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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 1998/46 (annex III). The coronavirus disease (COVID-19) pandemic is the defining crisis of the present time. In addition to its grave human impact, it will have global economic and social impacts of unprecedented magnitude and scale. Strengthened multilateral policy coordination and cooperation at both the global and regional levels will be required to address the immediate and long-term impacts of the crisis. The response to the COVID-19 pandemic will be the defining test of the international community's determination to drive forward the 2030 Agenda for Sustainable Development and the decade of action for the Sustainable Development Goals. Against that background, the first part of the report is focused on demonstrating the value proposition of regional cooperation in contributing to an effective response to the COVID-19 crisis. On the basis of data and analysis generated by the regional commissions, the report provides a summary of the key socioeconomic impacts of COVID-19, region by region, and an outline of policy responses and solutions, highlighting the importance of regional cooperation and concerted action at the regional and subregional levels. The second part of the report provides updates on developments and outcomes in selected areas of regional and interregional cooperation, including in the context of the repositioning of the United Nations development system.





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#### I. Policy and analysis

## A. The coronavirus disease pandemic: regional analyses, policy responses and the role of regional cooperation

1. The coronavirus disease (COVID-19) pandemic is the defining crisis of the present time. The pandemic is affecting societies and economies in multiple ways, reversing development gains and enhancing vulnerabilities at a global scale. The regional commissions have been monitoring the socioeconomic impacts of the crisis in their respective regions, generating data, conducting analyses and actively advocating policy responses, including by leveraging their convening power to disseminate and promote regional cooperation and coordination in support of such policies. They have launched a number of tools to support immediate peer learning among decision-makers, among other activities, and facilitate access to urgent policy advice.

#### 1. Regional analyses of impact

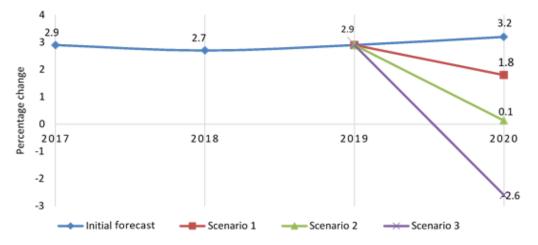
2. The COVID-19 pandemic is an unprecedented global health crisis affecting the global economy, hitting manufacturing and service sectors alike, with enormous impacts on the labour force. Its economic and social impacts on vulnerable individuals and households who were already bordering the poverty line may widen inequality gaps and entrench people in poverty. Asymmetries between and within countries and regions will be exacerbated, and development gains achieved in the last years will be reversed, unless adequate policies are implemented.

#### **Economic Commission for Africa region**

- 3. The COVID-19 pandemic threatens to seriously dent growth in Africa, with oil exporting nations losing up to \$65 billion in revenues as crude oil prices continue to tumble.
- 4. Africa may lose half of its gross domestic product (GDP) growth, which could fall from 3.2 per cent to between 1.8 per cent (best-case scenario) and -2.6 per cent (worst-case scenario), owing to various reasons, including the disruption of global supply chains and the interconnectedness of its economy with affected economies of the European Union, China and the United States of America and related ripple effects.

Figure I

Expected drop in economic growth in Africa due to coronavirus disease



Source: Economic Commission for Africa.

- 5. The resulting economic slowdown will translate into a decline in trade of primary commodities and such key services as transport, tourism and remittances and the deterioration of the current account balance. A decline in commodity prices could lead to additional fiscal pressures for the largest economies in Africa, such as Algeria, Angola, Egypt, Nigeria and South Africa. Further impacts will include a decline in foreign direct investment flows, additional capital flight, domestic financial market tightening and a slow-down in investments.
- 6. Debt servicing costs will continue to rise, further affecting debt sustainability (debt/GDP). The declining trend in foreign direct investment inflows to Africa seen in 2008–2018 are likely to persist in short run.
- 7. Furthermore, a decline in investments will aggravate job losses, further compounding social impacts on poverty, gender (with a disproportionate impact on female caregivers), inequality and social services.
- 8. An analysis for the region conducted by the Economic Commission for Africa (ECA) indicates that between 5 million and 29 million people will be pushed below the extreme poverty line of \$1.90 per day, owing to the impact of COVID-19 on growth. The likelihood of vulnerable households moving into transient poverty will increase as a result of COVID-19, and those currently in poverty might remain in that situation longer. Consequently, increased poverty levels will also exacerbate existing income inequalities. Lower tax revenues and higher social protection spending will also translate into a deterioration in the fiscal position of African countries.
- 9. Pharmaceuticals, imported largely from Europe and other pandemic-affected partners from outside the continent, could see their prices increasing and availability reduced for African countries. With nearly two thirds of African countries being net importers of basic food, shortages are feared. Disruptions in access to trade credit will affect the pre-financing options of food exporters and importers, threatening to severely affect food availability and food security. Furthermore, negative consequences are expected to worsen, if COVID-19 infections spiral out of control in Africa and lockdown measures persist. ECA estimates that a one-month full lockdown would cost the continent \$65.7 billion, or 2.5 per cent of its annual GDP.

#### Economic and Social Commission for Asia and the Pacific region

- 10. The impact of COVID-19 in Asia and the Pacific is exacerbated by the concentration of economic activities, demographics and urbanization and by insufficient progress on Sustainable Development Goals in the region. The initial measures to contain the spread, through quarantines, travel restrictions and the lockdown of cities, resulted in a reduction in aggregate demand, with particular impacts on such service sectors as tourism, retail, hospitality and civil aviation. International demand for commodities, especially oil, also fell, further contributing to economic and financial uncertainty and instability.
- 11. The deceleration in GDP growth will be significant. The latest analysis by the Economic and Social Commission for Asia and the Pacific (ESCAP) reveals that, even before the COVID-19 pandemic, economic growth in the developing countries of the Asia-Pacific region had slowed considerably, to 4.3 per cent in 2019, down from 5.3 per cent in 2018.<sup>2</sup> In addition, the fallout will be uneven across countries, depending on their current economic conditions and their exposure to COVID-19. Although exact data on the impact of the pandemic on employment is not yet available, the impact is likely to be substantial, as services and labour-intensive

<sup>1</sup> Economic Commission for Africa (ECA), "Covid-19: lockdown exit strategies for Africa" (2020).

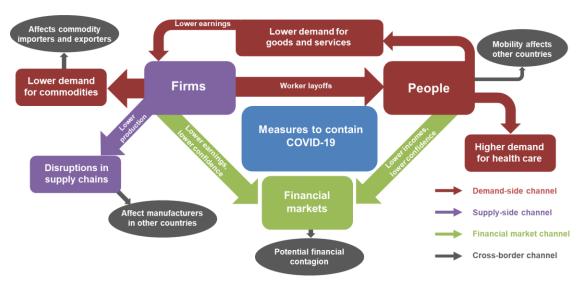
<sup>&</sup>lt;sup>2</sup> Economic and Social Survey of Asia and the Pacific 2020: Towards Sustainable Economies (Sales No. E.20.II.F.16).

manufacturing comprise over 80 per cent of the region's informal sector, and small and medium-sized enterprises and contribute to most of the jobs in the region.

- 12. Health inequalities abound in the Asia-Pacific region. Estimates indicate that more than 40 per cent of people in the region have no access to health care. Some countries in the region, including Bhutan, China, Georgia, Maldives, Sri Lanka and Thailand, have established universal health-care systems.
- 13. Over 60 per cent of the Asia-Pacific population also lack access to social protection, as do most of the 70 per cent of all workers in the informal sector. Currently, developing countries in the region spend, on average, only 3.7 per cent of their GDP on social protection, which is not only far below the Organization for Economic Cooperation and Development average of about 20 per cent, but also less than one third of the global average of 11.3 per cent.
- 14. People in vulnerable situations (older persons, persons with disabilities and migrant workers, in addition to those subject to gender-specific risks and vulnerabilities) are especially at risk as a result of the COVID-19 outbreak, owing to their health and overall social and economic circumstances. This additional vulnerability may be aggravated by inequalities in access to broadband connectivity in a region with a growing digital divide.
- 15. On the other hand, the slowdown of economic activities in Asia and the Pacific has given the environment some breathing space. COVID-19 has lowered demand for oil and gas and, at the same time, resulted in reduced carbon dioxide and nitrogen dioxide emissions and reduced air pollution. For global energy commodities, most notably oil and, to a lesser extent, gas, lower demand has resulted in a fall in prices.

Figure II

Channels of impact of the coronavirus disease on economies in Asia and the Pacific



Source: Economic and Social Commission for Asia and the Pacific.

#### **Economic Commission for Europe region**

16. Europe has been greatly affected by the spread of the COVID-19 outbreak. A high degree of personal mobility across the region facilitated the spread of the virus, while a high degree of economic integration and external openness contributed to the transmission and amplification of economic shocks.

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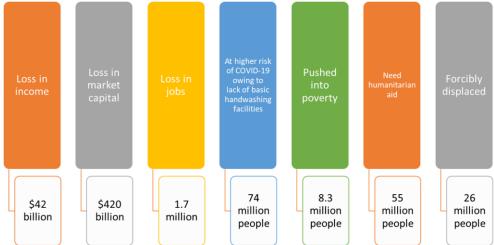
- 17. Some structural and sectoral specialization features and supply chain implications have contributed to economic shocks. As the epidemic moved to Europe, some sectors, such as tourism and ancillary activities, came to a complete halt. Countries in which tourism represents a significant share of economic activity were particularly affected.
- 18. Europe is highly urbanized, with areas of high population density, which not only favoured transmission, but also increased the difficulties and economic cost of implementing social distancing measures. Cities were heavily affected, thus undermining city finances and bringing into question the sustainability of urban services. In the absence of corrective policy measures, the pandemic will negatively affect long-term investment in affordable housing and social infrastructure. Furthermore, countries with ageing populations recorded higher mortality rates.
- 19. Economic difficulties in the European Union will affect other countries in the region, in particular the Western Balkans. Moreover, social protection and assistance systems are especially impacted. In many countries, in particular in the Western Balkans, the Caucasus and Central Asia, the starting situation was already fragile, with the share of unemployed people receiving benefits relatively low and with social benefits in general limited. In the subregion comprising the Commonwealth of Independent States and Georgia, links with the European Union are less intense, but productive specialization makes it vulnerable to the fall in the price of oil and other commodities. Non-energy exporting countries will also suffer from this worsening outlook, through different channels.
- 20. Additional checks and restrictions are increasing the costs of cross-border trade. Those costs were already relatively high in parts of the Europe and Central Asia region, in particular in some landlocked developing countries.
- 21. In some countries in the Commonwealth of Independent States and Georgia subregion, exchange rates have come under pressure amid capital outflows and increased uncertainty. As foreign debt is largely dollar-denominated, the weakening of exchange rates will increase debt servicing costs and place additional pressure on highly dollarized banking systems in many countries in the subregion. Under such circumstances, the ability of monetary policy to support the economy may be limited.

#### **Economic and Social Commission for Western Asia region**

- 22. Initial estimates of the impact of the COVID-19 pandemic show that the Arab region may lose some \$42 billion in income in 2020. Losses are likely to increase further, as the virus continues to spread through other regions and major economies, compounded by a significant drop in oil prices. Exports from the Arab region are expected to decline by \$28 billion, owing to the global slowdown. Arab Governments are projected to lose tariff revenues amounting to \$1.8 billion.
- 23. Between January and mid-March 2020, businesses in the Arab region lost \$420 billion in market capital. The consequent loss in wealth is equivalent to 8 per cent of total regional wealth. The region may lose 1.7 million jobs in 2020, thus increasing the unemployment rate by 1.2 per cent. Given that the service sector is the main employer, the adverse impact on its activities will result in significant job losses.
- 24. The Arab region may witness a further shrinking of the middle-income class, pushing 8.3 million people into poverty. The economic slowdown caused by COVID-19 is expected to negatively affect wages and the flow of remittances. The consequences could be especially severe on vulnerable groups, especially women and young adults, and on those working in the informal sector who have no access to social protection and unemployment insurance. The challenge is further compounded by a lack of social protection floors in some Arab countries. Increased poverty could lead to an

- additional 1.9 million people becoming undernourished. A protracted worldwide pandemic would also affect food security in many Arab countries because of their high dependence on food imports, especially of staple and protein-rich foods.
- 25. The pandemic threatens 55 million people in need of humanitarian aid in the Arab region in terms of, inter alia, food, water and sanitation, medical supplies and health services. Some 26 million of those people are forcibly displaced (refugees and internally displaced persons). In addition, for countries in conflict, it is even more challenging to mitigate the impact of a COVID-19 outbreak, owing to the devastation of health infrastructure and the displacement or migration of many health-care workers.
- 26. Women in the Arab region face further vulnerabilities, owing to the COVID-19 pandemic. In the region, most health-care workers are women. This places them at a higher risk of exposure to the virus. Vulnerability to domestic violence, currently experienced by 37 per cent of women in Arab countries, is projected to increase, and existing recourse and protection mechanisms will not be able to absorb the expected surge in cases, owing to the social isolation imposed by the pandemic.
- 27. Over 74 million people in the Arab region are at a higher risk of contracting COVID-19, owing to a lack of access to basic handwashing facilities. This situation affects vulnerable communities in eight Arab countries that reported on Sustainable Development Goal indicator 6.2.1 in 2018.

Figure III
Estimates of the impact of the coronavirus disease pandemic in the Arab region



Source: Economic and Social Commission for Western Asia.

Note: All figures are from March 2020 and are likely to increase as the pandemic evolves.

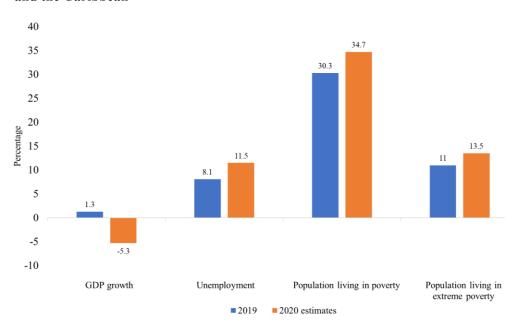
#### **Economic Commission for Latin America and the Caribbean region**

- 28. In terms of economic impact, Latin America and the Caribbean is facing the pandemic from a weaker position than the rest of the world. Before the pandemic, the Economic Commission for Latin America and the Caribbean (ECLAC) had projected that the region would grow by a maximum of 1.3 per cent in 2020. However, this forecast has been revised downwards in the light of the effects of the crisis, with GDP now predicted to fall by at least 5.3 per cent, adding 11.6 million to the ranks of unemployed and worsening inequality within and between countries.
- 29. The effects of COVID-19 are exacerbating the already weak foreign trade prospects for the region. It is estimated that the value of the region's exports will fall by at least 14.8 per cent in 2020. At the subregional level, the greatest impact will be

felt by the countries of South America (a decline of 17.6 per cent), which specialize in the export of commodities and are therefore more vulnerable to a decline in their prices.

30. The sectors most affected by social distancing and quarantine measures are the service sectors, which are largely dependent on interpersonal contact. The sectors that could suffer the greatest contractions, namely, trade, transport, business services and social services, provide 64 per cent of the formal employment in the region.

Figure IV Socioeconomic effects of the coronavirus disease pandemic in Latin America and the Caribbean



Source: Economic Commission for Latin America and the Caribbean. Note: GDP figures show projected 2020 growth, as estimated in 2019 and 2020.

- 31. Digital technologies have lessened the impact of the pandemic on some professions and on education. Although more than 67 per cent of the region's inhabitants had been using the Internet by 2019 and broadband penetration has increased sharply, the greater use of digital technologies could exacerbate inequalities in access among countries and income groups.
- 32. In terms of social impacts, the effects on the health sector will be profound, owing to shortages of skilled labour and medical supplies and to escalating costs. Most countries in the region have weak and fragmented health systems that do not guarantee the universal access needed to address the COVID-19 health crisis. Disruption of activities in educational establishments will have an impact beyond education, affecting nutrition, care and the participation of parents (especially women) in the labour market.
- 33. Given the region's economic and social inequalities, the strong effects on unemployment will disproportionately affect the poor and the vulnerable segment of the middle-income strata. The crisis is likely to lead to an increase in informal employment. The poorest families may send their children into the labour market. The crisis will put additional pressure on countries with limited fiscal space, endangering social spending, which is already strained after seven years of sluggish economic growth.

34. With the direct and indirect effects of the COVID-19 pandemic, it is very likely that current poverty (30.3 per cent) and extreme poverty (11.0 per cent) rates in Latin America will increase in the short term. On the basis of the most recent projections, ECLAC estimates that the projected downturn in economic activity and expected 3.4 percentage point increase in unemployment could increase poverty by at least 4.4 percentage points in 2020, to 34.7 per cent of the population, driving an additional 28.7 million people below the poverty line. Extreme poverty is expected to increase by 2.5 percentage points, which would account for an additional 15.9 million people and affect a total of 83.4 million people.

#### 2. Regional cooperation in the multilateral response to the pandemic

35. Regional cooperation and strengthened multilateral policy coordination are essential dimensions of any effective response to the impacts of the COVID-19 pandemic, including, most immediately, to build mutual trust, share information and lessons learned and ensure the supply and delivery of medical materials and equipment, as well as to coordinate macroeconomic responses, research and development and environmental measures and set the foundation for long-term recovery based on inclusiveness, equality and resilience.

#### The convening power of the regional commissions

- 36. As part of their efforts to promote regional cooperation and multilateral responses to the crisis, the regional commissions have been convening dialogues between fiscal and monetary authorities, on the one hand, and ministers in the social sectors, on the other, in order to mitigate the effects of the pandemic on the most vulnerable. These dialogues allow for policy advocacy and the consideration of such key issues as debt relief from bilateral, multilateral and commercial partners, with participation of the International Monetary Fund, the World Bank Group and the Group of Twenty (G20). For example, recent webinars organized by ECA led to a statement by African finance ministers to urgently call for \$100 billion in immediate emergency financing for COVID-19.
- 37. In the Latin America and the Caribbean region, since the onset of the pandemic, ECLAC has brought together ministers of social development, of Finance and of science and technology, as well as government ministers and authorities from the ministries for women's advancement in Latin America and the Caribbean and the Conference on Governmental Statistics of the Americas. These intergovernmental meetings are useful platforms for monitoring responses, exchanging best practices, identifying key areas for regional advocacy and deliberating on common regional approaches, with a view to mitigating the impacts of the pandemic. In such regional spaces, attention is called to the specific challenges of middle-income countries, which constitute the majority of countries in the region, including small island developing States, which are in an especially difficult position, as they lack access to concessionary financing and preferential treatment from international financial institutions, yet still face large gaps in their capacity to respond to the crisis. ECLAC is also adapting its institutional and position documents, including for its biennial session, to reflect policy responses and proposals for a greener and more inclusive long-term recovery. The comprehensive development plan for El Salvador, Guatemala, Honduras and Mexico, a subregional and inter-agency initiative coordinated by ECLAC, will also be revised to reflect the impacts of COVID-19.
- 38. The Economic and Social Commission for Western Asia (ESCWA) convened an online expert group meeting on social protection reform, in coordination with the Regional Office for Arab States of the International Labour Organization. During the meeting, more than 30 experts from Arab States reviewed national measures to increase social protection, in particular for the most vulnerable. ESCWA also held a

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special meeting of its Committee on Women, in coordination with the regional offices of the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Entity for Gender Equality and the Empowerment of Women. Arab ministers and high-level officials responsible for women's affairs reviewed policies implemented by Arab States to protect women and girls in COVID-19 times.

39. In the case of Asia and the Pacific, ESCAP is convening policy dialogues with the Association of Southeast Asian Nations and the Shanghai Cooperation Organization, in order to examine how to address challenges with supply and value chains and trade digitalization, respectively. At its annual session, ESCAP will examine how countries can address the socioeconomic effects of the pandemic through stronger regional cooperation. The seventh session of the Asia-Pacific Forum on Sustainable Development provided an opportunity for multi-stakeholder discussions about the impacts of the pandemic on the implementation of the 2030 Agenda for Sustainable Development. ESCAP is working with Governments in the region to bolster policy measures for supporting women and vulnerable groups and to identify effective measures and approaches that address the specific challenges of persons with disabilities in the context of the COVID-19 pandemic. In addition, the issue-based coalition on climate change mitigation jointly led by ESCAP is working to support countries in integrating climate-related parameters into stimulus packages in response to the pandemic.

#### Resources and tools offered by the regional commissions

- 40. The five regional commissions have actively contributed to the development of a United Nations framework for an immediate socioeconomic response to COVID-19, including by spearheading the macroeconomic and multilateral collaboration pillar of the United Nations collective response and by offering assistance to developing countries. Furthermore, all the regional commissions have launched knowledge management tools, such as observatories and hubs, and related products for their respective regions.
- 41. A knowledge hub on COVID-19 was developed by the United Nations development system in Africa and features knowledge products, statistical data, research and best practices intended to inform the decision-making of Governments, United Nations agencies and development partners.
- 42. At the request of the Community of Latin American and Caribbean States, ECLAC established a COVID-19 observatory in Latin America and the Caribbean, to monitor the impacts of and responses to the pandemic over the medium and long terms. The observatory tracks and analyses national responses and public policies that the 33 countries of the Latin America and Caribbean region are implementing to address the pandemic. ECLAC is working closely with resident coordinators and the regional office of the Development Coordination Office to ensure the continuous updating of that information. The observatory is issuing periodic special reports on COVID-19, focused on growth, trade, poverty and inequality, people with disabilities, food security and climate change.
- 43. In the Arab region, ESCWA has launched a COVID-19 policy tracker to monitor policy responses at the regional and global levels. Specific analysis on various dimensions of the crisis (food security and gender, among other issues) is being developed under the umbrella of policy briefs on the socioeconomic impacts of the pandemic.
- 44. In the Asia-Pacific region, ESCAP has also undertaken rapid analyses of impacts and policy responses in the region. Areas of sectoral attention include support for women entrepreneurs, in particular, by working with key partners to support resource

mobilization for women-led micro-, small and medium-sized enterprises affected by the pandemic. ESCAP is also leading the provision of regional guidance on mainstreaming disability rights and inclusion in the response to COVID-19, including a policy brief and an online resource database.

45. In the Economic Commission for Europe (ECE) region, to facilitate the work of transport operators and preserve connectivity by keeping supply chains working as smoothly as possible, ECE launched an observatory on border crossing status due to COVID-19. The observatory is supported by ECA, ECLAC, ESCAP and ESCWA, as well as by the International Road Transport Union and other stakeholders. Building on that initiative, the ESCAP secretariat is monitoring policy responses along the regional transport infrastructure network in Asia and the Pacific, as formalized by intergovernmental agreements on the Asian Highway Network, the Trans-Asian Railway network and dry ports of international importance.

#### Policy advocacy by the regional commissions

46. Some policy solutions advocated by the regional commissions to address the immediate and medium-term impacts of the pandemic are described below.

Addressing the social and health crisis first

- 47. The immediate policy priority should be to put people first and address the social and health crisis. Universal access to testing and medical care must be guaranteed to all that need it. The immediate health response should be prioritized, including through the procurement of surveillance and logistical supplies, as well as by ensuring funding for prevention and for curative facilities and turning the crisis into an opportunity to improve health systems. Regional cooperation and coordination could optimize the effectiveness, efficiency and impact of such policies. A global emergency facility to cope with the pandemic was advocated by some regional commissions, to support health systems in developing countries.
- 48. Social protection systems need to be bolstered to support populations in situations of vulnerability. Comprehensive public policies based on a gender and rights perspective must be designed and implemented. Regional cooperation is key to promoting, among other things, a rights-based approach for transboundary human mobility during the crisis.

Fiscal stimulus and monetary policy, coupled with liquidity management in the financial sector

- 49. Proactive fiscal stimulus is necessary to avoid major disruptions to livelihoods and well-being and to mitigate socioeconomic impacts. Significant public expenditure is needed to confront the slack in private demand, including consumption and investment. Immediate support must be put in place for workers in small and medium-sized enterprises and for low-income workers. Policy options should include non-contributory social protection programmes, such as cash transfers, expanded unemployment benefits, credit to firms to pay wages and loan payment deferrals. Basic universal income support should be considered for at least the duration of the crisis. Labour-intensive investment projects should be prioritized, and the cost of remittances for individuals reduced. Other measures could include targeted credit support for companies that directly participate in pandemic control and emergency loans and credit guarantees to address supply chain disruptions.
- 50. Monetary policy should be directed at supporting the health and stability of the financial sector, including by supplying sufficient liquidity to the banking system and addressing the risk of capital flight. Implementing such a measure would require a reduction in interest rates by central banks. Central banks have the possibility of

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mobilizing and using their emergency instruments, such as quantitative easing and debt buying programmes, to stabilize interest rates. Maintaining a regional perspective is key to consulting with national and regional stakeholders on those issues. Regional partners could be instrumental in providing technical support for analysing the economic impact of such measures in terms of monetary stability and exchange rate fluctuations. The special initiative for Africa launched by the G20 is an illustration of the importance of echoing regional voices at the multilateral level.

#### Multilateral response and regional development banks

51. Multilateral organizations and international financial institutions should consider increasing grants and technical support to vulnerable countries that are confronted with fiscal pressures, with instruments that meet the needs of both least developed countries and middle-income countries. The issuance of special drawing rights should be considered, to supply much-needed liquidity support to developing countries. Regional development banks can contribute to the softening of adverse effects by reducing liquidity pressures created by a temporary fall in demand and by preventing bankruptcies. But the role of development banks would need to go further, in a context of a general increase in risk aversion and a permanent impact that would undermine the viability of existing business models in some sectors. Regional development financial institutions and multilateral financial institutions have to consider debt deferral and debt reduction mechanisms so as to enhance the fiscal space for middle- and low-income countries. The specific fiscal context of certain subregions, including the small island developing States of the Caribbean, also requires the exploration of alternative approaches, such as the extension of concessional financial assistance and innovative financing instruments, including debt swap instruments for investments in climate resilience. Accelerating the implementation of such initiatives as the ECLAC debt-for-climate swap initiative and the creation of a resilience fund has now become a matter of urgency. Facilitating regional coordination and the interregional exchange of innovative proposals is an area where the regional commissions have specific expertise.

#### Securing trade and connectivity

- 52. Ensuring the uninterrupted supply of essential goods, in particular pharmaceuticals, food and energy, requires that the free movement of trade between countries be safeguarded. In times of border closures and travel limitations, regional cooperation on trade is essential to building long-term regional resilience and volatility management. A case in point is the African Continental Free Trade Area, for which the momentum must be preserved.
- 53. Recommended trade policy actions include the suspension of tariffs on essential COVID-19 imports, measures such as customs "green lanes" for the rapid clearance of medical supplies, ensuring international movement of critical health and technical experts and promoting emergency public-private partnerships for medical supplies. In addition, the long-term impact on and reconfiguration of global value chains resulting from the vulnerabilities exposed in the COVID-19 crisis may also accelerate the drive towards regional trade integration and the strengthening of regional trading blocks. In the long term, it will be important to leverage trade agreements. The regional commissions could play a role in supporting Member States in policy design and coordination with regard to regional responses to those scenarios.
- 54. Facilitating connectivity and trade through the implementation of harmonized regulatory frameworks for border crossings, the promotion of the digital implementation of existing legal transport instruments and the exchange of electronic information are also important policy recommendations.

#### Ensuring food security

55. Measures proposed to address potential national food shortages include ensuring continued and expanded agricultural production, by extending access to credit, increasing rented public land areas and removing barriers to trade. Furthermore, small food producers should be supported with in-kind assets and production inputs, such as seeds, compost, irrigation systems and pesticides. Immediate support to vulnerable populations entails expanding access to food in the framework of existing food voucher schemes and food ration cards. The high risk of food security challenges in some import-dependent regions or subregions also highlights the need to support regional and subregional trade in agricultural products.

Regional solidarity funds, including with participation of the private sector

56. Regional solidarity funds are also important tools for addressing emerging needs, with regard to health in particular, but also with regard to food security, support for small and medium-sized enterprises aid for trade and other areas. The regional commissions could be suitable platforms for managing such emergency funds and for bringing stakeholders together, including Member States, regional intergovernmental organizations, multilateral development banks, the private sector, philanthropies and civil society.

#### Sharing best practices

- 57. Regional cooperation is also critical in terms of advocacy, awareness-raising and the sharing of know-how on specific aspects of COVID-19 crisis management. For example, some regions have recommended cooperative frameworks to identify and disseminate best practices for the safe and sustainable management and disposal of bleaches and disinfectants and of medical and hazardous waste. Regional platforms aimed at combating violence, in particular domestic violence, are also important. Georeferenced big data deepens understanding on patterns of contagion. There is scope for leveraging existing regional cooperation mechanisms to promote the sharing of geospatial data and technical expertise.
- 58. Furthermore, Governments should invest in regional cooperation efforts for recovering better and for promoting innovative solutions piloted during the outbreak as recommended best practices. A more responsible approach to human mobility could also be a lasting positive effect, as would enhancing the use of multilateral environmental agreements and standards and improving evidence-based decision-making through the better use of statistical frameworks.
- 59. The COVID-19 crisis has shown the need for ex ante emergency preparedness to minimize economic and social impacts in the future. While focusing on containment and mitigation efforts is imperative in the short term, countries could also strive to turn the crisis into an opportunity to rethink their economic development strategies towards building more inclusive, cohesive and sustainable economies and societies, ensuring a green and resilient recovery and leveraging the digital economy. Gender-aware planning and decision-making will also be key, including ensuring the increased use of sex-disaggregated data to analyse impacts.

#### B. Other key policy issues addressed by the regional commissions

#### Ministerial sessions of the regional commissions

60. At various high-level meetings, the regional commissions have deliberated on a number of other areas relevant to their regions In summaries submitted to the Economic and Social Council, the regional commissions provide more details on their

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work (see E/2020/16, E/2020/17, E/2020/18, E/2020/19 and E/2020/20). Owing to the COVID-19 outbreak, most ministerial sessions planned during the present reporting period were postponed, namely those of ECA, ECLAC and ESCWA, or adjusted to a virtual format, as was the case for the seventy-sixth session of ESCAP, held on 21 May 2020 by videoconference.

61. ESCWA held its sixth special session in Amman, on 21 and 22 December 2019. At the special session, ESCWA adopted a new strategic vision for the Commission, as well as its new programme plan for 2021 (see E/2020/12). The session also welcomed requests for ESCWA membership from Algeria and Somalia (see E/2020/15/Add.1, draft resolution). Also discussed during the session were regional and global issues, including financing for development, the Belt and Road Initiative, the Beijing Declaration and Platform for Action, social protection reform and climate change.

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

#### A. Promoting coherence at the regional level and an enhanced policyoperational nexus

- 62. 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 broad transformative areas proposed by the Secretary-General in his report 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, 2019 (A/74/73-E/2019/14).
- 63. Pending final intergovernmental agreement on the regional architecture, the regional entities of the United Nations development system are preparing to transition to regional collaborative platforms in the second half of 2020.
- 64. The regional collaborative platforms will foster collaboration on sustainable development in each region. Each platform will be chaired by the Deputy Secretary-General, in the capacity of Chair of the United Nations Sustainable Development Group, with the Executive Secretary of the relevant regional commission and the relevant UNDP Regional Director, the latter at the Assistant Secretary-General level, as Vice-Chairs. The regional collaborative platforms will meet under several configurations, including once a year under the Deputy Secretary-General, back-to-back with the regional forums on sustainable development, which will remain the intergovernmental platform for the follow-up and review of the 2030 Agenda at the regional level. Secretariat services for each regional collaborative platform will be provided by the relevant regional office of the Development Coordination Office, the relevant regional commission and UNDP, under the overall direction of the platform Chair and the two Vice-Chairs.
- 65. The regional commissions are jointly leading a number of issue-based coalitions, which will bring together the existing expertise of the regional entities of the United Nations development system to foster collaboration around issues that transcend national borders, as follows: ECE, on gender equality, health, social protection, youth and large movements of people; ESCAP, on climate change mitigation; ECLAC, on equitable growth; ECA, on strengthened integrated data and statistical systems for sustainable development and on ensuring effective and efficient macroeconomic management and accelerated inclusive, economic transformation and

diversification; and ESCWA, on climate action and energy efficiency and on macroeconomic management and social protection.

- 66. Regional knowledge management and statistical hubs led and hosted by the regional commissions allow 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 will become critical regional public goods for the countries in each region and beyond. In the Arab region, building on the ESCWAhosted United Nations development system data hub, a knowledge and data management hub called Manara ("lighthouse" in Arabic) is already in the prototype phase and will be the one-stop shop for data and Sustainable Development Goal monitoring and for pooling knowledge products, learning resources, expert rosters and policy simulation tools. In Asia and the Pacific, building on the existing Sustainable Development Goals help desk, developed by ESCAP, a regional knowledge management hub is already in place and brings together, in one portal, the Sustainable Development Goal data gateway; United Nations development system knowledge products; a roster of regional experts and sustainable development practitioners from the United Nations development system; and the list of partners. In Latin America and the Caribbean, the Sustainable Development Goal gateway is a one-stop United Nations inter-agency knowledge and data platform on Goal achievement and measurement, developed under the guidance of a United Nations inter-agency steering committee and ECLAC coordination. It includes a compilation of knowledge products related to the Goals from United Nations development system entities in the region and a roster of expertise to be developed around the regional issue-based coalitions and will, among other things, provide support to United Nations country teams in the preparation of United Nations Sustainable Development Cooperation Frameworks. In the ECE region, a web-based guide will be created in 2020, providing entry points, contact information and flagship products of the regional entities of the United Nations system by major policy area. In addition to knowledge products and expertise, the regional knowledge management hub will include a data and statistics dimension. In this regard, ECE is setting up a regional platform on statistics for the Sustainable Development Goals, which consists of three components: a knowledge hub focusing on statistics for the Goals, launched in December 2019; a dashboard of Goal indicators, launched in March 2020; and a planned database of Goal indicators.
- 67. In Africa, the regional knowledge management hub will serve as a one-stop shop, hosting multisectoral data, publications, learning resources and a roster of experts. ECA and UNFPA are leading the implementation of the hub, which will be deployed using a staggered approach, so that the thematic scope of the hub can be adjusted according to resources and emerging dynamics.
- 68. To reflect the value proposition of the regional entities of the United Nations development system and ensure transparency and accountability for results in support of implementing the 2030 Agenda and achieving the Sustainable Development Goals in the regions, annual regional reports on system-wide activities will capture the collective contributions made by regional-level initiatives, including transboundary programmes in the thematic areas of the issue-based coalitions, collaboration on regional intergovernmental processes and regional-level support for country results. The reports will be shared with Member States in each region in advance of the annual regional forums on sustainable development convened by the regional commissions. They will also serve to inform reporting to the Economic and Social Council at the global level, providing Member States with the opportunity to better guide the efforts of the United Nations development system at all levels, including in the regions. For example, the report on system-wide results at the regional level, coordinated by ESCAP and the regional office of the Development Coordination Office, was

presented at the seventh session of the Asia-Pacific Forum on Sustainable Development, held on 20 May 2020.

- 69. On the identification of administrative services that could be provided more efficiently to regional offices through common back offices, all regional collaborative platforms will develop regional-level business operations strategies. In Africa, a mapping of existing joint agreements between United Nations agencies on the clustering of services into common back offices and lessons learned is ongoing; a system-wide business operations strategy, the first of its kind, will be piloted in Nairobi; and a group of United Nations entities are moving into common premises in Addis Ababa. In the Arab region, ESCWA is already offering services and helping to establish common services in Beirut. It also hosts the United Nations Resident Coordinator Office in Lebanon, in addition to the Office for the Coordination of Humanitarian Affairs, a United Nations information centre and the Office of the United Nations Special Coordinator for Lebanon. In Latin America and the Caribbean, a regional operations management team will be convened to prepare an inter-agency plan to advance common services. As a first step in this direction, ECLAC is already carrying out a joint procurement process for travel services in Chile on behalf of the system. Moreover, ECLAC has established a joint substantive unit with the United Nations Human Settlements Programme in Santiago, and has plans for more in the future. In Asia and the Pacific, the United Nations development system established a regional operational team in early 2020 to develop a common business operations strategy, drawing on existing services provided by ESCAP to over 20 United Nations entities in the region. The first training of trainers on the strategy took place in 2020, for senior operations specialists from United Nations system entities based in Thailand and resident coordinator offices in the region. In the ECE region, to advance the establishment of common back offices, a regional operations management team is being established to engage in a thorough assessment of areas where common services could be explored in the main locations of the United Nations, namely Geneva and Istanbul.
- 70. As part of efforts to improve the United Nations development system offer in multi-country office settings, priority theme groups specific to small island developing States will be established, aligned with United Nations regional assets, and will build on existing intergovernmental processes and capacities to support those States, including those supported by ECLAC and ESCAP in their respective regions. United Nations development system entities have also been asked to review and align their presence in small island developing States with multi-country office arrangements and to take immediate concrete steps to align with and better utilize United Nations regional assets, in line with decisions made by Member States on the regional review. Lastly, United Nations development system entities will work to strengthen data systems, collection and use, including by strengthening and initiating the roll-out of national capacity-building programmes, in collaboration with the regional commissions, and by improving inter-agency and region-specific coordination mechanisms on data and statistics in support of countries and territories serviced by multi-country offices, in line with proposals to reprofile and restructure United Nations regional assets.

#### Strengthened country-regional nexus

- 71. In addition to the key engagement by the regional commissions on the repositioning of the regional assets described above, efforts continue to be made to strengthen the country-regional nexus.
- 72. The regional commissions are increasingly and systematically active members of the relevant regional peer support group mechanisms, which support the development and review of United Nations sustainable development cooperation

frameworks, allowing for the leveraging of their cross-sectoral expertise and ensuring a more thorough analysis of regional and transboundary issues. For example, ESCAP provided substantive inputs to five common country analyses and United Nations Sustainable Development Cooperation Frameworks over the past 12 months; ECLAC directly supported the preparation of four common country analyses and United Nations Sustainable Development Cooperation Frameworks and provided quality assurance to a number of others; ESCWA supported nine resident coordinators/United Nations country teams; ECE provided substantive support to 11 common country analyses and United Nations Sustainable Development Cooperation Frameworks, and is working with United Nations country teams on planning and implementation of United Nations Sustainable Development Cooperation Frameworks through joint work plans in all 17 United Nations programme countries in the ECE region; ECA provides integrated delivery of five service lines to 20 countries, through its five subregional offices, and supports United Nations country teams, among other activities, through contributions to the formulation of common country analyses. Overall, the active engagement of the regional commissions has provided macroeconomic analysis, data and statistics, input on regional and subregional contexts and impact and further analysis on specific issues, leading to a marked improvement in analysis and to the integration of regional, subregional and transboundary issues and of economic, environment, trade and other matters into the cooperation frameworks.

The engagement among the regional commissions and the resident coordinators and United Nations country teams has increased, including through the development of induction programmes for resident coordinators, communication on upcoming travel by staff of the regional commissions to the countries, joint retreats and dedicated meetings to enhance awareness of the assets available in the regions to be leveraged by the resident coordinators in support of the implementation of the United Nations Sustainable Development Cooperation Frameworks. For example, in Latin America and the Caribbean, ECLAC, the regional office of the Development Coordination Office and UNDP partnered to develop seminars for new resident coordinators and the staff of the resident coordinator offices, such as economists and monitoring and evaluation officers, that were replicated elsewhere. Another example is the ECE "Meet the Resident Coordinator" initiative, which was launched to foster open discussion about joint initiatives, challenges and opportunities between resident coordinators and ECE staff. The regional commissions have also further encouraged the active participation of United Nations development system entities and resident coordinators in the meetings of their various intergovernmental bodies, including the regional forums on sustainable development. Furthermore, regional commissions in various regions have supported regional offices of the Development Coordination Office and resident coordinator offices in strengthening their economic policy function, including through supporting the recruitment of senior economists for the resident coordinator offices and setting up regional United Nations economists' networks and rosters. For example, in Asia and the Pacific, the methodology used by ESCAP for Sustainable Development Goal costing was presented to the resident coordinator offices and United Nations country teams at the regional roll-out of the United Nations Sustainable Development Cooperation Framework and at the workshop on financing for the Sustainable Development Goals organized by the regional office of the Development Coordination Office.

74. Finally, some new forms of collaboration have emerged showing the value added of increased synergies among United Nations system entities. In Latin America and the Caribbean, the Resident Coordinators of El Salvador, Guatemala, Honduras and Mexico worked under the leadership of ECLAC and with other United Nations system entities to support an intergovernmental comprehensive development plan for Central America covering economic development, social welfare, environmental sustainability and migration management. Another example is the continued

collaboration among ECE, ESCAP and resident coordinators in the countries of the United Nations Special Programme for the Economies of Central Asia to strengthen subregional coordination, addressing common challenges and supporting the achievement of Sustainable Development Goals.

#### Strengthened regional-global nexus

- 75. Amid the COVID-19 crisis, the regional commissions remain active in leading the follow-up and review of the 2030 Agenda at the regional level and supporting countries in preparations towards the high-level political forum on sustainable development. Convened annually by the regional commissions, the regional forums on sustainable development have been recognized as the preeminent regional multi-stakeholder platforms for exchanging knowledge, best practices and solutions to support the implementation of the 2030 Agenda.<sup>3</sup> Regional assessments, progress reports and data, prepared in the lead-up to the regional forums, all contribute 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.
- 76. The regional-global nexus continued to be strengthened, among other things, through the high-level reporting of the outcomes of the regional forums on sustainable development by the Chairs of the regional forums, as part of the ministerial segment of the high-level political forum. Efforts also continue by the regional commissions to ensure that adequate space is dedicated to the regional dimension of sustainable development at the high-level political forum, including by mainstreaming the regional dimension into the thematic sessions of the latter, as well as in technical workshops, voluntary national review workshops, retreats, expert group meetings and meetings with Member States, academia and civil society actors. During the 2019 high-level political forum, the regional commissions organized a high-level event, under the aegis of the President of the Economic and Social Council, where more than 50 ministers from all regions deliberated on the critical role of regional cooperation in implementing the 2030 Agenda.
- 77. The nexus has also been strengthened through other thematic intergovernmental processes in which the regional commissions serve as platforms for the follow-up and review of globally agreed frameworks and as a way to contribute the regional voice in the formulation of global frameworks. For example, in the second half of 2019, the regional commissions hosted regional reviews of the 25 years of implementation of the Beijing Declaration and Platform for Action, through which they provided forums for their member States to review progress and identify challenges in the implementation of the Platform for Action. Another example is the regional follow-up and review process related to the Global Compact for Safe, Orderly and Regular Migration, on which the regional commissions work closely with the International Organization for Migration.
- 78. Moreover, collaboration with global entities has been furthered in such areas as financing for development, statistics, inequality, migration, social development, disaster risk reduction and South-South and triangular cooperation. Newly instituted

<sup>&</sup>lt;sup>3</sup> See General Assembly resolution 74/4. In 2020, ECA held its regional forum in February, resulting, inter alia, in the adoption of the Victoria Falls Declaration on the United Nations Decade of Action and Delivery for Sustainable Development in Africa (E/HLPF/2020/3/Add.1, annex). Owing to the COVID-19 crisis, ECE held a virtual forum in March (see www.unece.org/rfsd.html), ESCAP convened its forum in May (see www.unescap.org/apfsd/7), and ECLAC and ESCWA consulted with their respective member States in order to bring their regional input to the global high-level political forum.

twice-yearly meetings between the Executive Secretaries and the Deputy Secretary-General will also enhance coordination between the global and regional levels.

## B. Enhanced interregional cooperation among the regional commissions

- 79. Since the issuance of the previous report (E/2019/15, E/2019/15/Add.1 and E/2019/15/Add.2), the Executive Secretaries of the regional commissions have met more than 20 times in person, on the margins of other meetings or by videoconference. Their meetings 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, in their response to the socioeconomic impacts of the COVID-19 pandemic and in other matters, including migration, financing for development, inequality and gender.
- 80. In addition to working closely together on the monitoring and analysis of the socioeconomic impacts of COVID-19, the regional commissions continued to collaborate in other areas, such as regional integration, partnerships, road safety, energy, trade facilitation, water management, gender, youth and reducing inequality.
- 81. Through a joint effort, in 2019, the five regional commissions conducted the third United Nations Global Survey on Digital and Sustainable Trade Facilitation,<sup>4</sup> to collect relevant data and information from their respective Member States on the implementation of the World Trade Organization Agreement on Trade Facilitation and other related measures. The results of the survey enable countries and development partners to better understand and monitor progress on trade facilitation, support evidence-based public policies, share best practices and identify capacity-building and technical assistance needs.
- 82. In collaboration with UNFPA, ECA and ESCAP are implementing an innovative project entitled "Demographic Dividend with a Gender Dimension: Entry Points for Implementation of Sustainable Development Goals in Africa and Asia and the Pacific". The project is aimed at strengthening the capacity of Member States and regional economic communities to mainstream gender into national policies and programmes, to promote youth development and to enhance national evidence-based policies, so as to reduce inequalities and reap the demographic dividend.
- 83. Under the Forum for East Asia-Latin America Cooperation, ECLAC and ESCAP continue to jointly implement two interregional projects: one aimed at reducing inequality in member countries of the Forum through innovative policymaking and another focused on value chain development for deeper integration between East Asia and Latin America.
- 84. ECLAC and ESCAP, along with the Department of Economic and Social Affairs of the Secretariat and other United Nations partners, launched a global competition entitled "I Am a Youth of a Small Island", to mark the midterm review of the SIDS Accelerated Modalities of Action (SAMOA) Pathway.
- 85. ECE continues to lead collaboration among all the regional commissions to advance road safety in countries and communities and to promote people-first public-private partnerships for the 2030 Agenda. With regard to the latter, ECE, in cooperation with ECA, organized the fourth ECE International Public-Private Partnerships Forum, under the theme, "The last mile: promoting people-first public-private partnerships for the United Nations 2030 Agenda for Sustainable Development".

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<sup>&</sup>lt;sup>4</sup> See United Nations, *Digital and Sustainable Trade Facilitation: Global Report 2019* (2019). Available at https://untfsurvey.org/report.

- 86. Collaboration continued in 2019 between ESCWA and ECE, with the organization of a second training workshop on geographic information systems for the Integrated Transport System in the Arab Mashreq and a two-day workshop about enhancing cooperation on transboundary water resources management in the Arab region.
- 87. ECE, ESCAP and ESCWA also jointly organized a workshop on sustainable energy and gender empowerment within the framework of the tenth International Forum on Energy for Sustainable Development.