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Regional cooperation in the economic, social and related fields

Report of the Secretary-General

Summary

The present report is submitted to the Economic and Social Council in accordance with General Assembly resolution 1823 (XVII) and Council resolutions 1817 (LV) and annex III to resolution 1998/46. Since its outbreak one year ago, the coronavirus disease (COVID-19) pandemic has continued to aggravate systemic socioeconomic weaknesses, unmasking deeply entrenched vulnerabilities, gaps and inequalities between and within countries and reversing progress in the attainment of the Sustainable Development Goals. Against this background, the report is focused on demonstrating the value added of action at the regional level to effectively support the COVID-19 response and recovery and reignite implementation of the 2030 Agenda for Sustainable Development. The report contains information on progress in the implementation of the 2030 Agenda in the regions and provides an overview of regional levers of change (such as financing for development, inclusive digitalization and regional and transboundary cooperation) and ongoing regional initiatives with the potential to support inclusive, resilient and sustainable recovery pathways that will contribute to the advancement of the 2030 Agenda. The report also provides updates on other policy matters addressed by the regional commissions, including through the regional forums on sustainable development, as well as on steps taken by the regional commissions to operationalize the outcomes of the repositioning process of the United Nations development system, in particular the regional review.





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I. Policy and analysis

A. Advancing the 2030 Agenda for Sustainable Development: levers of change for an inclusive, resilient and green recovery from the coronavirus disease pandemic

1. Regional snapshots of progress towards the Sustainable Development Goals and potential impacts of the coronavirus disease pandemic

1. Progress in the implementation of the 2030 Agenda for Sustainable Development has been significantly hampered, and often reversed, by the coronavirus disease (COVID-19) pandemic in all regions. Many developing countries are trapped in a vicious cycle in which liquidity challenges, reduced fiscal space and the cost of debt impede many of the pressing countercyclical investment and stimulus measures that support a strong recovery. The groups most affected by the pandemic are those that were the most vulnerable and neglected before the crisis, in particular women, youth, migrants and persons with disabilities, among others.

Economic and Social Commission for Western Asia region

- 2. According to analyses by the Economic and Social Commission for Western Asia (ESCWA), the Arab region is not on track to achieve the Sustainable Development Goals by 2030. The COVID-19 pandemic descended on the region in a context of crippling decades-long conflict, exacerbated by insufficient growth and a slow recovery from the 2008–2009 global financial crisis. These three factors are seen by ESCWA as major inhibitors to realizing the 2030 Agenda.¹
- 3. While data availability continues to be a challenge, the available data point to insufficient progress. For instance, for Goals 3 and 4, some indicators show progress, notably those relating to maternal and infant mortality and enrolment in primary education, but other critical indicators for the same Goals do not reflect a similar trajectory.
- 4. ESCWA estimates that the pandemic has worsened the situation by increasing the number of poor people, stalling economies and exacerbating food insecurity. Health and education systems, already plagued by inequality, are now further strained. As the pandemic and its economic impact continue to present challenges, the reduced fiscal space, dwindling investment and shrinking development aid in the region will further slow progress towards the Goals.
- 5. The pandemic has also highlighted disparities between oil-exporting, oil-importing middle-income and fragile and conflict-affected countries in the region in terms of their capacity to respond to the pandemic and ensuing crises. The differences are most pronounced in relation to social protection and health systems.
- 6. Through the lens of the commitment to leave no one behind, the picture is bleak. The data point to increased vulnerability for a number of social groups, including women, children, persons with disabilities, older persons, migrants, refugees and displaced populations, owing to inadequate or fragmented social protection systems.

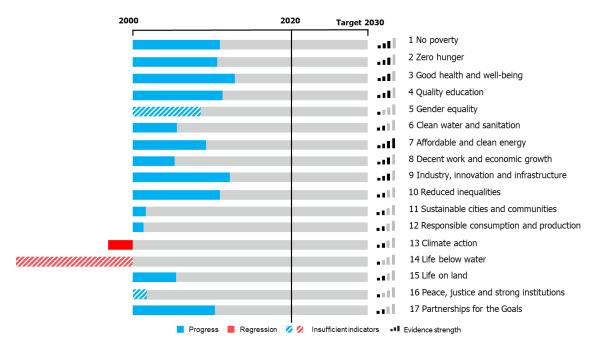
¹ Arab Sustainable Development Report 2020 (United Nations publication, 2020).

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Economic and Social Commission for Asia and the Pacific region

7. Even before the start of the COVID-19 pandemic, the Asia-Pacific region was not on track to achieve any of the 17 Goals by 2030. While the region had made progress in ensuring healthy lives and well-being (Goal 3) and promoting sustainable industrialization and innovation (Goal 9), it had regressed in terms of climate action (Goal 13) and the conservation and sustainable use of oceans and marine resources (Goal 14) (see figure I).

Figure I Economic and Social Commission for Asia and the Pacific region: progress towards the Sustainable Development Goals, 2020



Source: Economic and Social Commission for Asia and the Pacific (ESCAP), Asia and the Pacific SDG Progress Report 2021.

- 8. The COVID-19 pandemic has further hindered sustainable development progress. Developing economies in Asia and the Pacific recorded their worst economic performance in decades, with an estimated contraction in regional gross domestic product (GDP) of -1.0 per cent in 2020. Three quarters of countries in the region experienced a recession in 2020. Forgone economic output due to the COVID-19 shock is estimated to be around \$2.6 trillion between 2020 and 2022.
- 9. The socioeconomic impact is unprecedented and disproportionately affects the poor and most vulnerable groups. An additional 89 million people in the region may have been pushed back into extreme poverty in 2020 at the \$1.90 per day threshold, erasing years of progress in poverty reduction. As many as 6.7 million students in the region at the primary and secondary level are at risk of dropping out, jeopardizing the hard-earned progress in promoting quality education for all.
- 10. Any environmental gains from the economic slowdown such as improved air quality or reduced greenhouse gas emissions proved very short-lived, and were coupled with a surge in plastic waste. The devastating effects of the pandemic were also compounded by severe climate-induced disasters across the region, further exacerbating vulnerabilities.

11. Widening inequalities, combined with the uneven COVID-19 vaccine roll-out and differing adaptation capacities and fiscal space between countries, risk deepening the divide within and between countries. Although the Economic and Social Commission for Asia and the Pacific (ESCAP) forecasts that the regional economy will grow by 5.9 per cent and 5.0 per cent in 2021 and 2022, respectively, this recovery will not be equal across the region, with a likely "K-shaped" recovery path further compounding inequalities within and between nations.

Economic Commission for Europe region

- 12. In 2021, the Economic Commission for Europe (ECE) prepared a second report assessing progress in the region towards attainment of the Sustainable Development Goals. The report showed a mixed picture. On the basis of past trends, the region would achieve only 23 of the targets by 2030. Progress towards 57 of the targets should accelerate. For nine targets, trends are negative and need to be reversed. For 80 targets, almost half of the total, there is insufficient national data to track change over time. Considerable progress is therefore needed not only to meet the targets but also to improve data availability, including in countries with well-developed statistical systems.
- 13. There are areas in which meeting the Goals is clearly within reach, including extreme poverty, undernourishment and malnutrition, access to basic services and adequate housing. But targets to reduce nationally defined poverty and multidimensional poverty are unlikely to be achieved, in particular given the anticipated emerging gaps in social protection related to the COVID-19 pandemic.
- 14. The region is on course to achieve only 5 of the 13 health and well-being targets. Road traffic safety, the health impacts of pollution and the management of health risks have been improving across the region. Nevertheless, more than half of the health targets require accelerated action, and the pandemic may stall progress further in areas such as mental health, substance abuse and health workforce development.
- 15. Trends in inequality were already not encouraging and have likely been negatively affected by the COVID-19 pandemic. Gender inequality has also increased as a result of the crisis.
- 16. The region has made good progress in terms of clean fuels and technology, energy efficiency and cuts to fossil fuel subsidies. Nevertheless, much needs to be done in critical areas related to climate change and the environment, including the conservation of ecosystems, biodiversity, disaster resilience, waste generation and treatment, and the sustainable use of natural resources. Greenhouse gas emissions have increased in recent years. Reduced economic activity and mobility owing to COVID-19 restrictions eased some environmental pressures in 2020. However, this is a temporary respite that does not reflect a fundamental change in policy.
- 17. Disaster risk reduction strategies have been adopted and implemented by many countries and local governments in the ECE region. However, recent increases in the number of people affected by disasters point to persisting vulnerability to climate-related hazards and natural disasters.

Economic Commission for Latin America and the Caribbean region

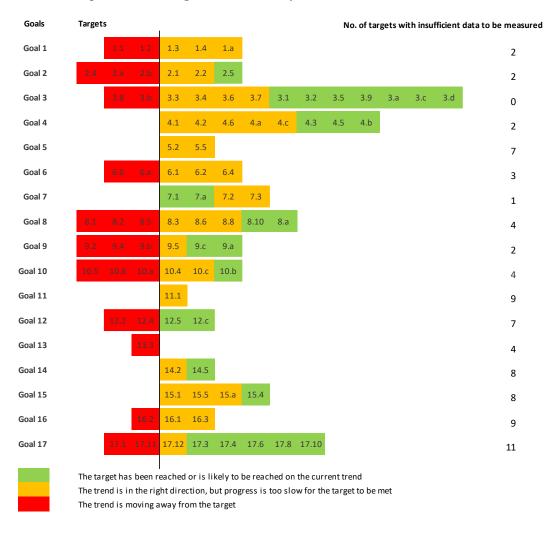
18. Although data gaps remain, the efforts of the international and regional statistical communities and member States' national statistical systems have increased the availability of data on the Sustainable Development Goals and permitted the analysis of 86 of the targets. As shown in figure II, the results at the regional level show marked heterogeneity: 32 per cent of the Goals have already been achieved or will be achieved by 2030 if the current trend continues; 32 per cent require policy

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action for the targets to be met; and the remaining 36 per cent show a trend of stagnation or regression.

Figure II

Economic Commission for Latin America and the Caribbean region: likelihood that the Sustainable Development Goal targets will be met by 2030



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

- 19. The Economic Commission for Latin America and the Caribbean (ECLAC) projected an extreme poverty rate of 12.5 per cent and a poverty rate of 33.7 per cent for 2020. This would mean 209 million poor people by the end of 2020, 22 million more than in 2019. Of this total, 78 million people would be in extreme poverty, 8 million more than in 2019, with consequences in the short term (2020–2021) and for the prospects of achieving the Goals. Inequality has also increased as a result of the pandemic.
- 20. In summary, analyses reveal a worrying outlook for 2030, with greater challenges than were identified a year earlier. Although data reveal recovering trends consistent with the pre-pandemic scenario, the short-term setbacks appear to be affecting the prospects for achieving the targets, making them unattainable in some cases. For more than two thirds of the data analysed, progress is inadequate to achieve

the expected results, and efforts to date have been insufficient to ensure that the 2030 targets are met.

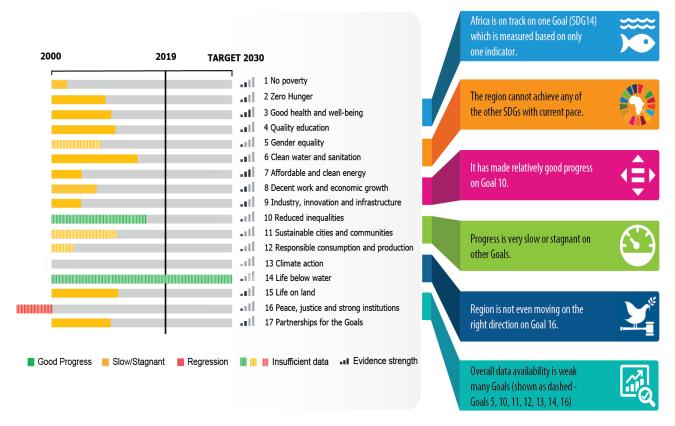
Economic Commission for Africa region

- 21. According to a pre-pandemic 2020 report on the progress made by Africa towards the Sustainable Development Goals, the continent has recorded progress on many of the 17 Goals since 2000. However, as shown in figure III, it is not on track to meet them by 2030. The progress towards Goal 1 has been sluggish, with a third of the African population living in abject poverty in 2019. Hunger (addressed by Goal 2) has increased in Africa (excluding North Africa) with the number of undernourished people standing at 20 per cent higher in 2019 than in 2013, and food insecurity being more than double the world average.
- 22. Although the global average rate for social protection coverage stands at 50 per cent, only about 13 per cent of Africans (excluding North Africa at 39 per cent) are covered by at least one form of social protection benefit. Maternal mortality ratios in Africa remain 2.6 times higher than the world average. Progress in education has been slow and quality of education has remained a concern. On clean water and sanitation (Goal 6), the continent continues to underperform in the implementation of integrated water resources management and on transboundary cooperation. Africa faces persistent income inequalities (Goal 10). Of particular concern is the progress towards Goal 5 on gender equality.
- 23. Africa has made slow progress on the environment pillar as of 2020, compared with the 2015 baseline. Although data availability is a challenge, the continent has shown promising progress on protected marine areas (Goal 14). Africa had the highest annual rate of net forest loss at 3.9 million hectares per year in 2010–2020, owing to population increase, poverty and agricultural expansion.
- 24. Africa has not performed well on the indicators relating to Goal 17 and to Agenda 2063: The Africa We Want, as significant gaps remain. The COVID-19 pandemic will widen the region's Sustainable Development Goal financing gap, as it has caused a reduction in domestic revenues, remittances, foreign direct investment and other external financing, making it more difficult to achieve the Goals in Africa by 2030.

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Figure III

Economic Commission for Africa region: progress towards the Sustainable Development
Goals, 2019



Source: Economic Commission for Africa (ECA).

2. Levers of change for a recovery that supports the advancement of the 2030 Agenda in the regions

25. The COVID-19 pandemic has increased the financing gap for the Sustainable Development Goals and the fiscal stress on all countries and regions. Financing for development that is inclusive and considers the specific situation and vulnerabilities of countries, including middle-income countries and small island developing States, is urgently needed to overcome the pandemic while advancing in the implementation of the 2030 Agenda. Rethinking the global financial architecture, promoting debt relief, increasing concessional financing and adopting a multidimensional approach to development that includes vulnerability criteria are recommendations that emerge across regions. The regional commissions are actively contributing to advancing the financing for development agenda, including through their active engagement in and contributions to the Initiative on Financing for Development in the Era of COVID-19 and Beyond launched by the Secretary-General and the Prime Ministers of Canada and Jamaica, in particular as lead entities for cluster 5 on illicit financial flows, and through new analysis, data and innovative policy recommendations.

26. Recovery initiatives also present an opportunity to recover better and advance climate and environmental goals, which should be fully harnessed. Measures to achieve inclusive green economies and sustainable consumption and production, and to promote circularity in the economy, including the blue economy, should be scaled

- up. Access to green financing should be facilitated in order to, inter alia, boost the innovative capacities of small and medium-sized enterprises.
- 27. In this context, the green recovery from the COVID-19 pandemic has also created a unique opportunity to transform the extractive industries. Through the organization of five major regional round tables, which provided a solid foundation for the high-level global round table hosted by the Secretary-General, and the publication of a joint policy brief, the regional commissions have contributed to a rethinking of the critical role of the extractive industries, which have the potential to become an engine for sustainable development.
- 28. Digital technologies have emerged as crucial tools to address the impact of the COVID-19 pandemic and accelerate efforts to achieve the 2030 Agenda. Supporting universal access to technology, accelerating the digital transformation in the public and private sectors, including the health sector, and adopting strategies to improve research and development are some of the pathways supported by the regional commissions to bridge the digital divide.
- 29. Regional cooperation enhances ownership of the 2030 Agenda and should be leveraged as a critical component of recovery plans, in order to balance economic transformation with respect for the environment and greater inclusion so that no one is left behind. Regional frameworks and agreements provide valuable anchors for solutions to the crisis.

Economic and Social Commission for Asia and the Pacific region

Macroeconomic response and financing for development

- 30. The tightening of fiscal space and emergency spending induced by the COVID-19 pandemic, coupled with a reduction in foreign direct investment, remittances, and travel and tourism services exacerbated the risk of debt distress in developing countries, especially least developed countries and small island developing States. During the emergency, 10 of the 24 Asia-Pacific developing countries eligible for the Debt Service Suspension Initiative postponed their debt-service payments to Group of 20 creditors. Others received emergency financial support from the International Monetary Fund, the World Bank and the Asian Development Bank. While a major debt crisis seems to have been averted, there is a risk that many developing countries will have to contract their fiscal positions to avoid debt insolvency once emergency support measures are lifted. This may harm both the sustainability of the recovery and the feasibility of undertaking the major investments needed to achieve the Goals and implement the Paris Agreement.
- 31. Asia and the Pacific is home to an e-commerce market that was valued at over \$810 billion in 2018, with an average annual growth rate of 29.7 per cent over the previous five years. Yet the existing conventional taxation principles have failed to effectively tax this fast-growing economic sector. In response, 11 Asia-Pacific countries have introduced unilateral digital taxes as of mid-2019. To aid these efforts, ESCAP has supported regional dialogues on tax cooperation in Asia and the Pacific, including on taxing the digital economy, and will continue to monitor the progress of major international initiatives and the implications for the region.
- 32. Trade misinvoicing is the largest component of illicit financial flows in Asia and the Pacific. ESCAP estimated in 2019 that this resulted in \$200 billion in lost tax revenue in the region. On this front, the ESCAP Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific, which entered into force in February 2021, serves as an important instrument for facilitating the exchange of information between customs and tax offices across countries, allowing discrepancies in data to be identified.

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Digital cooperation

33. Asia and the Pacific remains the most digitally divided region, with only half of its 4.5 billion inhabitants having access to broadband Internet. About 180 million people in South Asia, East Asia and the Pacific live outside the reach of a mobile network.² During the COVID-19 pandemic in 2020, ESCAP mapping of real-time fixed-broadband download speeds showed significant variations between countries and between urban and rural areas (see ESCAP/77/11). In response, ESCAP is scaling up the implementation of the Asia-Pacific information superhighway initiative. In the Pacific, a working group consisting of stakeholders in Fiji, New Zealand and Samoa has been set up to work on establishing a shared Pacific Internet exchange point to improve broadband Internet affordability and reliability.

Regional cooperation

- 34. In ensuring coordinated policy responses on cross-border transport, ESCAP, in partnership with the International Transport Forum, supported the development of the COVID-19 Recovery Guidelines for Resilient and Sustainable International Road Freight Transport Connectivity in ASEAN.
- 35. To support increased cross-border energy connectivity and accelerate efforts to meet Goal 7, member States in Asia and the Pacific endorsed the "Regional road map on power system connectivity: promoting cross-border electricity connectivity for sustainable development" at the third session of the Committee on Energy in February 2021. ESCAP is now working to implement the road map through training for regulators in South-East Asia, the development of a "green power corridor" road map in North-East Asia and capacity-building for stakeholders in the Pacific.
- 36. Through its Regional Space Applications Programme for Sustainable Development, ESCAP has facilitated regional cooperation on the use of this technology in support of the 2030 Agenda, including in the areas of environment management and disaster risk reduction. Tailored tools were produced for countries such as Cambodia, the Lao People's Democratic Republic and Mongolia.

Economic and Social Commission for Western Asia region

Macroeconomic response and financing for development

- 37. ESCWA prepared 12 thematic policy briefs on the impact of the COVID-19 pandemic³ and developed an interactive COVID-19 stimulus tracker to monitor fiscal and social protection policy responses to the pandemic.
- 38. ESCWA continued to support member States in identifying avenues for financing sustainable development, including fiscal consolidation and domestic resource mobilization. ESCWA also provided technical expertise to Governments on matters of fiscal policy reform.
- 39. ESCWA worked with partners to develop integrated national financing frameworks for a pilot group of middle-income economies in the Arab region that indicated their interest during the first meeting of the Committee on Financing for Development.
- 40. ESCWA expertise in statistics and technology enabled the development of a social expenditure monitor at the request of Egypt, Jordan and Kuwait. The monitor

² United Nations, Asian Development Bank and United Nations Development Programme, Responding to the COVID-19 Pandemic: Leaving No Country Behind (Bangkok, 2021).

³ See www.unescwa.org/publications/socioeconomic-impact-covid-19-policy-briefs.

results in models and scenarios for any type of social spending, allowing States to choose a type of spending in line with their available fiscal space.

Digital cooperation

- 41. ESCWA convened national research workshops to help Governments assess their national digital development reviews, which were conducted in 2019. The targeted support of ESCWA led to the preparation of thematic strategies and policies on issues relating to information and communications technology (ICT) by Jordan, Morocco, the Sudan and the State of Palestine. In late 2020, regional experts developed and endorsed the ESCWA digital development framework and process manual, aimed at facilitating national digital development reviews in 2021.
- 42. In early 2021, ESCWA produced the Arab Digital Agenda: Preliminary Framework for the Arab Information and Communication Technology Strategy and the ESCWA vision on work modalities for developing the Arab Information and Communication Technology Strategy. Both have been endorsed by the working group of the Arab Telecommunications and Information Council of Ministers, paving the way for a unified regional ICT strategy.

Regional cooperation

- 43. In 2020, ESCWA supported member States in operationalizing the Global Compact for Safe, Orderly, and Regular Migration. In collaboration with the International Organization for Migration, ESCWA led the regional review of the Global Compact for Migration. Support was provided to the Government of the Sudan to develop a first draft of its national migration strategy that was aligned with the Global Compact for Migration.
- 44. ESCWA continued to provide advice and capacity-building for member States on compliance with and access to trade agreements, both regional and global, such as the Arab Customs Union, the Deep and Complete Free Trade Agreement with the European Union and the African Continental Free Trade Area.
- 45. ESCWA is responsible for data on countries in the Arab region in the UN Comtrade Database and has assisted national statistical offices in improving the quality and granularity of data and in building national statistical capacity. Such efforts have supported States in meeting the standards for the 6-digit level of the global Harmonized System and have improved Arab trade data in the UN Comtrade Database.

Economic Commission for Europe region

- 46. The ECE action framework for responses to the COVID-19 crisis has three main pillars:
- (a) Facilitating connectivity, including through enhanced cooperation and implementation of a regulatory framework for border crossings, and the use of digital tools in trade and transport;
- (b) Addressing transboundary and other risks, through the use of ECE multilateral agreements, standards and statistical frameworks for informed decision-making;
- (c) Supporting a green and resilient recovery, including through improved resource use and the promotion of the circular economy, tapping into the potential of cities as drivers of the recovery, and the development of sustainable infrastructure.
- 47. Dematerialization aspects in trade and transport have become particularly important owing to the COVID-19 crisis. Countries adopted legal provisions for the

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- full computerization of the Customs Convention on the International Transport of Goods under Cover of TIR Carnets. Successful piloting of the digitalized eTIR international system has demonstrated how it can unlock further efficiency gains and reduce virus transmission risks. This could be especially crucial for landlocked developing countries, where transport costs are high.
- 48. The pandemic added further urgency to ECE work towards paperless and contactless trade in the region. Building further on this drive towards paperless trade, the United Nations Centre for Trade Facilitation and Electronic Business revised its recommendation on the Single Window, integrating recent technological developments and providing key performance indicators.
- 49. ECE is developing a package of standards for the digitalization of multimodal transport data and document exchange, aimed at avoiding physical contact and increasing the efficiency of supply chains. Practical pilot implementation has begun, including in the Black Sea-Baltic Sea and Dnieper-Danube transport corridors.
- 50. COVID-19 has exacerbated the vulnerabilities of the countries participating in the United Nations Special Programme for the Economies of Central Asia Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. During 2020, the Special Programme continued to serve as an effective platform for harnessing regional cooperation that will help to recover better. The participating countries took practical steps towards implementing the Ashgabat Initiative on reducing barriers to trade and transport in the region using United Nations instruments. An ECE survey-based study on the impact of COVID-19-induced non-tariff measures on these countries' trade patterns provided recommendations on how to harness trade facilitation for a sustained recovery.

Economic Commission for Latin America and the Caribbean region

Macroeconomic response and financing for development

51. Tax evasion represents a key challenge to the successful mobilization of domestic resources to finance the Sustainable Development Goals. In recognition of this, ECLAC began to produce estimates of tax evasion with the aim of supporting regional policy discussions. The most recent of these estimates was published in the report entitled *Fiscal Panorama of Latin America and the Caribbean 2020*. As indicated in the report, tax evasion in 2018 cost Latin America \$325 billion in revenues, equivalent to 6.1 per cent of GDP. Existing research suggests that tax systems in some countries of Latin America receive less than 50 per cent of the revenues they should theoretically generate. Moreover, the rapid growth of the digital economy has eroded national tax bases. Some countries in the region (10 of 33) have adopted measures to tax the digital economy, mostly through reforms of value added tax. However, recent tax amnesties in Latin America and the Caribbean revealed the existence of wide-scale undeclared assets, generating income that, in some cases, reached 21 per cent of GDP (80 per cent of which was held abroad).

Digital cooperation

52. In July 2020, the Executive Committee of the Conference on Science, Innovation and Information and Communications Technologies of ECLAC met to address the challenges arising within the framework of the COVID-19 crisis to implement the 2030 Agenda with the objective of strengthening regional integration of the health industry and digital ecosystems. Three areas of action were highlighted: (a) the coordination of research and development efforts, (b) the reduction of gaps in access to and use of digital platforms and (c) the strengthening of the health industry

⁴ See Fiscal Panorama of Latin America and the Caribbean 2020 (United Nations publication, 2020).

at the national and regional level. At the seventh Ministerial Conference on the Information Society in Latin America and the Caribbean of ECLAC, held in November 2020, countries adopted the Digital Agenda for Latin America and the Caribbean, in which eight areas of action and 39 specific goals are identified for implementation in the next two years.

53. To reinvigorate regional integration, ECLAC has proposed a work plan aimed at the gradual establishment of a common Latin American and Caribbean digital market. Given the intensification of e-commerce, the regional trade facilitation agenda should pay particular attention to facilitating this form of trade, especially for microenterprises and small and medium-sized enterprises.

Regional cooperation

- 54. The comprehensive development plan for El Salvador, Guatemala, Honduras and south-southeast Mexico, which the Presidents of the four countries requested of ECLAC, is aimed at ensuring that migration from the countries of northern Central America and from south-southeast Mexico is safe, orderly and regular, while tackling its structural causes. The plan has been coordinated by the Executive Secretary of ECLAC, as Chair of the Special Coordination Mechanism created by the Deputy Secretary-General for this purpose, with inputs from 19 entities of the United Nations development system and the four resident coordinators.
- 55. At its tenth meeting of the presiding officers, held virtually in March 2021, the ECLAC Committee on South-South Cooperation endorsed the project of the Network for the implementation of the 2030 Agenda and follow-up to the Sustainable Development Goals in Latin America and the Caribbean aimed at strengthening the institutional and technical capacities of Governments in the region for the implementation of the 2030 Agenda. In this context, ECLAC conducted studies in the following selected countries: Barbados, Brazil, Colombia, Cuba, Jamaica, Uruguay and Venezuela (Bolivarian Republic of).

Economic Commission for Africa region

Macroeconomic responses and financing for development

- 56. The COVID-19 pandemic has significantly affected economic growth on the continent, with economies estimated to contract by up to -5.2 per cent in 2020, before rebounding to up to 3 per cent growth in 2021.⁵ To protect and build the shared prosperity of Africa, a minimum of \$100 billion in fiscal stimuli was estimated to be required to address the urgent health-care needs, provide safety nets for the most vulnerable, protect jobs and support economic activity and recovery. In line with the call of ECA for a \$100 billion stimulus, the Group of 20 launched the Debt Service Suspension Initiative in April 2020, which has provided bilateral debt service relief to at least 29 African countries with average potential savings equal to 0.61 per cent of the 2019 GDP as at 15 December 2020.
- 57. To address the liquidity challenges there is a need for a more comprehensive approach that takes into account private as well as official debt. ECA provided a platform for the African Ministers of Finance and relevant stakeholders on issues concerning, among other things, debt sustainability and restructuring and the Liquidity and Sustainability Facility, to enhance access to private financing, mostly in preparation for the annual meetings of the International Monetary Fund and the World Bank and the meetings of the Group of 20.6 ECA has also advocated the

⁵ ECA, "COVID-19 in Africa: protecting lives and economies", April 2020.

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⁶ Daniela Gabor, "The liquidity and sustainability facility for African sovereign bonds: who benefits?", 2021.

issuance of new special drawing rights and the reallocation of idle special drawing rights, in particular from developed countries, to countries in need of such resources.

58. Africa is losing significant resources through illicit financial flows, conservatively estimated in the 2015 report of the High-level Panel on Illicit Financial Flows from Africa at \$50 billion a year. This is equivalent to the two thirds of the \$66 billion needed to make significant progress on Goal 3 and just over one and quarter times the \$39 billion required annually until 2030 to achieve Goal 4.8 ECA, together with other United Nations entities has continued to work with international partners such as the Organisation for Economic Co-operation and Development, to address this phenomenon. The collaboration led to the issuance of documents on the conceptual framework for the statistical measurement of illicit financial flows, in October 2020, on the institutional architecture for addressing illicit financial flows from Africa. and on tackling illicit financial flows for sustainable development in Africa.

Digital cooperation

59. ECA undertook several pioneering activities in support of the Digital Transformation Strategy for Africa (2020–2030) endorsed by the African Union. ECA helped Ethiopia to develop an inclusive digital strategy (Digital Ethiopia 2025 strategy), endorsed at the highest level in June 2020. Within the framework of its Centre of Excellence for digital identity, trade and the digital economy, ECA has assisted Cameroon, the Democratic Republic of the Congo, Ghana, Kenya, Liberia, the Niger, Sierra Leone, Mozambique and Zambia in conducting assessments of their respective civil registration and vital statistics systems. In addition, on 11 August 2020, ECA launched the Price Watch Centre for Africa, a first-of-its-kind continental tool that offers a unique view of price variations in African countries, regional economic communities and at the continental level. ECA also played a catalyst role in the conceptualization of the Africa Medical Supplies Platform under the leadership of the African Union, a unique platform aimed at facilitating the procurement of medical equipment required to battle the COVID-19 pandemic.

Regional cooperation

60. ECA has played an instrumental role in accelerating the ratification of the Agreement Establishing the African Continental Free Trade Area, reaching 34 countries and paving the way for the start of its operational implementation on 1 January 2021. The Gambia, Mauritania, Senegal and Sierra Leone have benefitted from ECA support in this regard. In East Africa, four new strategies – for Burundi, the Comoros, the Democratic Republic of the Congo and Rwanda – and a regional strategy for the East African Community, were developed, and efforts will be pursued towards supporting the second phase of the negotiations on the African Continental Free Trade Area. In West Africa, ECA developed a public budgeting framework, mainstreaming demographic dynamics for Mali and improving the capacity of 15 member States and the Economic Community of West African States through national transfer account methodology.

⁷ ECA, Illicit Financial Flows: Report of the High-level Panel on Illicit Financial Flows from Africa (Addis Ababa, 2015).

⁸ ECA, "Institutional architecture to address illicit financial flows from Africa", 2020.

⁹ United Nations Office on Drugs and Crime and United Nations Conference on Trade and Development, "Conceptual framework for the statistical measurement of illicit financial flows", October 2020.

¹⁰ ECA, "Institutional architecture to address illicit financial flows from Africa".

¹¹ Economic Development in Africa Report 2020: Tackling Illicit Financial Flows for Sustainable Development in Africa (United Nations publication, 2020).

B. Other key policy issues addressed by the regional commissions

1. Regional forums on sustainable development

- 61. Convened annually by the regional commissions, the regional forums on sustainable development are consolidated as the preeminent regional multi-stakeholder platforms for follow-up and review of the 2030 Agenda and for exchanging knowledge, best practices and solutions to support its implementation. During the reporting period, the five regional commissions hosted their respective regional forums, ¹² aligned with the theme of the high-level political forum on sustainable development. Regional assessments, progress reports and data, prepared in the lead-up to the forums, contributed to identifying gaps in and opportunities for action by the United Nations system in line with regional and country priorities. In this context, countries have also continued to receive support in the preparation and follow-up of their voluntary national reviews and their broader implementation efforts. The forums have also provided space to address the role of the voluntary local reviews in driving achievement of the Sustainable Development Goals.
- 62. At the regional forums on sustainable development held in 2021, participants reaffirmed the centrality of the 2030 Agenda as the guiding framework for a recovery plan from the COVID-19 pandemic that would be green, rights-based, inclusive and sustainable. The forums also highlighted the value of multilateralism in fostering regional and international cooperation and promoting solutions to common challenges. The importance of rethinking the global financial architecture was also a key message emanating from all the forums, as well as the need to invest in peoplecentred and gender-responsive health and social protection systems, the crucial role of investment and innovation in data, the need to reinvigorate the commitment to gender equality and women's empowerment and the opportunities around digitalization to support the Goals.
- 63. The Chairs of the regional forums on sustainable development have continued to report on the outcomes of the forums, as part of the ministerial segment of the high-level political forum. The regional commissions have also continued to make efforts to ensure that adequate space is dedicated to the regional dimension of sustainable development at the high-level political forum.

2. Overview of key policy issues covered in ministerial sessions and other highlevel meetings

64. The regional commissions have deliberated on a number of areas relevant to their regions at various high-level meetings. ¹³ The table below contains the highlights and focus areas of the sessions of the commissions held during the reporting period.

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Africa Regional Forum on Sustainable Development, 1-4 March 2021; Forum of the Countries of Latin America and the Caribbean on Sustainable Development, 15-18 March 2021; ECE 2021 Regional Forum on Sustainable Development, 17-18 March 2021; Asia-Pacific Forum on Sustainable Development, 23-25 March 2021; and Arab Forum for Sustainable Development, 29-31 March 2021.

¹³ E/2021/16, E/2021/17, E/2021/18, E/2021/19, E/2021/20.

High-level meetings of the regional commissions, 2020-2021

Regional commission	Date	Description
ECLAC, thirty-eighth session ^a (biennial)	26–28 October 2020 (virtual)	The session included a dialogue among ministers for foreign affairs and high-level authorities of the Latin American and Caribbean region on the post-pandemic economic recovery. The session also featured a presentation on the document entitled "Building a new future: transformative recovery with equality and sustainability".
ECA, fifty-third session, Conference of African Ministers of Finance, Planning and Economic Development ^b (annual)	17–23 March 2021 (hybrid format: in-person in Addis Ababa, and virtual)	The session included a high-level ministerial policy dialogue on the theme of the fifty-third session, "Africa's sustainable industrialization and diversification in the digital era in the context of Covid-19", and several high-level dialogues.
ECE, sixty-ninth session ^c (biennial)	20–21 April 2021 (Geneva)	The session included a high-level segment on the theme "Promoting circular economy and sustainable use of natural resources in the region of the Economic Commission for Europe".
ESCAP, seventy- seventh session ^d (annual)	26–29 April 2021 (virtual)	The session included a high-level general debate on the theme of the session, "Building back better from crises through regional cooperation in Asia and the Pacific".

^a See https://periododesesiones.cepal.org/38/en.

II. Developments and outcomes in selected areas of regional and interregional cooperation, including in the context of the repositioning of the United Nations system

A. Promoting coherence at the regional level through the regional collaborative platforms and enhanced policy-operations nexus

65. The regional commissions have been actively participating in the conceptualization and shaping of the repositioning of the regional assets of the United Nations development system, on a region-by-region basis, around the five transformative areas proposed by the Secretary-General in his recent reports to the Economic and Social Council on the implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (A/74/73-E/2019/14 and A/75/79-E/2020/55). Following the adoption in July 2020 of Council resolution 2020/23, referenced in General Assembly resolution 74/297, the regional commissions have been working with other regional entities of the United Nations development system on the operationalization of the five recommendations of the Secretary-General described below.

Establishing regional collaborative platforms

66. Regional collaborative platforms have been established in all regions and are chaired by the Deputy Secretary-General, in the capacity of Chair of the United

^b See www.uneca.org/cfm2021.

^c See https://unece.org/sessions-commission/events/sixty-ninth-session-commission-20-21-april-2021.

^d See www.unescap.org/commission/77.

Nations Sustainable Development Group, with the Executive Secretary of the relevant regional commission and the relevant Regional Director at the United Nations Development Programme (UNDP) – the latter at the Assistant Secretary-General level – as Vice-Chairs. They are the main inter-agency collaboration mechanism for sustainable development among United Nations entities operating at the regional level, serving as the main platform to define, articulate and optimize the regional value-added proposal of the United Nations system to support member States in implementing the 2030 Agenda and tackling emerging and unforeseen development challenges. The regional commissions are each part of the joint secretariat of the platforms in their region.

- 67. The regional collaborative platforms have established time-bound and demand-driven, issue-based coalitions to address the most pressing regional challenges. Chaired by United Nations entities with relevant mandates and expertise, the coalitions produce knowledge products, data, tools and policy recommendations. They also provide a pool of expertise that can be drawn upon, on demand, with regard to supporting the development of common country analyses and regional cooperation frameworks.
- 68. The coalitions co-chaired by individual regional commissions are as follows:
- (a) ESCWA: migration; macroeconomic management and social protection (macroeconomic management pillar); and food security, climate action and the environment (climate action and energy efficiency pillar);
- (b) ECE: a coalition on environment and climate change, created in 2020; the digital transformation group; and a regional coordination group for data and statistics, created in 2020;
- (c) ESCAP: climate change mitigation. The Commission has organized regional advocacy initiatives and explored new regional partnerships for climate actions, including on air pollution;
 - (d) ECLAC: financing for development; equitable growth; and human mobility;
- (e) ECA: strengthened integrated data and statistical systems for sustainable development; and ensuring effective and efficient macroeconomic management and accelerated inclusive, economic transformation and diversification.

The regional commissions also provided substantive contributions to the work of other issue-based coalitions, such as through regional synthesis and joint policy messages in areas ranging from recovering from the COVID-19 pandemic to social protection.

Establishing strong knowledge management hubs in each region

- 69. The regional commissions continued to host regional knowledge management hubs to allow Member States, resident coordinators and United Nations country teams to easily identify and access available regional assets to respond, in real time, to national needs and priorities. The hubs are becoming critical regional public goods for the countries in each region and beyond. In the Arab region the regional knowledge and data hub "Manara" is the main platform for accessing information and data produced by the United Nations at the regional and global levels. It has been developed with the participation of regional cooperation platform members and in consultation with resident coordinators in the region. ESCWA and ECE are also collaborating to adapt it to the needs of the ECE region in order to be able to provide consolidated access to knowledge products and the expertise of the regional United Nations system.
- 70. In the ESCAP region, a regional knowledge management hub was developed by the inter-agency working group on knowledge management led by the regional

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Development Coordination Office and ESCAP and launched at the eighth session of the Asia-Pacific Forum on Sustainable Development. In Africa, the regional knowledge management hub is focused on flagship initiatives aimed at the continued improvement of knowledge product management. In Latin America and the Caribbean, the "SDG Gateway" was launched, with ECLAC and UNDP acting as a joint steering committee. Managed technically by ECLAC, it provides consolidated information on the regional work of the United Nations development system related to the 2030 Agenda, including the work of the issue-based coalitions.

Enhance transparency and results-based management at regional level

71. The first system-wide results reports of the United Nations development system in the regions were prepared in 2020 and presented to member States at the 2021 regional forums on sustainable development by the Vice-Chairs of the regional collaborative platforms. The reports reflect joint initiatives and collective action, including in relation to the COVID-19 crisis, as well as collective achievements and joint system-wide efforts at the regional level in support of the 2030 Agenda. The regional commissions were instrumental in convening efforts that allowed for the preparation of the first system-wide results reports. The feedback received from member States is serving to guide the ongoing review and updates of the configurations and/or workplans of the issue-based coalitions by the respective regional collaborative platform.

Consolidate capacities on data and statistics

- 72. Progress continued under the leadership of the regional commissions to further consolidate capacities on data and statistics through data hubs connecting various data platforms. In the Arab region, ESCWA continued to lead the development of the regional knowledge and data hub Manara. The data hub includes a comprehensive platform for data and statistics for the region, based on data from national sources and from United Nations custodian entities, complemented by estimates for the most recent time periods and big data. In the ESCAP region, the working group on Sustainable Development Goal data and statistics, which is part of the regional collaborative platform and is co-chaired by ESCAP and the United Nations Population Fund, reached out to 24 United Nations country teams in the region and established regular contact and information flows. Throughout 2020, the group was the source of support for resident coordinators and United Nations country teams, including with regard to ways to respond to the impacts of COVID-19 on statistical operations.
- 73. In Latin America and the Caribbean, a Sustainable Development Goals data and statistics group was established to develop and strengthen statistical capacities and data on the Goals. The group has completed a mapping exercise of the expertise and technical skills offered by United Nations entities in terms of data and statistics, making the information accessible to Member States through the SDG Gateway, and has updated the regional self-assessment tool to diagnose capacity to produce Goal indicators, which ECLAC will share with all national statistical offices and systems of the region in 2021. In the ECE region, a regional coordination group on data and statistics, co-chaired by ECE and the United Nations Environment Programme, was established in 2020 to further consolidate capacities on data and statistics and promote cooperation between United Nations entities and statistical processes at the national, regional and global levels. In Africa, the regional collaborative platform opportunity and issue-based coalition on strengthened integrated data and statistical systems is focusing on developing a data gateway during the course of 2021.

Increase regional efficiencies through common back offices

74. On the identification of administrative services that could be provided more efficiently to regional offices through common back offices, the regional collaborative platforms have developed regional-level business operations strategies. ESCWA is working closely with UNDP and the Development Coordination Office to improve back-office efficiencies in the region. The regional operations management team has approved its terms of reference and workplan in line with business operations strategy principles. The regional common back office will be established prior to the 2022 global launch date. In Latin America and the Caribbean, the team's role is to support coordination strategies for administrative and recruitment issues at the regional level. In this framework, it has been agreed that ECLAC will provide administrative services to the 25 resident coordinator offices in the region in areas such as procurement, engagement and management for consultants and individual contractors, and will provide administrative support for international travel. Moreover, the office of the Resident Coordinator in Chile has moved onto ECLAC premises. In Africa, progress is being made in implementing a coordinated, efficient and effective common operational support agenda at the regional level for United Nations country teams, including through advancing the efficiency agenda of the Secretary-General among country offices across the region and the operationalization of the mutual recognition statement that paves the way for entities to recognize, use or rely upon each other's policies, procedures and operational mechanisms.

Strengthened country-regional nexus

- 75. In addition to leading the regional system-wide efforts described above, aimed at strengthening the country-regional nexus through the repositioning of regional assets, the regional commissions are also doubling their efforts through other means, such as membership of United Nations country teams, active participation in peer support groups and close interaction with resident coordinator offices, in particular on the socioeconomic response to the COVID-19 pandemic and on financing of the Goals.
- 76. ESCWA helped to ensure that the regional collaborative platform of the Arab States was designed to be a "one-stop shop", delivering support in an agile, proactive and pragmatic manner directly to member States, if requested, or through resident coordinators and United Nations country teams. Such support includes relevant and innovative knowledge products, policy simulation tools, actionable policy recommendations, and coherent and meaningful data, including data and statistics produced by the United Nations, big data and other innovative data.
- 77. ECE supported the development and implementation of the cooperation frameworks in the 17 United Nations programme countries in the region, including quality assurance through the regional peer support group. Issue-based coalitions have significantly intensified their engagement and technical support to resident coordinators and United Nations country teams during the COVID-19 pandemic, including by developing a clear offer of support outlining available services, thematic coverage and modalities of access. The coalition on environment and climate change, which is co-chaired by ECE and the United Nations Environment Programme, provided consolidated access to resources and services available at the country level.
- 78. ESCAP provided substantive support to the development of the common country analysis, cooperation frameworks and COVID-19 assessment and response plans, upon the request of the resident coordinators. The support included assessment of the progress towards attaining the Goals, an analysis of groups left behind and of drivers of exclusion, and an analysis of transboundary issues for United Nations country teams in Thailand and Turkmenistan and for the multi-country office in the

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- Pacific. As a member of the regional peer support group, ESCAP also provided quality-assurance reviews of all common country analyses and Cooperation Frameworks produced in 2020. As co-Chair or member of issue-based coalitions, ESCAP provided substantive contributions to regional syntheses and joint policy messages, including a regional dialogue on the social protection responses to COVID-19 in Asia and the Pacific.
- 79. In Latin America and the Caribbean, the regional collaborative platform is currently identifying mechanisms to facilitate the exchange of information and support it could provide to resident coordinators and United Nations country teams. ECLAC also continued to participate actively in the peer support group, whose function is to ensure the quality of the common country analyses and the cooperation frameworks and the partnership and communications working group, whose role is to strengthen inter-agency cooperation and make the work of the platform more visible.
- 80. In Africa, as the design and transition phase of the regional collaborative platform has been finalized, there is an urgent need to focus on implementation, which can speed up and support efforts related to the decade of action and delivery for sustainable development. The regional architecture is now set to look at effective ways of working to support the resident coordinators and the United Nations country teams, with a focus on cross-border and multi-country initiatives.

Strengthened regional-global nexus

- 81. The regional commissions remain active in leading the follow-up and review of the 2030 Agenda at the regional level and in supporting global processes, notably relating to financing for development and through the regional forums on sustainable development.
- 82. The regional-global nexus has also been strengthened through other global initiatives and thematic intergovernmental processes in which the regional commissions contribute through regional dialogues and reviews. For example, in 2021 the regional commissions held regional reviews of the Global Compact for Safe, Orderly and Regular Migration in close coordination with the International Organization for Migration, collaborated substantively on preparations for the high-level dialogue on energy, to be held in September 2021, the fifteenth meeting of the Conference of the Parties to the Convention on Biological Diversity and twenty-sixth meeting of the Conference of the Parties to the United Nations Climate Change Conference, the fifteenth session of United Nations Conference on Trade and Development and the fifth United Nations Conference on the Least Developed Countries. They also hosted dialogues on regional food systems in advance of the Food Systems Summit planned for September 2021.
- 83. At the executive and corporate level, the meetings held twice a year between the Executive Secretaries and the Deputy Secretary-General and regular meetings held with the Administrator of UNDP and the Under-Secretary-General of the Department of Economic and Social Affairs of the Secretariat are also enhancing coherence and coordination between the global and regional levels.

B. Enhanced cooperation among the regional commissions

84. Since the issuance of the previous reports (E/2020/15 and E/2020/15/Add.1), the Executive Secretaries of the regional commissions have met virtually more than 20 times. Their meetings have resulted in coordinated positions and contributions to regional responses in support of the 2030 Agenda, including on the repositioning of the United Nations to better support Member States in the achievement of their

development goals and in their response to the socioeconomic impacts of the COVID-19 pandemic.

- 85. The COVID-19 pandemic has prompted strengthened cooperation among regional commissions, in the contexts of policy advocacy and knowledge exchange and in the framework of capacity-building projects. Together with other United Nations entities, the regional commissions have engaged in different projects to alleviate the impact of the pandemic, such as a joint project by the commissions and the United Nations Conference on Trade and Development on transport and trade connectivity in the age of pandemics.
- 86. Other joint projects have been revised or repurposed to better respond to the pandemic, such as the ECA-led project to strengthen social protection in the response to the pandemic and the project jointly led by ECLAC and the United Nations Human Settlements Programme (UN-Habitat) to enhance interregional cooperation for the implementation of the New Urban Agenda.
- 87. The regional commissions worked on the harmonization of statistical data and produced an overview of progress on the implementation of the Sustainable Development Goals in the regions for the 2020 Sustainable Development Goals Moment. They have also been planning joint activities aimed at improving the resilience and agility of national statistical systems to meet pressing data needs and inform responses to the pandemic at the local, national, regional and global levels.
- 88. In January 2021, the regional commissions launched the fourth version of the United Nations Global Survey on Digital and Sustainable Trade Facilitation. The Survey is an initiative under the joint United Nations regional commissions approach to trade facilitation, which is aimed at aligning views on key trade facilitation issues and at enhancing the effectiveness of technical assistance and capacity-building initiatives.
- 89. ESCWA has been supported by ECE in the implementation in the Arab region of the "eTIR" international system, which is aimed at ensuring the secure exchange of data between national customs systems according to the provisions of the Customs Convention on the International Transport of Goods under Cover of TIR Carnets.
- 90. ECE and ESCAP have continued to closely collaborate in providing assistance to countries participating in the Special Programme for the Economies of Central Asia to strengthen subregional coordination, addressing common challenges and supporting the achievement of the Sustainable Development Goals.
- 91. Under the Forum for East Asia-Latin America Cooperation, ECLAC and ESCAP have concluded the joint implementation of the project on value chain development for deeper integration of East Asia and Latin America and have continued to jointly implement an interregional project aimed at reducing inequality in member countries of the Forum. Both commissions are currently preparing a proposal, to be considered by the Forum, for a project concerning COVID-19 and e-commerce.
- 92. ECLAC has continued to work with ESCAP and the Asian Development Bank to assemble global input and output tables. The new tool is aimed at expanding the information produced by interregional networks in that regard, promoting the development of value chains and contributing to the formulation of policies for increased integration between both regions.
- 93. The regional commissions also have continued to collaborate in areas such as regional integration, digital connectivity and cooperation, migration, financing for development, road safety, energy, water management, gender, youth and reducing inequality.

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