

**Introduction of the Secretary-General's Report on
"Regional cooperation in the economic, social and related fields (E/2020/15)"
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I have the honour of introducing the Secretary-General's report on regional cooperation contained in document E/2020/15 and its addendum.

The Secretary General's report on regional cooperation seeks to provide Member States with regional perspectives on current and important issues on the global agenda and the work conducted by the Regional Commissions in the economic, social and related fields.

The report is structured in two parts. The first part focuses on demonstrating the value proposition of regional cooperation to contribute to an effective response to the COVID-19 crisis. The part summarizes key socio-economic impacts of COVID-19 region by region and presents policy responses and solutions, highlighting the importance of regional cooperation and concerted action at regional and subregional levels. The second part provides updates on developments and outcomes in selected areas of regional and interregional cooperation, including in the context of the repositioning of the UN development system. The addendum contains information on the resolutions and decisions adopted by three Commissions' sessions, of which one calling for action by ECOSOC – on ESCWA membership.

The **COVID-19 crisis** has caused untold disruption to lives and economies. Multilateral action is needed to transform challenges into opportunities for inclusive, resilient and green sustainable development. As the current patterns of globalization are being questioned, the regional level will become vital in dealing with cross-border challenges. The UN Regional Commissions can be catalysts to regional cooperation and actions for reconnecting economies, reversing the disruption of trade and transport links, and addressing transboundary risks. The potential of regional

collaboration should be fully leveraged to build back better and meet the promise of the 2030 Agenda. Building on the Regional Commissions research and analysis, the following policy messages emerged from the regions for building back better through regional cooperation:

- **First: The COVID-19 pandemic requires Governments to increase investment in public health and social protection systems.** The pandemic is accentuating inequalities and exposing vulnerabilities caused by low investment in social protection in most regions.
 - Regional collaboration and partnerships, coordinated policies and peer learning can accelerate, upscale, harmonize and mobilize actions and investments to address gaps in health and social protection systems effectively and efficiently. Regional cooperation can play a crucial role in strengthening research and analysis, sharing knowledge and best practices, coordinating interventions, and supporting the development of critical treatment strategies. *As an example, the Economic Commission for Africa (ECA), in close collaboration with the African Export–Import Bank, has established the Africa Pandemic Response Exchange Platform (APREX) to pool supply and demand of COVID-19-related pharmaceuticals and medical products, such as face masks, personal protective equipment, test kits and ventilation apparatus.*
- **Second: Addressing the impact of the crisis and mitigating its implications requires focused support for micro, small and medium enterprises and the informal economy.** The economic fallout of COVID-19 entails considerable disruption and contraction in economic activity, declines in government and business revenues, and loss of jobs. Micro, small and medium-sized enterprises have been disproportionately affected.
 - The regional level can support resilience-building in supply chains through regional cooperation on sustainable trade and investment and accelerated trade digitization, all of which benefit MSMEs, and by providing policy support to help ensure that investments flow to the most vulnerable, including to mechanisms for supporting MSMEs. *As an example, in Asia-Pacific, ESCAP's Catalysing Women's Entrepreneurship initiative is working in collaboration with partners to diminish the impacts of the pandemic on women*

owned and run MSMEs that have been disproportionately affected by the crisis, including through an emergency loan facility to tackle immediate needs and credit guarantee scheme which will support mid-term recovery.

- **Third: Digital connectivity has emerged as a lifeline and requires greater investment.**

The disruptions to value chains and increased reliance on the Internet have provided an impetus to strengthen digital connectivity, which has emerged as a lifeline during lockdowns; however, only for those connected to reliable, affordable and highspeed Internet.

- Regional digital markets can facilitate technology development, regional supply chains and access to markets and financial services for MSMEs. Innovative technology can be leveraged to respond to the pandemic through South-South and regional cooperation in collaboration with mobile operators, fintech companies and technology entrepreneurs. *The Regional Commissions are working with Governments and other stakeholders to redefine the regional digital agendas developed within the framework of the World Summit on the Information Society, so as to improve internet connectivity, identify possible digital solutions to manage the COVID-19 emergency such as contagion prevention, contact tracing, risk mitigation and minimization, and enhancing security, privacy and data protection.*

- **Fourth: The wheels of production, integration and trade must keep turning.** Restoring and building resilience and robustness in supply chains requires regional and subregional coordination and the facilitation of trade, transport and digital connectivity.

- Existing mechanisms and agreements managed or supported by the Regional Commissions can support the facilitation of trade, transport and digital connectivity, which are essential to supply chain resilience. *As an example, the Economic Commission for Europe (ECE), in collaboration with the other Regional Commissions, launched an Observatory on Border Crossing Status due to COVID-19 and called on all countries to facilitate the flow of goods to the maximum extent possible.*

- **Fifth: Debt sustainability and debt standstill are necessary for all developing countries.** As a result of COVID-19, many countries will fall into recession, economies will shrink and fiscal space will contract, with reduced government revenues. Large policy packages are needed, which will lead to increases in fiscal deficits and public debt.
 - Regional monetary and financial coordination should be strengthened to support investments, the provision of regional public goods, stable and countercyclical finance, and the pooling of international reserves. *As an example, regional coordination, initiated and supported by ECA, has led to an African call for the urgent and immediate release of \$100 billion to respond to the pandemic, of which \$44 billion should be directed towards debt relief for all African countries, in addition to \$50 billion to fund a stay on interest payments in the event of a prolonged crisis. Also, accelerating the implementation of the debt swap initiative of the Economic Commission for Latin America and the Caribbean (ECLAC) to set up a green resilience fund to the Caribbean SIDS has now become a matter of urgency as part of the policy responses to the COVID-19 pandemic.*
- **Sixth: The opportunity to invest in a green recovery cannot be lost.** COVID-19 has encouraged reflection on our relationship with the environment. The temporary reductions in both carbon emissions and energy demand during the outbreak have given the environment breathing space.
 - Regional cooperation and policy coordination on air pollution, climate change, biodiversity conservation, water resources management and land degradation can help to protect and restore ecosystems as a means of strengthening resilience to future pandemics and building back better. *As an example, ECLAC is promoting a Big Push for Sustainability initiative in Latin America and the Caribbean, consisting of a coordinated set of investments that promote technical and structural change to decouple growth from emissions, while creating higher-productivity jobs and more equal societies.*
- **Seventh: Regional action requires boosting regional financing, including for emergency funds.** The COVID-19 crisis represents a common regional shock, but its

consequences have varied. Regional solidarity is necessary to address these differentiated shocks, and to avoid the emergence of additional tensions.

- Regional and subregional financial institutions and capacities should be harnessed to complement other financial sources. *As an example, In the Arab region, ESCWA is advocating the establishment of an Arab Social Solidarity Fund to support vulnerable countries, including the Arab least developed countries. It is also urging the Union of Arab Banks to freeze interest repayments from MSMEs and households facing short-term cash crises, and to extend existing credit and loan facilities without penalties.*

On Part II of the report, I would like to highlight the following points:

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 around the five broad transformative areas proposed by the Secretary-General. We look forward to ECOSOC's resolution to proceed with implementation of the SG proposals in the regions fully inline with member States' guidance.

Some measures are already demonstrating positive results to countries in the regions. Regional Knowledge Management and Statistical Hubs led and hosted by the Regional Commissions are becoming critical regional public goods for the countries in the regions and beyond. They allow RCs and UNCTs to easily identify and access available regional assets to respond in real time to national needs and priorities. We are also committed to ensure transparency and accountability for results in support of implementing the 2030 Agenda in the regions, including through annual regional reporting to member States, as per the SG proposals.

Our increased engagement in the development and review of United Nations sustainable development cooperation frameworks has provided macro-economic analysis, data and statistics, input on regional and subregional contexts and impact, and further analysis on specific issues. This has led to a marked improvement in analysis and integration of regional, subregional and

transboundary issues, as well as of economic, environment, trade and other matters into the cooperation frameworks.

The Regional Commissions, including through the Regional Forums for Sustainable Development, continue to play a key role 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, including amidst the Covid-19 crisis. Regional assessments, progress reports and data prepared by the Regional Commissions in the lead-up to the RFSDs, contribute to identifying gaps and opportunities for action of the UN system around regional and country priorities. The outcomes of the Regional Forums on Sustainable Development are reported to the HLPF by the Chairs of the Fora as per last week ministerial segment of the HLPF.

During the reporting period, the Regional Commissions further enhanced their inter-regional cooperation bilaterally and collectively. The Commissions not only worked closely together on the monitoring and analysis of the socio-economic impacts of COVID-19 in the regions, but also broadened and deepened their collaboration in other areas such as regional integration, partnerships, road safety, energy, trade facilitation, water management, gender, youth and reducing inequality. The SG report includes detailed examples in this regard. One illustrative example is *the five Regional Commissions joining efforts to conduct in 2019 the third UN Global Survey on Digital and Sustainable Trade Facilitation to collect relevant data and information from our respective Member States on the implementation of the WTO Trade Facilitation Agreement 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.*

In addition to the SG report, I would encourage member States to refer to the Summaries on the Work of the Regional Commissions submitted as part of the official documentation before the

Council today. The Summaries include details, on a region-by-region basis, on the work of each Regional Commission.

Finally, I would like to invite the Council to lend its support and endorse the ESCWA resolution adopted during its 6th special session, held in Amman on 21 and 22 December 2019, as included in the addendum to the SG report E/2020/15/Add.1, by which ESCWA welcomed requests from Algeria and Somalia to join its membership and recommended to ECOSOC acceptance of the two requests.

Thank you.