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PROVISIONAL SUMMARY RECORD OF THE 40th MEETING

Held at Headquarters, New York, on Thursday, 18 July 1996, at 3 p.m.

<u>President</u>:

Mr. RIVA (Vice-President) (Argentina)

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## In the absence of Mr. Gervais (Côte d'Ivoire), Mr. Riva (Argentina), Vice-President, took the chair.

## The meeting was called to order at 3.25 p.m.

REGIONAL COOPERATION IN THE ECONOMIC, SOCIAL AND RELATED FIELDS (<u>continued</u>) (E/1996/45 and Add.1, E/1996/46-50; E/1996/NGO/4)

Mr. BERTHELOT (Executive Secretary, Economic Commission for Europe (ECE)), replying to questions raised in the discussion, said, with regard to the recent global conferences, that for reasons of economy and efficiency, the task forces established to coordinate follow-up to the conferences had been distributed among the regional economic commissions in accordance with their particular areas of expertise. All the regional commissions were contributing to follow-up activities with respect to the United Nations Conference on Environment and Development.

The ECE was pursuing that follow-up work within the framework of the "Environment for Europe" process, and in collaborative efforts with the Organisation for Economic Cooperation and Development, the European Union, the European Bank for Reconstruction and Development and the countries of the region. It was serving as the secretariat for those combined efforts. ECE also was involved in preparations for a conference on transport and the environment to be held in 1997.

The executive secretaries of the regional commissions had exchanged their views on the subject of reform and would continue to do so. With regard to cooperation, ECE maintained close cooperation with the Economic and Social Commission for Asia and the Pacific (ESCAP), for example, on matters relating to the environment, trade facilitation and assistance to countries in Central Asia. ECE considered its cooperation with non-United Nations organizations active in the region to be an important aspect of the reform process, and the subject would be discussed by member Governments the following week in Geneva. A number of delegations had noted that, although ECE now had many more members than it had had just five years earlier, its budget had not increased commensurately. Nevertheless, the Commission had become more effective. He emphasized that the Commission's secretariat could not perform its work properly if its resources were spread over too many activities or countries. The current effort to establish priorities in all ECE activities would help to focus them more clearly.

Lastly, he said that he had taken note of the comments made by some delegations regarding the importance of assistance to countries in transition and to other countries in the region which required special attention.

Ms. BETTELLI (Colombia) said that regional cooperation and globalization were mutually beneficial and that the regional commissions had made an invaluable contribution to the international community, in particular, the developing countries. Indeed, the United Nations would be unable to function effectively without a regional perspective. Regional contributions to the preparations for, convening of and follow-up to the major international conferences were very valuable, as exemplified by the plan of action on human settlements for Latin America and the Caribbean which had been incorporated in the objectives of the United Nations Conference on Human Settlements (Habitat II). She underscored the important role of the regional commissions with respect to cross-cutting issues - such as poverty eradication - dealt with by the Council.

The regional commissions facilitated the identification of economic trends, analysis and policy formulation and helped to strengthen endogenous capacities with respect to science and technology, industrialization, infrastructure and communications, often serving as a catalyst for South-South Cooperation. The Economic Commission for Latin America and the Caribbean (ECLAC) had long contributed to sustained economic growth in the region through, <u>inter alia</u>, the periodic and timely identification of emerging macroeconomic trends. The objective of the Commission should continue to be to contribute to sustained economic growth in the region, and that objective therefore should be reiterated in the next medium-term plan.

ECLAC had demonstrated its capacity to adapt to changing circumstances and to formulate novel development models for its member States. Her delegation therefore viewed with concern proposals made in some forums to diminish the role

of the regional commissions or transfer their functions to other bodies. General Assembly resolution 50/227 clearly stipulated that the review of the regional commissions should be conducted with a view to strengthening and enhancing their effectiveness. Her delegation therefore agreed with the representative of Brazil that reform should be discussed within the framework of the overall discussion of the Council's subsidiary machinery. The Council's message should be one of unequivocal support for the regional commissions.

Ms. CHANDRAPRABHA (Thailand) said that the ESCAP programme of work and activities had made a substantial contribution to the sustainable development of the region, in particular, in the least developed, landlocked and Pacific island countries. Her delegation also welcomed the work of the other regional economic commissions on poverty alleviation.

Most national, regional and subregional political tensions and conflicts grew out of economic and social disparities. In order to prevent such conflicts, the United Nations system should invest more heavily in preventive measures than in peacekeeping operations, directing adequate resources to the programmes of work of the regional economic commissions, the specialized agencies and relevant development organizations.

Her delegation noted with concern the reduction of resources in the programme budget of ESCAP for the 1996-1997 biennium, a reduction which would have a significant impact on its work in the key areas of trade policy and promotion, the environment, women in development and infrastructure development. It was essential to bear in mind that ESCAP was inhabited by 60 per cent of the world's population, including some of the poorest people on the planet. That factor must be taken into account when addressing questions of programme planning and resource allocation to the regional economic commissions.

Lastly, her delegation was grateful to the Government of China for offering to host a symposium on development challenges and opportunities for Asia and the Pacific in the twenty-first century and the role of ESCAP. It hoped that the outcome of the conference would lead to a more coherent framework for cooperation among the countries of the region on economic, social and related issues.

<u>Mr. KAMANDO</u> (United Republic of Tanzania) said that his delegation associated itself with the statements made by Costa Rica on behalf of the Group

of 77 and China and by Uganda on behalf of the East African Community member States.

His delegation agreed with the conclusion in paragraph 170 of the report (E/1996/45) that the regional commissions were well placed to carry out efficiently the tasks and functions referred to in the report. However, the regional commissions should develop their cooperation with the rest of the United Nations system, especially at the country level, so as to exploit the synergies between the different components of the United Nations system. The regional commissions must be provided with the resources which they needed to execute their programmes.

The Economic Commission for Africa (ECA) should play a proactive role in assisting subregional and regional cooperation groupings to overcome the problems they were facing and in particular to promote inter-African trade, which had been identified as the weak link in regional cooperation and integration. Urgent attention must also be paid to horizontal and vertical diversification and infrastructure development.

His delegation welcomed the reform and the renewal programme which the Executive Secretary had instituted in ECA and appealed to the international community to support that initiative by providing adequate resources. In addition, the multinational programming and operational centres must be strengthened so that ECA could better serve its membership.

Mr. TCHULKOY (Russian Federation) said that his delegation agreed that the regional commissions were carrying out an important role in regional cooperation and that they should cooperate more closely with the Bretton Woods institutions. It supported the efforts made by ECE to diversify the forms and methods of its work so as to assist countries of the region in making the transition to a market economy. However, it felt that ECE could expand its potential considerably through more active cooperation with other multilateral bodies, particularly the Organization for Security and Cooperation in Europe, the Organisation for Economic Cooperation and Development, the European Bank for Reconstruction and Development and the European Union. His delegation was also in favour of the further development of cooperation in the Mediterranean area and believed that the three Mediterranean regional commissions, ECE, ECA and ESCWA, along with other bodies of the United Nations system, could coordinate such cooperation to supplement other regional efforts. ECE could prepare

reports on a regular basis, describing the coordination of United Nations work in that sphere.

His delegation welcomed the positive changes in the programme activity of ESCAP designed, in particular, to mitigate social problems, especially in the least developed and island developing countries and the countries in transition. It also supported the ESCAP effort to promote subregional and inter-subregional economic cooperation, particularly in North-East Asia.

ECE and ESCAP had done much to reform their programme activity and intergovernmental cooperation mechanisms, a process which should be continued in the interests of a productive use of resources. In that respect, ECE, whose membership had increased from 34 to 55 countries over the past five years, with virtually zero budget growth, was successfully meeting reform objectives.

Mr. ALOM (Bangladesh) said that the programmes and activities of ESCAP, including its high-quality analytical reports, had been of considerable value to the countries of the region, particularly in view of their varied economic development models and geophysical and social diversity. Notwithstanding various constraints, many Governments, including his own, had somewhat strengthened their capacity for economic analysis, planning and policy design. Partly as a result of ESCAP influence on national thinking and the policy framework development process, the countries of the region had established many regional and subregional organizations to enhance cooperation and integration.

ESCAP and other instruments for regional collaboration and integration, which had been weakened by both internal and external developments, should be strengthened and expanded, to which end adequate resources were essential. The continuing utility and effectiveness of the Commission should be evaluated and enhanced in close consultation with the Governments of the region. Coordination between the United Nations Secretariat, the regional commissions and other regional arrangements and agencies, pursued in keeping with the Charter of the United Nations and their mandates, would contribute to the maintenance of international peace and security and to the promotion of an integrated and effective approach to development at the regional level. His delegation was pleased to note that ESCAP had already taken initiatives to that end.

<u>Mr. RAICHEV</u> (Bulgaria) said that his country was committed to the efforts of the international community to restore normality, secure stability

and promote the economic reconstruction of the countries affected by war in the Balkan region. The reconstruction process created opportunities for the countries partly to mitigate the adverse impact on their economies of the sanctions imposed against the Federal Republic of Yugoslavia. The Balkan conference on stability, security and cooperation in South-Eastern Europe held at Sofia in July 1996 had reconfirmed the determination of the States of the region to transform it into an area of stability, security and cooperation. The Conference had emphasized the need to extend good-neighbourly relations and enhance cooperation on economic, infrastructure, humanitarian, social and cultural matters.

Economic cooperation provided the key to post-war peace and to confidence, security and stability in the region. His delegation attached particular importance to bilateral and multilateral transborder cooperation. The development of the transport, telecommunications and energy infrastructure in the region was vital to trade and economic growth and to attracting capital flows. Cooperation with countries participating in the Central European Initiative and the Black Sea economic cooperation group was of paramount importance.

He described a number of initiatives under way in the Balkan region to promote cooperation with respect to the transport infrastructure and telecommunications and postal services. Trade, tourism and investment must be promoted with a view to the sustainable economic development of the region, the reconstruction and rehabilitation of war-torn areas and the region's integration into the global economy. The conclusion of bilateral agreements on free trade areas in conformity with relevant European Community regulations and provisions of the World Trade Organization agreements would be a positive contribution to that end. To attract foreign investment, consideration should be given, <u>inter alia</u>, to establishing a Balkan investment bank, a regional centre for business information and a regional centre for trade promotion.

Regional cooperation in South-Eastern Europe also focused on the protection of the environment and humanitarian, social and cultural issues, together with justice, crime prevention, the fight against illicit traffic in drugs and weapons, terrorism and illegal migration. His delegation was confident that the joint efforts and goodwill of the Balkan countries, in the context of

pan-European collaboration, would enable the region to move towards economic development and stability.

Mr. ABDELLATIF (Egypt) said that his delegation concurred with the conclusions set out in paragraph 167 of the Secretary-General's report (E/1996/45) with regard to reform of the regional commissions and the responsibility of the member States concerned for decisions taken on that question. There was indeed a need to incorporate regional considerations into the analysis of global problems and to harmonize regional and international cooperation along the lines suggested in paragraph 169 of the same report.

With regard to the ECA, his delegation wished to express its support for the new strategic framework document submitted to the Conference of Ministers earlier in the year. Priority should be accorded to food security, the revitalization of regional cooperation, women and capacity-building. In that context, the system-wide Special Initiative on Africa should be seen as a complement to the United Nations New Agenda for Development of Africa in the 1990s.

The important work of the Economic and Social Commission for Western Asia (ESCWA) had been adversely affected by events in the Middle East, which had caused the Commission to move offices on a number of occasions. Egypt supported the reorganization of the Commission so that it could better reflect the work of the United Nations agencies, respond to the needs of its member States and play the role which current circumstances dictated.

With all the changes in the world economy, the regional commissions had gained in importance, underlining the need for a review of the current roles of United Nations bodies.

Mr. OTUYELU (Observer for Nigeria) called upon the Council to support the ongoing review of the working methods of all the regional commissions and to provide the additional resources they needed to strengthen their effectiveness. He endorsed the statement made by the representative of Costa Rica on behalf of the Group of 77 and China and noted with satisfaction that the European Union had recognized the value of the regional commissions in facilitating regional cooperation among Member States.

There was a need for enhanced collaboration between the regional commissions and other organizations, both within and outside the United Nations system. He therefore supported the suggestion that the executive secretaries of

the regional commissions should be allowed to participate in future high-level sessions of the Council where relevant.

Mrs. REBONG (Philippines) said that her delegation endorsed the statement of the representative of Costa Rica on behalf of the Group of 77 and China and would welcome the participation of the executive secretaries in highlevel sessions of the Council.

It appreciated the commitment of ESCAP to ensuring that all the countries of the region participated in economic growth and suggested that ESCAP activities in pursuit of that goal should focus on economic infrastructure, trade, technology transfers and projects for human resource development within the region.

Mr. AMMARIN (Jordan) said that regional cooperation was vital to the enhancement of South-South cooperation as a means of moving towards South-North cooperation and dialogue. The enhancement of international cooperation for economic growth and development, the eradication of poverty and the preservation of the environment were prerequisites for preserving global peace and security, and the regional commissions had a major role to play in forging regional cooperation. In that regard, ESCWA was making a significant contribution, despite harsh financial conditions.

The signing of the peace treaty between Jordan and Israel had become a model for cooperation in a region whose economic growth and development had been adversely affected by many years of hostilities. The activities of ESCWA, ranging from the management of natural resources and the environment to the improvement of economic development and cooperation, were of vital importance to the region. Socio-economic efforts had to be enhanced in order to promote a comprehensive peace and a prosperous future.

Mr. TALBOT (Guyana) said that the regional commissions' valuable contributions to policy formulation, multilateral processes and global consensus-building deserved to be continued and enhanced. He was gratified by the active participation of ECLAC in the establishment of the Association of Caribbean States and the benefits being derived from ECLAC programmes by the region as a whole. At the same time, his delegation shared the concerns of the Jamaican delegation regarding deficiencies in ECLAC analysis and reporting on the Caribbean. Moreover, there was a need for particular sensitivity on the part of all the regional commissions with regard to the possible marginalization

of smaller regional economies as a result of the globalization of the world economy.

Efforts by the regional commissions to prepare and follow up major global conferences deserved the Council's continued support, as did their work on reform and restructuring. Without adequate resources, however, the regional commissions would not be able to function effectively.

Ms. KRISHNA (India) said that ESCAP had made significant progress in fostering an environment conducive to sustained economic growth and development in the region and had embarked successfully on the process of restructuring and reform. Its various programmes, including the regional export credit guarantee facility and the tourism directory, promised to greatly enhance regional cooperation, and it had done commendable work in furthering South-South cooperation by facilitating the transfer of technology through various institutions. Moreover, its follow-up to the recommendations of major international conferences deserved the Council's support. ESCAP experience of coordination with subregional organizations, as well as with and among various development agencies, could provide valuable insights for the Council's own coordination segment.

Mr. NAZARI TAJABADI (Observer for the Islamic Republic of Iran) noted that in paragraph 109 of the ESCAP annual report (E/1996/36) emphasis was placed on the importance of adequate infrastructure, particularly transport and communications facilities, to promote international trade, tourism and regional economic cooperation. In paragraph 110 the Commission recognized the importance of the Asian land transport infrastructure development (ALTID) project, and in paragraph 222 it noted with appreciation the new railway line linking the railways of Iran and Turkmenistan, thereby connecting East and Central Asia to Europe.

He recalled that in 1992 ESCAP had merged its sectoral committees into new thematic committees but had decided that the Committee on Transport and Communications would continue its work as a non-thematic committee until 1997. Since ESCAP had entrusted that Committee with the task of strengthening infrastructure in the region, he asked how the Committee would be able to carry out that work at 1997, given the inadequacy of funds.

Recalling that, with a view to strengthening subregional cooperation, ESCAP had initiated the organization of annual joint meetings of the Executive

Secretary of ESCAP and the Secretaries-General of the Association of South-East Asian Nations, the South Asian Association for Regional Cooperation and the Economic Cooperation Organization, he inquired about ESCAP activities and policies in that regard.

In view of the growing membership of the World Trade Organization, he asked what the future of the Bangkok Agreement and the Asian Clearing Union would be and whether ESCAP could strengthen those arrangements and encourage active participation in intraregional trade.

ESCAP recognized that environmental problems were linked to poverty, population and socio-economic development, and that national priorities varied from country to country. With the decline in official development assistance and the new conditionalities that were being imposed by regional financial institutions, and considering that only a few countries in the region benefited from foreign investment flows, he asked what ways and means there were for strengthening ESCAP so as to respond to those challenges.

Mr. SHAPIRO (United States of America) said that his delegation supported the efforts of the regional commissions to streamline and reform their work programmes, especially with regard to setting priorities and eliminating duplication and overlap with other organizations. Further improvements were needed to ensure that the commissions operated efficiently and made unique contributions to the priority needs of their constituent States. He urged ESCWA to join the other regional commissions in initiating a priority-setting exercise and a true reform programme.

Mr. BAHAMONDES (Canada) suggested that a different format for discussing the reports of the regional commissions would encourage a more open and productive dialogue. In that regard, he endorsed the comments of the representative of Costa Rica on behalf of the Group of 77 and China. Referring to document E/1996/49, he observed that, despite the valuable work carried out by ECLAC in the Caribbean, the summary of developments in the region in 1995 lacked information on the economic performance of the Caribbean countries and the considerable challenges they faced. He hoped that the summary for 1996 would provide more comprehensive coverage of the region. Finally, he agreed with previous speakers that the Council should endeavour to devote more attention to the substantive matters raised by the regional commissions and the need for strengthened links between regionalism and multilateralism.

Ms. BAI Yongjie (China) expressed her delegation's appreciation for the work done by ESCAP to promote broad cooperation in the Asia-Pacific region, especially in facilitating the participation of the region's developing countries in economic and social development. While ESCAP had embarked on structural reforms, further effort was necessary in order for it to strengthen its role in the region. Such reforms should respond to the actual situation and needs of the region, particularly those of its developing countries, and should be orderly and consensus-based.

In view of the preponderance of poor people among the population of the region, ESCAP should focus on actively assisting in the gradual reduction and elimination of poverty. Its upcoming fiftieth anniversary would provide an opportunity to explore ways for it to further strengthen regional cooperation.

Mr. KAID (Observer for Yemen) commended the work carried out by ESCWA and urged the Council to ensure that all the regional commissions received the necessary funding to enable them to carry out their mandates.

Mr. VARCHAVER (Inter-Parliamentary Union (IPU)) drew attention to document E/1996/NGO/4, which described the inter-parliamentary process of security and cooperation in the Mediterranean region. The process involved a dynamic approach designed to foster the settlement of conflicts and their prevention.

The Final Document of the first Inter-Parliamentary Conference on Security and Cooperation in the Mediterranean, held in June 1992, had established the general framework for cooperation between the Mediterranean partners. A second conference, held in Valletta in November 1995, had confirmed the need to provide a solid institutional basis for Mediterranean cooperation at both governmental and parliamentary levels. The inter-parliamentary process had enabled Governments to test initiatives or sound out positions which were not responsive to conventional diplomatic action. It had already been decided to establish an inter-State mechanism for security and cooperation in the Mediterranean region.

<u>Mr. AMOAKO</u> (Economic Commission for Africa) said that the Commission had been actively involved in the follow-up to major international conferences and, with the support of several agencies, was setting up an African women's leadership fund to promote women's rights and empowerment in implementation of the Beijing Declaration and Platform for Action. The Commission had also organized meetings between ministers for human development and the environment

to discuss follow-up to the World Summit for Social Development and implementation of the Rio Declaration on Environment and Development. ECA, which served as secretariat for the United Nations System-wide Special Initiative on Africa, was working with the United Nations Development Programme (UNDP) to ensure the successful implementation of the Special Initiative. Finally, he agreed with the representative of the United Republic of Tanzania on the need for greater collaboration between the regional commissions and other United Nations bodies, in particular UNDP, to improve delivery of programmes at the country level.

Mr. ROSENTHAL (Economic Commission for Latin America and the Caribbean) said that he had taken note of the statements of the representatives of Jamaica, Guyana and Canada requesting that ECLAC devote more attention to the Caribbean countries and assured the representatives of Ireland, United States and Canada of the commitment of the ECLAC secretariat to priority-setting within the framework of the economic and social restructuring of the United Nations.

Mr. MOOY (Economic and Social Commission for Asia and the Pacific) said he was encouraged by the desire of Council members to hold a dialogue with the executive secretaries and by the proposal to place the item under discussion on the agenda of the high-level segment in the interests of interaction with other senior officials.

ESCAP would continue to promote subregional and inter-subregional cooperation, especially in the area of transport linkages and the environment, by providing a forum for consultations among the different subregional groupings. Such forums enabled subregions to learn from each other's experiences, including such successes as promotion of growth triangles, tourism initiatives and attraction of foreign direct investment.

With regard to a question of the observer for the Islamic Republic of Iran, he said that transport and communication would continue to play an important role in ESCAP programmes. In reply to another inquiry, he said that the Asian Clearing Union, whose members included the central banks of the Asia-Pacific region, was conducting a study to find ways to improve its operations in conformity with the activities of the World Trade Organization. Finally, the Asia-Pacific region was encouraging the emergent countries of the region to take advantage of the special cooperation funds set up by Japan, Australia, China and the Republic of Korea.

Mr. EL-BEBLAWI (Economic and Social Commission for Western Asia), referring to comments made by the representative of the United States, said that ESCWA had begun its restructuring in late 1993 and had continued the process throughout 1994. During that period, 15 subprogrammes had been merged into five more highly focused programmes based on a thematic and multidisciplinary approach. Its restructuring process having been completed, the Commission was currently immersed in its substantive work.

The PRESIDENT drew attention to three draft resolutions recommended by ESCAP for adoption by the Council (E/1996/45/Add.1, para. 1).

Draft resolution I was adopted.

Draft resolution II was adopted.

Draft resolution III was adopted.

The PRESIDENT drew attention to a draft decision recommended by ECLAC for adoption by the Council (E/1996/45/Add.1, para. 2).

The draft decision was adopted.

The PRESIDENT drew attention to a draft resolution recommended by ECA for adoption by the Council (E/1996/45/Add.1., para. 3).

The draft resolution was adopted.

The PRESIDENT suggested that the Council should take note of the following documents: the report of the Secretary-General on regional cooperation in the economic, social and related fields (E/1996/45 and Add.1); the summary of the economic survey of Europe, 1995 (E/1996/46); the summary of the survey of economic and social conditions in Africa, 1995 (E/1996/47); the summary of the survey of economic and social conditions in Asia and the Pacific, 1995 (E/1996/48); the summary of the economic survey of Latin America and the Caribbean, 1995 (E/1996/49); and the summary of economic and social developments in the ESCWA region, 1995 (E/1996/50);

It was so decided.

The meeting rose at 5.30 p.m.