget. In addition to the multiple overlap in the time-frame of the various exercises, the Executive Secretary discussed other factors which made the task before the Commission complex. He noted that the terminology used in the various documents under consideration was not always consistent and offered clarifications.
6. Turning to the proposed Programme Budget for the Biennium 1990-1991 for the Economic Commission for Europe, he stated that it incorporated measures taken to minimize the negative impact of the post reduction exercise on delivery of programmes approved by ECE member Governments. Moreover, the comprehensive review carried out by the Commission at its Special Session in November 1987 had resulted in decisions to promote greater efficiency and economy. The targets set for a reduction in the number of ECE meetings serviced by the United Nations and in the ECE documentation had been achieved by the end of 1988.

7. He underlined that an important task in establishing the Programme of Work, the Programme Budget and the Medium-Term Plan was the setting of priorities and stated that as concrete a definition as possible by member countries of the high and low priorities in the various programme areas would facilitate the task of applying available resources. Commenting on the apportioned cost of ECE conference services, he drew attention to the fact that the ECE had insisted vis-à-vis the competent Departments that the cut in meetings and documentation be reflected in a commensurate reduction of the ECE's share of apportioned costs.

8. The Executive Secretary concluded by underlining the importance of the proposed Medium-Term Plan which constituted an effort to define the potential of the ECE for east-west economic co-operation in circumstances of dynamic change in the region and a growing improvement in east-west relations. The Plan pointed to new and emerging issues that needed to be addressed in the 1990s for strengthening both regional and sub-regional co-operation and contained an interdisciplinary focus. It also addressed the role of the ECE within the United Nations system and its capacity to promote interregional co-operation as well as co-operation with global bodies.

Programme of work for 1989-1993
(agenda item 8)

Documentation : E/ECE/1193

9. Several delegations considered that the programme of work 1989-1993 served as a solid foundation for the future work of the ECE and its Principal Subsidiary Bodies in the years to come. Declaring themselves in favour of rendering the Commission more efficient and effective, these delegations expressed the conviction that the resumed session would contribute to improvement in east-west co-operation. ECE's important role in implementing the relevant provisions of the Vienna Concluding Document was emphasized by these delegations. In accordance with resolution 1 (44) it was also noted that the Principal Subsidiary Bodies should review their programmes of work in the light of the recommendations of the Vienna CSCE Meeting. They suggested that in the future greater emphasis be accorded to industrial development, long-term projections and perspectives, joint ventures, reduction of obstacles to trade, transport, energy, science and technology, inter-disciplinary projects, standardization, the analysis of integration processes under way in the ECE region, and new forms of economic co-operation between east and west.

10. The delegation of Spain, speaking on behalf of the European Community and its member States, underlined that it was not its intention to interfere in the United Nations budget process, but rather to establish a fruitful dialogue with the secretariat in order to obtain greater efficiency in the work of the Commission. As the timing of meetings had not allowed the full implementation of decision A (44) with respect to the draft ECE section of the proposed programme budget, it expressed the hope that the next special session of the Sessional Committee could take place with the necessary documentation provided to member States in advance of the meeting. Referring to the Secretary-General's document A/43/179, it noted that governing bodies may now receive draft proposals for programme budgets and the medium-term plan for review prior to approval by the Committee for Programme and Co-ordination. It drew attention to discrepancies in appropriations for 1986-87 and the estimate for 1988-89. It stressed the value of ECE's pragmatic economic and technical work and its benefit to all member States. It emphasized the importance the Community attached to implementing the guidelines adopted at the Special Session in 1987. It highlighted paragraph 128 of document E/ECE/1150/Rev.1, which requested a statement on the capacity of the secretariat to assist in the implementation of programme elements, including whether and for how long a consultant would be necessary, and requested clarification on the subject of consultants and cost of external publications. Based on its concern to find the right relationship between programme activities and available resources in the light of the

priorities established by the Commission, it commented on specific programmes of activity and requested further information from the secretariat concerning certain aspects of these programmes. Specifically, it questioned the inadequacy of the resources allocated to such priority areas as the Economic Survey, EDIFACT, statistics, transport of dangerous goods, and construction of vehicles. On the other hand, in its opinion too many of the limited resources were currently allocated to industrial development, obstacles to trade, the general energy programme, and transfer of technology in the science and technology programme.

11. The delegation of the United States observed that this initial discussion of resource issues would have to be an educational one, as few delegates had much prior experience in dealing with such issues. It was necessary to understand the concepts and categories of the budget document and in general terms how calculations were made, not in order to discuss the budget document itself, but in order to use it knowledgeably as background for the discussion of resources and priorities.

12. The delegation of the USSR emphasized the direct connection of the programme of work for 1989-1993 and the Medium-Term Plan, which in principle reflect the main trends and priorities in the Commission, with the future strategy of ECE activities for the 1990s. It made several proposals of an interdisciplinary character. The importance of conversion of the economy for future east-west relations, realization of the concept of sustainable development, development of co-operation in the fields of environment, energy, and science and technology was stressed. In the circumstances of integration processes taking place in the ECE region, the Commission had to play its own role in the strengthening of multilateral co-operation in the region.

13. Another delegation noted that the programme designations contained in Section B of document A/44/6 (Sect.10) should in the future be revised to reflect the actual geographical scope of ECE activities.

14. One delegation felt that all priorities should initially be agreed upon by the ECE's Principal Subsidiary Bodies on the basis of consensus and then approved by the Commission. In addition these priorities should be reflected in the ECE programme budget, the Commission's programme of work and the Medium-Term Plan. It considered a critical problem the fact that 87 programme elements would expire by the end of 1993 and that negotiations on new projects had somewhat retrogressed. This was especially true for the activities in the field of science and technology, where eight proposals were still on the waiting list. This delegation expected that the competent Principal Subsidiary Bodies would reach early agreement on these new projects. It stated that it was high time to give scientific and technological co-operation the place it deserved in the collaboration between developed countries. Negotiations on new projects, currently proposed by the east and the west, would lend this issue a decisive impetus. Other delegations supported this view.

15. In order to understand more fully the budget process relevant for the ECE, questions were raised regarding the differences between the approved estimates as contained in document A/42/6 (Sect.10), the base year appropriations for programme elements contained in document A/44/6 (Sect.10), and the effect these differences had on the allocations to specific programmes. One delegation noted that as a result of ongoing revisions in the budget process, the question of programme allocations resembled a "moving target". Another delegation proposed that the secretariat introduce a breakdown of extra-budgetary resources, clearly indicating which part of these resources was spent on substantive work and which part was allocated to travel costs and consultants. Reservations were expressed concerning the formulation of priorities as proposed in the programme budget document A/44/6 (Sect.10).

16. One delegation, pursuant to a secretariat response to the EC's question regarding the nature of documentation that would be made available and the timing of its distribution, asked for a more precise answer. The Executive Secretary indicated that the budget document made available might be the narrative portions of the draft programme budget, and that he would request clarification on this matter from United Nations Headquarters. The United States delegation subsequently issued a statement registering its satisfaction with the beginning made in the process of implementing decision A (44), as described above. It noted that irrelevant issues should not be permitted to frustrate the process and also noted that the document cited by the EC (A/43/179) stated that governing bodies were to examine draft proposals for programme budgets "as a matter of course". Member states of the Commission did not want to participate in the budget process and could not: the CPC and ACABQ would not allow their prerogatives to be undermined. The secretariat and member states should make clear to the New York Secretariat and delegations that what the Commission was trying to do was consistent with the budgetary reform rules, and the information in the draft proposals for the programme budgets was a principal resource in these efforts. Several delegations associated themselves with this statement.

Medium-Term Plan for 1992-1997
(agenda item 9)

Documentation : E/ECE/1194

17. In general comments on Part I of the Medium-Term Plan for 1992-1997, Strategy: ECE in the 1990s, a number of delegations attached great importance to the proposed Medium-Term Plan as a key instrument for the management of operations and as the principal policy directive of the ECE. They reaffirmed their view that ECE continued to be an important forum for east-west economic co-operation and recognized that ECE had an important role to play in the implementation of the pertinent provisions of the CSCE documents. Several delegations stressed that in view of the many challenges likely to face the ECE and the region in the 1990s, a refocusing of several of ECE's activities would be needed on a continuing basis. A few delegations referred to various new developments and economic processes occurring in the region and expressed their conviction that these changes constituted an important opportunity to shape the profile of the Commission's future activities.

18. The delegation of Spain, speaking on behalf of the European Community and its member States, said that the Medium-Term Plan should be more realistic, and recalled that the ECE could obtain useful results for regional co-operation by concentrating on concrete and pragmatic work and on studies on selected areas, in the priority areas of transport, environment, trade co-operation and statistics. One of the most important tasks of the ECE in fostering regional economic co-operation was the expansion of commercial exchanges between the countries of the ECE region and the promotion of favourable conditions for trade.

19. The Community felt that any future development, improvement or enlargement in the Commission's work should take place within current financial boundaries, and in this context recalled document E/ECE/1150/Rev.1 adopted by the Special Session of the Commission in 1987. Extra-budgetary resources should be placed where most needed in a global context. It viewed the Plan as ambitious and therefore suggested that work be consolidated along current lines of economic and technical matters, such as EDIFACT, the transport of dangerous goods and work on the construction of motor vehicles. It emphasized its interest in Mediterranean problems, but added that fragmentation in the form of too many other sub-regional projects should be avoided. Regarding inter-regional co-operation, this delegation advocated that any such projects be executed through regular budget funding but questioned the need for a permanent mechanism. Rather it saw execution through close co-operation among the regional commissions. The Community considered that ECE could play a role in major global issues where appropriate but without

duplication, and engage in interdisciplinary activities only when such a methodology was merited. While recognizing that the ECE region would be confronted with issues such as aging, economic and social changes and problems in rural areas in the future, it questioned whether the Commission was the most appropriate forum to deal with them. It would have preferred a factual document as the judgements were not shared by all member states. It could not give unqualified support to some of the directions proposed in the draft.

20. Not all delegations agreed with the delegation of Spain regarding the ambitious nature of the Medium-Term Plan. Many delegations sought clarification regarding the availability of resources to meet the objectives outlined in the Plan, which the secretariat provided. One delegation noted that the Medium-Term Plan was a document which lacked a realistic "road-map" regarding resources for both the regular budget and extra-budgetary sources.

21. Other delegations pointed out that the major proposals contained in the Plan properly reflected trends in world economic development in the 1990s and supported the strategy as contained therein. They stressed the role of ECE in fostering regional, sub-regional and interregional co-operation. These delegations felt that the Medium-Term Plan should also be viewed in the light of the Concluding Document of the Vienna CSCE Meeting. Those recommendations in terms of east-west economic co-operation within the ECE's area of competence should be implemented to the letter and spirit. These delegations therefore were of the view that a more purpose-oriented dialogue on these issues and their impact on international co-operation be developed in the future. They identified priority areas in which they wished the ECE to be more active during the 1990s, including: industrial development and co-operation, trade, energy, transport, science and technology, long-term prospects, and environment. They also expressed their interest in trade financing, energy management, reconversion of military production, environmentally-sound technologies, analysis of regional integration processes, and economic projects. The delegation of the United States noted that its highest priorities in the ECE were EDIFACT, approved environmental activities, economic analysis and statistics, and certain transport activities, particularly transport of dangerous goods and construction of vehicles. Its lowest priorities in the ECE were industrial development, science and technology, energy and long-term economic projections. Some delegations also noted with satisfaction that the Plan drew the attention of the General Assembly to the need to provide adequate financing for activities. These delegations expressed their conviction that the adoption of the Medium-Term Plan and its subsequent implementation would contribute to the strengthening of the role of the ECE and its importance in east-west economic co-operation as well as in the United Nations system. One delegation expressed the desire that the issue of differences between the levels of economic development of ECE member states be reflected more in the Medium-Term Plan.

22 Delegations made detailed comments, amendments and proposals on Part II of the Medium-Term Plan on ECE's activities by sub-programme. Some delegations raised the issue of how the session should deal with specific suggestions for amendments to the Plan. The delegation of the United States and one other delegation indicated their view that delegations should not consider it necessary to respond to each such suggestion with which they disagreed, and recommended that such proposals be treated in the record as what they were, i.e. the suggestions of one delegation, perhaps supported by others, but having no formal status unless formally presented and explicitly accepted by the consensus of the session. There was general assent to this proposal.

Sub-programme 1 : Food and Agriculture in Europe (including forestry and timber products)

23. The representative of the European Community voiced concern that the intergovernmental objectives outlined in this section were too ambitious. Regarding the general objective of the secretariat it considered that appropriate analysis of agricultural reforms in the eastern countries should be undertaken, and that the effects of economic reforms currently under way in

the eastern countries should be analysed in the period 1992-1997. It also felt that there should be a definition of the obligations of the ECE secretariat vis-à-vis FAO and an identification of possible problems of distribution of competence between FAO and ECE. It questioned the utility of work on the impact of biotechnology on agriculture and food processing. This delegation felt that timber should receive greater attention, particularly regarding the improvement of productivity, profitability and the rational use of forest products.

24. Other delegations stressed the importance they attached to agrarian reform and the harmonization of commercial standards, to the entire range of problems related to the production of high quality "pure" food production, to the mechanization and microelectronics of agriculture. These delegations voiced their support for the Timber Committee to draft an international convention or agreement for preservation of forests and the rational use of forest resources. Regarding this sub-programme, the delegation of the United States noted that it attached the greatest importance to work on standards and the statistical/analytical work on agriculture and timber; the level of resources committed to this area was appropriate and should be neither increased nor decreased.

Sub-programme 2 : Development issues and policies in Europe

25. The delegation of France, speaking on behalf of the European Community and its member States, underlined the importance it attached to work in this field. It stressed several issues for the period 1992-1997, notably the Overall Economic Perspective, economic reforms in the centrally planned economies, sustainable development, and studies on services. It supported the development of an economic data bank provided this did not duplicate work in other agencies and that access to it be limited. It confirmed the Community's readiness to provide pertinent information on the Single Market but noted that many decisions were still in the process of being formulated. Therefore, it considered that the ECE should not systematically monitor the progress of the integration of the European Community.

26. The Community gave priority to the study of economic aspects of the aging of population, and the economic role of women. Other delegations voiced support for such studies, but cautioned that they should concentrate exclusively on the economic aspects of these issues. One delegation noted that the question of the economic consequences of aging populations was the sort of emerging demographic issue that could be appropriate for examination by ECE. The ECE had developed over time particular expertise that could usefully be brought to bear on an analysis of questions related to economic effects of aging populations throughout the ECE region.

27. The delegation of the USSR stressed the importance it attached to the transition from the economics of armament to the economics of disarmament and pointed out that the Senior Economic Advisers should study the problems related to this trend and work out proposals for possible ECE activity in this field.

28. Regarding the Overall Economic Perspective to the Year 2000 (OEP), one delegation felt that particular attention should be given to the analysis of the policy options of the OEP. Other delegations considered that a new OEP to the year 2010 should be undertaken, but others did not agree. Economic analyses should be independent, objective and focus on subjects of timely interest, such as the reform processes in eastern Europe. Other delegations underlined the importance of analysing integration processes under way in the ECE region and new forms of economic co-operation between east and west within the framework of sub-programme 2. Other delegations suggested that studies of south European economic developments be undertaken. Several delegations noted that sub-programme 2 was affected by disproportional staff reductions and expressed their concern whether the programme could be carried further successfully. Several delegations expressed interest in continuing the important co-operation between the Senior

Economic Advisers and the Senior Advisers on Environmental and Water Problems on the relationship between the economy and the environment. Several delegations commended the interdisciplinary approach which had been taken in this field. Purpose-oriented dialogue on these issues and their impact on international co-operation must be developed.

29. The delegation of the United States underlined the importance it attached to the secretariat's economic analysis which enhanced the prestige of the Commission and served many users. It supported the EC's statement on this sub-programme, noting specifically that long-term projections were unreliable and of limited utility.

Sub-programme 3 : Environment in Europe

30. Delegations underscored the priority they gave to this area of the Commission's work. Special mention was made of the work on atmospheric pollution, the Regional Strategy for Environmental Protection and Rational Use of Natural Resources in ECE Member Countries covering the Period up to the year 2000 and Beyond, the Convention on Long-Range Transboundary Air Pollution and the reduction of emissions of sulphur dioxide and volatile organic compounds.

31. The delegation of Portugal, speaking on behalf of the European Community and its member States, supported the proposed strategy for the environment in Europe and underlined that activities concerning air pollution abatement were implemented in the framework of the Convention on Long-range Transboundary Air Pollution. The ECE secretariat should give all necessary support to this Convention. It questioned the concept of integrated transboundary waste management and asked for clarification of the safe handling of toxic or otherwise hazardous chemicals, and of the necessity to elaborate a regional approach to sustainable development. Work on the prevention of negative effects of human activities on the climate might be undertaken by the ECE at the conclusion of the work of the WMO/UNEP intergovernmental group. Finally, the delegation of Portugal stated that development of the programme of work should involve the participation in the Working Parties and Groups of Experts of the majority of member countries. It recalled the need to avoid duplication of efforts in international co-operation on environmental questions and to ensure that the ECE activities add value to the work done in a worldwide context. In this context the Executive Secretary suggested talks with UNEP to define respective areas of competence in order to avoid duplication and overlap. The delegation of the United States supported the Community statement.

32. An exchange of views took place on the role of the ECE regarding the study of global environmental problems and the disposal of hazardous wastes. Many delegations expressed the wish that the Commission not duplicate work in these areas carried out by other organizations. While emphasizing the importance that it placed on the ECE environment programme, one delegation noted that the plethora of meetings on environmental matters was straining human and other resources available to service all environmental meetings. Consequently it stressed the need for ECE to continue to select environmental issues for examination where it could make a unique and worthwhile contribution. In this context it urged that the secretariat ensure that work done in other fora, such as the Intergovernmental Panel on Climate Change (IPCC) was not duplicated and that all interested parties, both inside and outside the ECE, were aware of ECE activities in the environmental field. Other delegations encouraged the ECE to embark on activities related to global climate change. One delegation gave prominence to emerging legal aspects of environmental law. Another stressed the importance of future work on water issues. Some delegations felt that more attention should be given to technological aspects of co-operation in the field of environment and underlined the importance of creating a data bank on environmentally-clean technologies.

Sub-programme 4 : Human Settlements in Europe

33. The delegation of Portugal, speaking on behalf of the European Community and its member States, expressed its support for work in this area. This delegation noted the decision to reduce the staff in the sector and questioned whether the reduction would adversely affect current and projected work. It considered that the collection, evaluation and dissemination of internationally comparable statistics on human settlements and co-operation in Southern Europe should be added to the proposed list of activities. On the other hand, policies relating to the development of building materials and the construction industry and the social and economic repercussions of the development of international tourism should not be pursued.

34. The delegation of the USSR stressed the importance of work on earthquake-proof construction. It pointed out the necessity of developing co-operation in the field of architecture and improving methods of using colours in urban planning. Some delegations proposed that the Committee on Housing, Building and Planning contribute to the meeting on earthquake prediction to be held under the auspices of the Senior Advisers on Science and Technology. Another delegation advocated the promotion of research on air quality, land-use and urban planning. It indicated its interest in work on non-urban settlements problems and integrated energy supply in human settlements, on development, reconstruction and renovation of urban areas.

Sub-programme 5 : Industrial Development in Europe

35. The representative of the Netherlands, speaking on behalf of the European Community and its member States, stated that on-going ECE activities in the field of industry, although not a priority area, were considered of some interest. It observed that in the industrial sectors intergovernmental co-operation had limited relevance and called on ECE to involve industry representatives more directly via the programme of work. The general objectives of the secretariat could only be attained with sufficient industry interest. In this respect ECE's programmes of work must be perceived as being of relevance and interest for industry. Regarding the need for further structural adjustment, it expressed doubts about the ability of Governments to intervene in this process. It proposed that the subjects of study tours and seminars be clearly defined. Regarding the strategy for the period 1992-1997 it singled out studies on the iron and steel industry and on the recuperation and economic utilization of by-products of the iron and steel industry as being of particular interest. It also noted that special attention would be paid to the environmental and energy aspects of the production process in the iron and steel industry and engineering statistics of commercial importance.

36. The delegation of the United States viewed this area as one of lower priority. It considered the work on economic aspects to be the most useful and expressed interest in work on environmental aspects.

37. Some other delegations stressed the importance they attached to this sub-programme. The delegation of the USSR proposed that on a periodic basis the ECE study and forecast chemical, steel and machinery markets for various products, issue special bulletins containing information on the possibilities and requirements of enterprises, including small firms, in the engineering sector of member countries in order to assist them in establishing business contacts. Some delegations underlined the need for a complete approach in this field and felt that economic and technological changes in the industrial sector should be reflected in the Medium-Term Plan.

Sub-programme 6 : International Trade and Development Finance in Europe

38. The representative of the European Community expressed the view that the ECE did not have the competence to take up purely financial and monetary issues as the standard title of this

sub-programme might imply. Only those financial issues having a direct bearing on east-west trade should be considered. It also stressed that the ECE was not the appropriate forum to make recommendations on trade policy, but could be used for the exchange of information and the economic analysis in this field. Therefore there should not be a section entitled Trade Policy in this sub-programme. It also considered that an important issue such as compensation trade should be mentioned under "Problems addressed". Turning to the situation at the end of 1991 it proposed the addition of a fourth area covering the inclusion of the network of trade agreements and accords established between the European Community and the countries of Eastern Europe. For the period 1992-1997 it proposed that particular attention be accorded to the impact on trade of the economic reforms of the centrally planned economies as well as to trade and economic information in co-operation with the Conference of European Statisticians and the Senior Economic Advisers.

39. Several delegations held a different view regarding the role of trade policy. They felt that the ECE should consider all matters related to trade including trade policy issues and recommendations.

40. The delegation of the United States underlined the importance it attached to the work on EDIFACT and expressed the hope that the Commission would find additional resources to support this activity as its technical nature grew more intense. It also commended ECE's valuable work on joint ventures, in particular the Ad hoc Meeting held in Genoa (Italy).

41. The delegation of the USSR stressed the importance of the work related to the elimination of obstacles to trade, studying trends and modalities of industrial co-operation including joint ventures, tripartite co-operation and establishing free economic zones.

42. Some delegations were of the opinion that future ECE activities should concentrate on factors which would determine economic and trade environment. Sub-regional integration processes were of the highest importance in this context. They felt that the question of development finance and the relationship between trade and financing as well as external debt should be included in the intergovernmental objectives of the programme. Harmonization of standards and technical regulations should be of high priority in future activities.

43. Delegations underlined the importance of the agreements established between both the CMEA and the European Economic Community and the CMEA member countries and the European Economic Community.

Sub-programme 7 : Energy issues in Europe

44. The delegation of the United Kingdom, speaking on behalf of the European Community and its member States, commented on ways to improve the content of this section. It would have preferred a factual account and indicated that the judgements were of course not acceptable to all member States. Regarding the period 1992-1997 it recalled that the mandate of the Senior Advisers on Energy might be changed in 1990 and it expressed its concern over the inclusion of oil and nuclear power in the section. It questioned whether member States would want to discuss supply issues. It also questioned the cost-benefit to member States of emphasis on new sources of energy which would play a negligible role. It did see a possible role for the ECE in the environmental field and welcomed the commercially oriented market penetration of energy technologies with low or no CO2 record. On the question of climate change in the context of environment and energy it viewed the 1990 World Climate Conference as the springboard for concerted work among the various international fora. In general, it placed reserves on specifics under this sub-programme, believing that areas of co-operation would depend on the unfolding of events.

45. The United States and one other delegation associated themselves with the Community statement. The delegation of the United States noted its view that ECE work in the energy field should be primarily technical rather than directed at energy policy questions. Several delegations placed emphasis on the inter-relationship between energy and environmental questions and the concept of sustainable development. One delegation noted, however, that it would be important for work in this area to be focused on an issue that would draw upon the unique expertise of ECE. In examining the issue of energy and environment, the secretariat must take note of work already being done in other international organizations and within the ECE Environment and Human Settlements Division.

46. Other delegations considered that greater emphasis should be placed on questions of energy efficiency, coal refining, peaceful use of nuclear energy and the application of microelectronics in the field of energy as well as superconductors. Useful work could also be commenced on the use of liquid fuel, the production, preservation and use of oil, as well as an assessment of oil supply to the ECE region and energy balances. New and renewable sources of energy also deserved attention.

Sub-programme 8 : Science and Technology in Europe

47. Many delegations underlined the importance which they placed on this area of ECE's activities as one of declared priorities, underlined the necessity to give this sub-programme an appropriately high place in the programme of work, and expressed their desire to see work commence in new areas, notably, new forms of international scientific and technological co-operation, comparison of scientific and technological potentials, automation and microelectronics, new materials, biotechnology and robotics remained essential areas to be developed. The importance of relevant provisions of the Vienna Concluding Document was underlined in this connection. One delegation proposed that long-term analysis be made of technological needs in the region, and expressed the conviction that co-operation should be developed between the Senior Advisers on Science and Technology and other ECE bodies. Special attention should be given to environmentally-sound technologies. Some delegations felt that management training related to innovative enterprises and joint ventures should be included in the programme.

48. The delegation of Ireland, speaking on behalf of the European Community and its member States, expressed the hope that the text could be amended to avoid reference to topics which might prejudice future discussions in the Senior Advisers on Science and Technology. It referred firstly to Part I of the Medium-Term Plan and drew attention to various statements which it felt should be amended. The question was raised as to whether Part I overstated the role of ECE in implementing the provisions of the Vienna Concluding Document in this field. Turning to Part II, it expressed its scepticism of the secretariat's ability to analyse the nature and impact of technological changes within the region. It questioned the need to mention certain topics under "Problems addressed" and offered suggestions for change. Concerning the period 1992-1997 it suggested the deletion of a phrase related to the study of the transfer of technology. As to the strategy for the period 1992-1997, it supported the continuation of quadrennial reviews of changes in national science and technology policies, priorities and institutions. Support was also expressed for follow-up action in the fields of evaluation of R and D activities and prediction of earthquakes.

49. The delegation of the United States associated itself with the Community statement and questioned the effectiveness of long-term forecasts particularly in the field of science and technology.

Sub-programme 9 : Statistics in Europe

50. Delegations speaking on this sub-programme emphasized the importance of the work for better understanding economic phenomena in the region.

51. The delegation of Italy, speaking on behalf of the European Community and its member States, recalled Commission decision C (44) and stressed the utility of continuing to develop ECE's statistical data base. It further underlined the importance of co-ordination with other Principal Subsidiary Bodies and with the Conference of European Statisticians, as well as work on services and the environment.

52. Several delegations including the delegation of Italy stressed the necessity of adequate staffing in this sector. One delegation expressed its desire that the work on the differences between the levels of economic development between ECE's member States be undertaken.

53. Another delegation felt it would be useful to include reference to electronic data processing. It considered that the development of a statistical information systems, of statistics on industry, automation, the environment and the improvement of the data bank should take priority. One delegation underlined the important role of co-operation between the Conference of European Statisticians and the UN Statistical Commission on the methodological aspects of the collection and processing of statistical data. Another delegation felt that greater emphasis should be placed on methodology and the harmonization of statistics.

Sub-programme 10 : Transport, Communications and Tourism in Europe

54. Delegations speaking on this sub-programme expressed their general satisfaction.

55. The delegation of the Federal Republic of Germany, speaking on behalf of the European Community and its member States, noted that it would not necessarily agree with the points made in the Plan and added that there was no mandate for involvement in electronics and telecommunications nor for co-ordinating policy for infrastructure investments. It saw a growing role for combined transport but said it was too early to specify the needs of co-ordinated plans. It requested more information on the elaboration of an all-European concept of transport before it could consider whether the question should be addressed. It also requested further information on goals for the expansion of activities to enhance co-operation in transport, and for the inclusion in this sub-programme of tourism and communications. It saw no useful role for ECE in the establishment of basic principles for an umbrella agreement for the international transit of goods. It expressed its satisfaction that the Agreement on Main International Railway Lines (AGC) had entered into force.

56. One delegation proposed that Road Traffic Safety be considered as a long-term task and that the impact of integration processes under way in Europe on the development of transport be included in this section of the Medium-Term Plan. Another delegation stressed the need to organize on a regular basis ministerial-level contacts and meetings on important European transport problems.

57. Several delegations stressed that the relevant provisions of the Vienna Concluding Document should be fully reflected in the Medium-Term Plan for 1992-1997.

58. A number of delegations requested information on the time-frame, approval and subsequent revision of the Medium-Term Plan, to which the secretariat provided answers and circulated the proposed calendar of consultations on the Medium-Term Plan (E/AC.51/1988/6).

Statement by the Chairman of the Sessional Committee on the outcome of its deliberations on items 8 and 9

59. The Chairman of the Sessional Committee reported to the Plenary on 8 June 1989 that in accordance with the mandate given to the Sessional Committee by the forty-fourth session of the Commission and following Commission decision A (44), the Committee had held meetings from Monday 5 June to Thursday 8 June. The Committee had examined in detail the Programme of Work for 1989-1993, and in this context the ECE Programme Budget and the Medium-Term Plan for 1992-1997.

60. He said that on the basis of the discussions it could be concluded, despite the limited resources and zero growth of the ECE budget, that the secretariat was attempting to provide effective management of these resources and to implement the tasks assigned to it by member countries.

61. He proposed to the Plenary that it ask the Executive Secretary to take into account the proposals made by various delegations during the deliberations of the Sessional Committee and to prepare a revised version of the Medium-Term Plan as he deemed appropriate.

62. At the final meeting of the resumed session the representative of Hungary stated that the group of socialist countries had prepared for the session with the expectation of its positive outcome and with the intention of enhancing mutual economic co-operation in Europe through the instrument of the ECE. In this context, he stressed that the ECE had a substantial contribution to make to the implementation of the pertinent provisions of the Concluding Document of the Vienna CSCE Follow-up Meeting. In the view of these countries, the resumed session had fulfilled its task and they were convinced that the programme of work, the Medium Term Plan and the biennial budget would be implemented in line with the needs and expectations of ECE member States. As regards the report itself he emphasized the necessity to follow the accepted practice in the ECE to treat the member States on an equal footing in every respect, specifically the mentioning of the names of countries which made contributions.

63. The representative of Greece, speaking on behalf of the countries of western Europe, took note of the statement made by the representative of Hungary and declared that his group had also approached the resumed session with competence and with the will to contribute to the best possible outcome of the session as a means of enhancing the future work of ECE.

64. At its final meeting on 9 June 1989 the Commission adopted its decision R (44) on the work of the resumed session of the forty-fourth ECE annual session (for the text see Chapter IV).

65. At its meeting on 9 June 1989, the Commission adopted its report of the proceedings of its resumed forty-fourth session.

CHAPTER IV

RESOLUTION AND OTHER DECISIONS ADOPTED BY THE FORTY-FOURTH SESSION OF THE ECONOMIC COMMISSION FOR EUROPE

ADDENDUM

DECISION R (44) THE WORK OF THE RESUMED SESSION OF THE FORTY-FOURTH ECE ANNUAL SESSION

The Economic Commission for Europe,

Taking into account its decision A (44) on the work of the Sessional Committee,

Recalling further its decision A (1987-S) on the implementation by the Commission of proposals for action contained in its supplementary report to the Special Commission of ECOSOC (E/ECE/1150/Rev.1);

1. Notes the views expressed in connection with the ECE section of the proposed programme budget for the biennium 1990-1991 (as contained in document A/44/6 Section 10);

2. Takes note of the draft Medium Term Plan 1992-1997 as contained in document E/ECE/1194 and of the views and comments presented during the ad hoc meeting of the Sessional Committee;

3. Requests the Executive Secretary to transmit to the Secretary-General the draft Medium Term Plan and the report of the proceedings of the Resumed Session reflecting in particular the views and comments expressed during the session on document E/ECE/1194;

4. Requests the Executive Secretary to make available full documentation in time to permit the proceedings under the mandate contained in decision A (44) to take place during the forty-fifth and subsequent sessions of the Commission.