



BUILDING MORE INCLUSIVE, SUSTAINABLE AND PROSPEROUS SOCIETIES IN EUROPE AND CENTRAL ASIA

From Vision to Achievement of the Sustainable Development Goals

Call for Action from the Regional UN System



Regional Advocacy Paper 2017

Foreword

The 2030 Agenda for Sustainable Development with its comprehensive and universal approach demands a transformation of national policies, development cooperation strategies and systems in all countries. It also requires the United Nations to adapt its approaches to meet the unprecedented multi-sectoral demands of the 2030 Agenda.

The United Nations System in the region of Europe and Central Asia has been working in an integrated manner to support Member States in sustaining the gains and achievements of the Millennium Development Goals and in addressing political, economic, social and environmental challenges. In anticipation of the 2030 Agenda, the regional UN system in Europe and Central Asia developed a joint Regional Advocacy Paper "Building More Inclusive, Sustainable and Prosperous Societies in Europe and Central Asia: A common UN vision for the Post-2015 Development Agenda". It presented an analysis of the key inter-linked development issues commonly faced by the countries/territories in the region, underpinning the work of the regional UN system.

Since the 2030 Agenda was adopted, the regional UN system moved ahead on many fronts to advocate for accelerated approaches to SDG implementation. To take the analysis of and responses to current development challenges further, the Regional Advocacy Paper has been updated and expanded. It now presents cutting-edge approaches to targeted and coherent policies and actions in 14 diverse but inter-linked areas, namely population dynamics, migration and resilience, gender equality, jobs, social protection, health and well-being, education, production and consumption patterns, energy, agriculture and rural development, ecosystems, governance and partnerships. The Regional Advocacy Paper "Building More Inclusive, Sustainable and Prosperous Societies in Europe and Central Asia: From vision to achievement of the Sustainable Development Goals — call for action from the regional UN system" provides key policy recommendations that can help countries and territories overcome the existing development bottlenecks and boost the implementation of the 2030 Agenda, leaving no one behind.

The Regional Advocacy Paper is the first attempt to look at the whole region in all of its diversity. This diversity offers an untapped opportunity for the region to move towards more sustainable, inclusive and prosperous societies.

We hope that the Regional Advocacy Paper will contribute to the development dialogue in the region on the need for integrated and coherent policies based on the principles of national ownership, whole-of-government and whole-of-society approaches, and will help accelerate SDG implementation in all countries/territories of the region.

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Setting the Stage – the move from the MDGs to the SDGs

Introduction

The region of Europe and Central Asia includes 54 high and middle-income countries and one territory – Kosovo.¹ Highly diverse, it encompasses the advanced economies of Western Europe; high and middle-income countries from Central Europe which have joined the European Union (EU); middle-income countries and territories of South-Eastern Europe, many of which are in the process of integration with the EU; and the countries of Eastern Europe, the Caucasus and Central Asia, which themselves range from increasingly prosperous energy-exporting economies to landlocked developing countries. The region's diversity extends to its many different ethnicities, languages and religions. Furthermore, the eastern part of the region has a very particular history, having undergone 25 years of fundamental political and socioeconomic reforms in the wake of the disintegration of the Soviet Union and Yugoslavia and the transition from centrally-planned to market economies. Given this heterogeneity and the universal character of the SDGs, the region has a significant contribution to make to the global debate on the implementation of the 2030 Agenda.²

The region of Europe and Central Asia faces a number of challenges. Refugees and migrants are heading towards the region to seek safety from war, violence and human rights violations and as a result of economic deprivation. Political tensions have re-emerged and frozen conflicts persist. Despite a high general level of development, inequalities are on the rise in all parts of the region, manifested in youth unemployment, exclusion of marginalized groups and lack of access to social services. Discrimination and discriminatory practices, coupled with poor legal frameworks and/or weak implementation of laws persist. Barriers in access to services, economic opportunities and justice experienced by disadvantaged groups of the population, in particular, the biggest of them, rural women, remain key concerns. In addition, the region is struggling to reduce its large ecological footprint and greenhouse gas emissions and to move to sustainable production and consumption patterns.³ Every country/territory in Europe and Central Asia is facing the challenge to reconcile economic and social progress with environmental sustainability. At this juncture, the 2030 Agenda for Sustainable Development and its Sustainable Development Goals offer a powerful instrument to tackle the challenges at hand in an integrated manner.

The 2030 Agenda is of unprecedented scope and significance: it is accepted by all countries/territories and is applicable to all, taking into account different national realities, capacities and levels of development. The 2030 Agenda was designed to build upon the achievements of the Millennium Development Goals (MDGs), while addressing the unfinished business of the MDGs.

¹ References to Kosovo shall be understood to be in the context of Security Council Resolution 1244 (1999).

The term "region" in this document generally refers to the countries and territories of Europe and Central Asia. The different sub-regions and subgroups of the region are:

Advanced European Economies (25): Andorra, Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Israel, Italy, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, United Kingdom.

New European Union post-transition member countries (11): Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia. Slovenia.

South-Eastern Europe (6+1): Albania, Bosnia and Herzegovina, Montenegro, Serbia, the former Yugoslav Republic of Macedonia, Turkey, and Kosovo*.

[•] Eastern Europe, Caucasus and Central Asia (12): Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine, Uzbekistan.

² Looking Back, Leaping Forward: Moving from MDGs to SDGs in Europe and Central Asia, United Nations Development Group, Europe & Central Asia, United Nations Regional Coordination Mechanism, Europe & Central Asia, 2016 (available at https://undg.org/wp-content/uploads/2017/01/MDG_SDG_Transition-Report_2016.pdf)

³ Joint Positioning by the Regional UN System in Europe & Central Asia, United Nations Development Group Europe & Central Asia, United Nations Regional Coordination Mechanism, Europe & Central Asia, 2015 (available at https://undg.org/wp-content/uploads/2017/01/Joint-Positioning-Paper-by-the-regional-UN-system_2030-Agenda-for-Sustainable-Development-1.pdf)

Millennium Development Goals Progress in Europe and Central Asia

Overall, MDG progress in Europe and Central Asia over the period 2000-2015 was uneven. Extreme poverty was largely eradicated, while inequality and social exclusion increased. Undernourishment was substantially reduced. Education targets were achieved while the quality of education remained unsatisfactory in many countries. Gender inequality persisted even though women's political representation improved in some countries and public awareness of greater risks of poverty for women has risen. Child mortality fell unevenly as did maternal mortality. Significant advances have been made on infectious diseases but they remain a significant burden in some countries. Environmental sustainability remained elusive in spite of declining greenhouse gas emissions in the region. The MDG involvement of advanced economies in the region was mostly limited to the partnership for development. Only six out of 22 European donor countries have met the official development assistance target. MDG gains were also distributed inequitably. This resulted in persistent exclusion, material deprivation, inferior educational and health outcomes of various social groups such as rural populations, disadvantaged ethnic minorities, people with disabilities and migrants. The thematic areas covered by the MDGs - in particular poverty reduction and employment, education, health, gender equality and environmental sustainability – are still critically important. The MDG agenda therefore remains an unfinished business in the region. Following the MDGs, the SDGs reflect these areas in a much more comprehensive and interlinked manner. This provides an opportunity for policy-makers and other stakeholders to tackle the unfinished business with renewed momentum up to 2030.4

Lessons for the transition to the Sustainable Development Goals

In comparison to the MDGs, the SDG framework represents a much broader approach to sustainable development. It is relevant to all countries/territories in the region, regardless of their level of development. The breadth and complexity of issues embedded in the SDGs seek to respond to the urgent social, environmental and economic challenges of our time. However, this complexity also increases the challenges of SDG implementation, follow-up and review. There are a number of lessons to be learned from the implementation of the MDGs that can support SDG progress.

■ Integrated policy-making

A key lesson is that multiple goals and targets cannot be achieved without coherent strategies and well-integrated policies. Uncoordinated sector-oriented approaches are bound to have unintended consequences that can undermine progress in other areas and weaken policy coherence. For instance, over the last quarter of a century economic growth reduced unemployment and poverty but increased environmental pressures in a number of countries of the region. There is a need to avoid the compartmentalization of goals and consider them as an integral part of a single development agenda. Such an approach significantly increases policy coherence amongst different sectoral interventions, the ability to mobilize and allocate the right resources at the right time, and, therefore, make significant progress in meeting development goals and targets.

■ Nationalization and disaggregation

The experience of the MDGs has important implications for the adaptation of global goals to diverse national situations. There are 169 SDG targets and 230 global indicators to monitor progress. Governments are expected to set their own national targets, guided by the global level of ambition but taking into account national circumstances, and incorporate them in national planning, processes, policies and strategies. For all countries/territories to implement the 2030 Agenda, the SDGs must find a better balance than was the case with the rigid target and indicator framework developed under the MDGs. The experience of the region shows that this is a challenging task.

A number of transition economies adapted some MDG targets and indicators to their national circumstances. This kind of nationalization (i.e. national adaptation) made the MDGs more appropriate to each country's/territory's development level and structural features. However, national indicators were rarely well documented or harmonized across borders. This limited their comparability and usefulness for the purpose

⁴ Ibid.

of policy evaluation.

A significant aspect of nationalization was the disaggregation of data by location, gender, age and social groups. This approach 'anticipated' the SDG ambition to leave no one behind, providing a closer look at hidden poverty and subpar education, differential implications of natural hazards, employment and health outcomes in rural areas and among disadvantaged population groups such as ethnic minorities and single-parent families. Disaggregated targets and indicators can inform government policy and help to more effectively address sub-national disparities whether this involves the needs of various vulnerable populations (such as ethnic minorities, the displaced, the disabled, or families with many children) or those living in disadvantaged geographic areas. Therefore, an important lesson from the implementation of the MDGs is that policies should provide a particular focus on geographic areas and populations that are at the highest risk of marginalization and social exclusion.

The SDGs' integrated nature, broader thematic scope, and greater emphasis on disaggregation by sub-national and socio-economic vulnerability criteria constitute a significant improvement on the MDGs. However, from a technical point of view, virtually all of the statistical and indicator challenges that were present with the MDGs are also present with the SDGs. Many of these will be magnified by the SDGs' greater complexity and data requirements. Significant capacity development investments will be needed for national statistical institutions in many countries in the region. At the same time, attention to indicators as a measure of progress should not obscure or replace a wider discussion on what are the systemic explanatory factors and how these can be influenced by policies.

■ Human rights and gender dimension

Despite major achievements, the MDGs were weak and inconsistent on human rights, inequality, and the use of human rights-based approaches. The pursuit of the MDGs in isolation from human rights in some parts of the region resulted in unsatisfactory outcomes that often left the most vulnerable population groups falling further behind in various dimensions of human development. Therefore, human rights and rights-based policy approaches based on the principles of participation, accountability, non-discrimination, empowerment, sustainability and respect for the rule of law must take centre stage in the implementation of the SDGs.⁶ The involvement of civil society and the willingness of governments to facilitate this involvement were also important factors in the implementation of the MDGs, and will be crucial for progress under the 2030 Agenda.

Moreover, it is important to bear in mind that advances in gender equality have had a positive impact on other policy goals. For example, the promotion of women's entrepreneurship, including for rural women, was an important component of poverty reduction strategies, especially in Eastern Europe and Central Asia. Efforts to accelerate progress in advancing the 2030 Agenda must harness the synergies between the promotion of gender equality and the achievement of all SDGs through systematic gender mainstreaming in the implementation of all goals.

■ Government ownership and economic environment

Strong government ownership of MDGs, in particular when leading to MDG integration in national development strategies and plans, was a major positive influence when present. In other cases, insufficient government involvement or leadership prevented faster progress.

Another lesson is the critical importance of the overall economic situation. The early and mid-2000s saw strong economic growth across the region. With macroeconomic stability and large capital inflows, there was rapid income convergence between advanced and less advanced countries. Regretfully, the global and Eurozone crises hit the emerging economies of Europe and Central Asia harder than any other region and slowed down the pace of development, with negative implications for the availability of public funding and social conditions. Political and economic fragilities are again emerging as significant threats to social well-being. This underlines the importance of efficient spending and successful revenue mobilisation strategies that support social cohesion and solidarity.

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■ Wider stakeholder involvement and whole of society approaches

Wider stakeholder involvement was absent in the development of the MDGs as well as to a large extent in their implementation. This lesson was taken on board during the development of the SDGs, which sought the broad involvement of all stakeholders, from the public to the government in the conceptualization and development of the 2030 Agenda. The SDGs are universal, meaning that everyone will have to play a role in their implementation. In this context, partnerships will be a key element in ensuring their effective implementation. Although the primary ownership of and responsibility for SDG implementation lies with the governments, the success of the SDGs requires wider stakeholder involvement and whole of society approaches, in particular the involvement of civil society and the private sector. Space should be provided for all stakeholders to contribute to SDG implementation through various initiatives and activities, such as capacity building, awareness raising and monitoring.

■ Funding and domestic resource mobilisation

Experience from the MDGs shows that three quarters of spending on the MDGs was from domestic public finance, which was more stable, more aligned with government priorities and easier to manage than donor funded spending. Thus, the majority of financing for sustainable development should be raised by domestic governments, albeit with global rules and systems that make that possible, including on trade and taxation. Strengthening domestic tax collection will be essential to provide governments with sustainable revenue sources to finance the Sustainable Development Goals and invest in development relieve poverty and deliver public services. The benefits of taxation extend beyond revenue generation as it can increase state capacity, accountability and responsiveness by providing a platform to governments to engage with their citizens. Thus, it strengthens the 'fiscal contract' between the state and its citizens.

Transitioning from the MDGs to the SDGs

Transitioning from MDGs to SDGs brings in certain complexities, which need to be taken into account while countries/territories embark on SDG implementation. Whereas the MDGs were fundamentally about poverty reduction in developing countries, the SDGs are about sustainable development in all countries/territories. This has elevated the ambition of the 2030 Agenda, both in terms of universal country coverage (a particular issue for the region, which includes dozens of upper-income as well as middle-income countries/territories) and in terms of the thematic/sectoral breadth of the sustainable development agenda, which must necessarily address environmental, governance, and peace-building issues as well as socio-economic questions.⁸

The 2030 Agenda covers seventeen Sustainable Development Goals, reflecting a significant broadening of the scope of the previous eight MDGs. Half of them address various aspects of environmental sustainability, indicating a shift to a more comprehensive development paradigm, while SDG 16 on peaceful and inclusive societies and justice adds a new dimension to the 2030 Agenda. The references to human rights and non-discrimination, both in the preamble and declaration, and to the concepts of universality, substantive equality for women and girls define strong principles for implementation. "Leaving no one behind" means that no goal will be met unless it is met for everyone, which emphasizes the need to reach out to the most disadvantaged groups and to pay attention to inequalities in attainment and discriminatory laws and practices.⁹

Inter-linkages among the Sustainable Development Goals

The 2030 Agenda introduces inter-linkages between the goals to the extent never experienced before. This requires full and genuine governments' ownership of the global agenda. No one goal can be attained in isolation of at least two others. Balance and inter-linkages among the three dimensions of sustainable development is reflected

⁷ Financing the Sustainable Development Goals, Lessons from government spending on the MDGs, Government Spending Watch, 2015 Report, (available at http://eurodad.org/files/pdf/1546383-financing-the-sustainable-development-goals-lessons-from-government-spending-on-the-mdgs.pdf)

⁸ Joint Positioning by the Regional UN System in Europe & Central Asia

⁹ Looking Back, Leaping Forward: Moving from MDGs to SDGs in Europe and Central Asia

¹⁰ Joint Positioning by the Regional UN System in Europe & Central Asia

not only at the level of the goals but also at the level of the targets. The goals themselves are linked through the proposed targets. Thus, action to achieve one goal and its targets clearly has a bearing on other goals' attainment. In this sense the Goals function as an interconnected system, and the approach to their implementation therefore needs to be holistic, multi-sectoral and multidimensional.¹¹ Some interconnections between goals are denser than others, as measured by the number of targets linking any particular goal to other goals.

Poverty eradication is multidimensional and as such its progress is linked to all other goals. Goals on sustainable consumption and production, inequality and growth and employment are each linked to 10 or more other goals. Based on how many targets are linking two goals, there are particularly strong connections between gender and education; poverty and inequality; and inequality and inclusive societies. Two of the proposed goals, on sustainable consumption and production and on inequality, provide critical connections among other goals and make the SDGs more tightly linked as a network.¹²

Figure 1 below illustrates a scientific view of the SDG system showing the links between the SDG system based on scientists' assessment. The thickness of the lines is an adjusted measure of the strength of inter-linkages between goals. It denotes the number of links between two goals divided by the sum of targets under the two goals. The Goal on means of implementation, which links to all other goals, was excluded from the analysis.

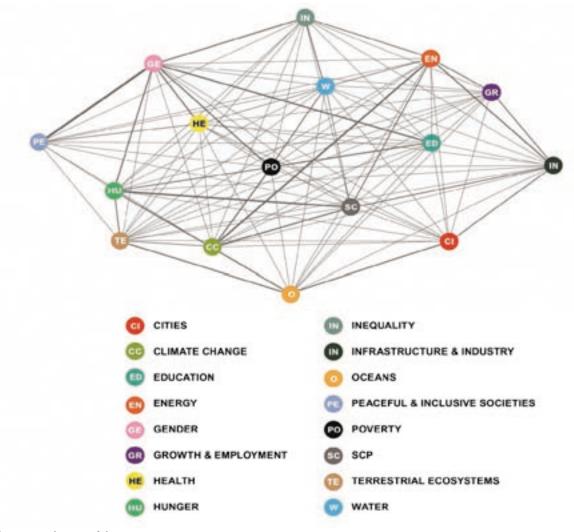


Figure 1: A Diagram of the SDG System

Source: Global Sustainable Development Report 2015 edition, available at

¹¹ Global Sustainable Development Report 2015 edition, (available at https://sustainabledevelopment.un.org/content/documents/1758GSDR%202015%20Advance%20Unedited%20Version.pdf)

¹² Towards Integration at Last: The sustainable development goals as a network of targets, DESA Working Paper No. 141 ST/ESA/2015/DWP/141, United Nations Department of Economic and social Affairs, 2015, (available at http://www.un.org/esa/desa/papers/2015/wp141_2015.pdf)

https://sustainabledevelopment.un.org/content/documents/1758GSDR%202015%20Advance%20Unedited%20Version.pdf

The presence of targets in the set of Goals that refer to multiple goals and sectors may facilitate integration and policy coherence across sectors. Such links among goals through targets may also facilitate real mainstreaming of dimensions that previously suffered from not having strong sectoral anchoring in development institutions, such as sustainable consumption and production.

Implementation of the Sustainable Development Goals

The universality, integration and transformative nature of the 2030 Agenda pose new challenges for all countries/territories in Europe and Central Asia, including implementation challenges. These are discussed below:

Policy Coherence

Sustainable Development Goal 17 – on the means of implementation – includes a Target to enhance policy coherence for sustainable development. An integrated policy framework that reflects all development models and ensures policy coherence across goals is needed to assure that social, economic and environmental goals are mutually supportive. Policy coherence aims to increase governments' capacities to foster synergies across policy areas; identify trade-offs; reconcile domestic policy objectives with internationally agreed objectives; and address the spillovers of domestic policies. Policy coherence is fundamental to ensure that progress achieved in one Goal contributes to progress in other Goals, and to avoid the risk of progress in one goal at the expense of another. It can also shed light on critical sectoral interactions to achieve the 2030 Agenda and inform how efforts to attain a goal in one sector would affect, or be affected by, efforts in another.

Policy coherence can also provide a lens to deal with systemic conditions and disablers that hamper sustainable development in the region. For example, illicit financial flows are a major disabler for sustainable development in the region. In many countries of origin, they are a symptom of governance failures, weak institutions, and corruption, but also of other systemic conditions in recipient countries that allow illicit financial flows to thrive, such as tax havens and secrecy jurisdictions. Policy coherence can inform actions at international level to support a fairer and more transparent global tax system; and curb tax avoidance strategies, which in most cases are legal but unfairly take advantage of the interaction between tax rules of different countries. At the national level, success will depend on the quality of domestic regulations, institutions and capabilities to identify, track, and fight tax evasion, money laundering and corruption. In the contraction of the success will depend on the quality of domestic regulations.

■ Mainstreaming the Sustainable Development Goals

For the successful implementation of the Sustainable Development Goals, their inclusion and mainstreaming into national policies, plans and strategies will be crucial. Without a doubt, the fulfilment of the pledge to "leave no one behind" will also depend on how well the ones furthest behind will be taken into account when drafting the required policies and plans. This will require the income of the bottom 40 per cent of the population to grow faster than the national average; the empowerment, social and economic inclusion of all, including internally displaced persons (IDPs) and refugees, irrespective of race, ethnicity or economic status; and ensuring equal opportunity and reducing inequalities of outcome, including through eliminating discrimination by means of appropriate policies and actions. Policies to promote greater equality include fiscal policies, regulation and monitoring of global financial markets and institutions, policies to promote the orderly, safe, and responsible migration and mobility of people, and the fair representation and voice of all countries/territories in the global governance system.

■ Inequalities and the Sustainable Development Goals

Tackling within country inequalities in Europe and Central Asia requires increased policy and fiscal space at the national level to enact the country-specific mix of policies needed to lift all and, in particular, to increase

¹³ Progress at Risk: Inequalities and Human Development in Eastern Europe, Turkey and Central Asia, Regional Human Development Report, United Nations Development Programme, 2016 (available at http://hdr.undp.org/en/content/regional-human-development-report-2016-eastern-europe-turkey-and-central-asia)

¹⁴ Universality, integration and policy coherence for sustainable development, World Resources Institute, 2016, (available at https://www.wri.org/sites/default/files/Universality_Integration_and_Policy_Coherence_for_Sustainable_Development_Early_SDG_Implementation_in_Selected_OECD_Countries.pdf)

the income of those at the bottom. Two crucial variables are jobs and wages. Job creation remains the only assured way of tackling poverty on a sustained basis, in particular where the labour force is expanding rapidly. But rising wages are also necessary to expand domestic demand, increasingly seen as an essential component of more sustainable growth.¹⁵ Countries will thus have to build the kind of infrastructure and productive capacity that lead to a more diversified economy, moving away from dependence on commodities and achieving some degree of success in more sophisticated industrial activities, which relies on industrial policy.

■ Whole-of-government and whole-of-society partnerships

Translating the vision of the 2030 Agenda into reality is first and foremost the responsibility of governments, in cooperation with all other relevant stakeholders — civil society, the business and technology sector, local communities, vulnerable groups, science and academia, and eventually all people that are concerned and ready to contribute. The SDGs are built on whole of government and whole-of-society partnerships. Equitable development outcomes require the engagement of the whole of government institutions, including the executive and also the legislative and judicial branches, and independent institutions, and the whole of society across all groups. No one should be left behind. No single actor will have sufficient impact on their own. In many countries/territories in the Europe and Central Asia region social movements have gained momentum in advocating change. Social mobilization can lead to the demand by citizens for better services and wellbeing and provide them with a meaningful voice. Media, NGOs, academia and philanthropic organizations can contribute. Mechanisms can be introduced to incentivize the private sector to contribute resources, expertise and technological innovation.

Engaging youth

The meaningful participation of young people in decision-making and implementation of the post-2015 agenda is also crucial. For the effective implementation of the SDGs, young people and adolescents need to have the opportunity to meaningfully contribute to realizing the SDGs in the region. They need to be part and parcel of the formulation, implementation and evaluation of plans and strategies that concern and affect their lives. Only through meaningful youth participation and specific attention to young people in the implementation of the SDGs, the risk of leaving them behind can be turned into an opportunity: a catalyst for change. Governments in the region must seek out the meaningful participation of young people in decision-making and implementation of the 2030 Agenda.

Gender equality

Effective implementation of the SDGs for women and girls requires strengthening the enabling environment for gender equality. Although the region, in general, is characterized by a high level of *de jure* equality between men and women and all countries/territories in Europe and Central Asia have ratified the Convention on the Elimination of all Forms of Discrimination Against Women, the persistence of discriminatory laws, social norms and practices and the inequalities experienced by the most marginalized groups of women and girls lead to *de facto* gender inequality. Critical issues such as violence against women, which exists in all countries/territories in the region, inequalities in the division of unpaid care work, women's limited access to assets, violations of women's and girls' sexual and reproductive health and rights, and their unequal participation in private and public decision-making beyond national parliaments, remain unaddressed. Tackling these questions and furthering the progress of the 2030 Agenda requires identifying and acting on the root causes of gender inequality. This must include strong political will to create gender-responsive institutions, strong governance and accountability systems, macro-economic policies that are aligned with human rights standards, and full implementation of CEDAW and all of its obligations and commitments. Robust monitoring and accountability mechanisms are also required to ensure progress.

Human rights and rights-based policy approaches

Human rights and rights-based policy approaches based on the principles of participation, accountability, non-discrimination, empowerment, sustainability and respect for the rule of law must take centre stage if

¹⁵ Growth and Poverty Eradication: Why Addressing Inequality Matters. Post-2015 Policy Brief, no. 02, November 2013, United Nations Conference on Trade and Development (2013), New York and Geneva, (available at http://unctad.org/en/publicationslibrary/presspb2013d4_en.pdf)

the prevalence of all inequalities, including gender, in the region is to be addressed. A human rights-based approach to implementing the SDGs, normatively based on international human rights standards and operationally directed towards promoting and protecting human rights, will seek to redress discriminatory practices and unjust distributions of power that impede development progress. The promotion of peaceful and inclusive societies and provision of effective institutions at all levels is crucial for the implementation of the 2030 Agenda.¹⁶

■ Governance

Across all levels of policymaking and cooperation, efforts in pursuit of sustainable development require good governance including measures to increase accountability, transparency and participation. However, weak public institutions, authoritarian attitudes and policy processes that seek to dampen, extinguish or side-line civic debate too often weaken the quality of governance in the region. The percentage of women and minorities who participate in decision-making positions across the executive, judicial and legislative branches varies widely across the region and it most cases is not demographically representative. Vested interests and power dynamics, including nepotism and corruption, can be key barriers to equal participation in decision-making processes. Corruption, including siphoning off resources that should be used for public services and public goods, insufficient access to and quality of basic services, together with the less-than-full implementation of human rights obligations are among the concrete manifestations of the region's unfinished business in terms of achieving effective and responsive governance.

■ Comprehensive measurement and data disaggregation

To better understand complex regional trends and develop relevant interventions, comprehensive measurement, based on reliable and comparable data, is necessary. Despite some good developments, considerable gaps in the availability, accessibility, analysis and use of statistics and disaggregated data in the region persist. Capacities in terms of population data collection and analysis need to be strengthened at both the local and national level to ensure that data streams are relevant and useful for national policy makers and other stakeholders looking to manage and monitor progress in the region. Data collection should be guided by a human rights-based approach and be participatory and inclusive, where appropriate, to ensure that genders and vulnerable groups are adequately reflected. Stakeholders need to actively contribute to closing the data gap, and improve their capacity to produce and use disaggregated data more effectively towards shaping a coherent policy response that is based in evidence. Governments and National Statistical Offices in the region need to work within the context of a broader ecosystem that includes non-traditional data sources and additional data contributors including local and regional governments, private companies, academia, civil society, and citizens.



Population Dynamics

What is at stake?

The size, structure and geographical distribution of human populations have important implications for sustainable development and human rights and to ensure that no one is left behind. This includes changes in population growth rates, age structures and distributions of people. Despite the significant progress attained through the Millennium Development Goals, population dynamics contributed to an increase in the number of people living in extreme poverty in some regions and made the target of halving extreme poverty difficult to achieve. Although the target on halving extreme poverty was met at the global level, pockets of poverty and inequalities within and between countries/territories are increasing.

Population dynamics form an integral part of the 2030 Agenda and link many of the Sustainable Development Goals. Not only do evolving population dynamics, including changing population structures and distributions, have tremendous bearing on macro social and economic development processes and outcomes, but they are strongly inter-linked with other sustainable development issues such as health, including sexual and reproductive health, the needs of young people, gender equality and poverty reduction.¹ Population growth and related expansion of economic production and consumption have adversely affected the environment by increasing pressure on land, water, ecosystems, CO2 emissions and overexploitation of non-renewable resources. Population growth is accompanied by rapid urbanization. Urbanization creates new opportunities and can reduce inequalities, through better access to high quality services and lower costs of providing utilities, but it can also create new vulnerabilities and marginalization, for example, slums, social exclusion, exposure to man-made and environmental hazards and disasters.

The story of the region

Europe and Central Asia are at the forefront of the global demographic transformation from population growth to population ageing and population decline. At the same time, the region is diverse and includes countries/territories at different stages of the demographic transformation and with very different levels of income. Demographic trends in Europe and Central Asia vary from some countries experiencing higher fertility rates and growing youth populations to countries with fertility rates below replacement, population decline and ageing. The effects of labour migration and high male mortality in some countries further complicate the situation. These trends have critical implications for the achievement of the Sustainable Development Goals.

The populations of some countries in the region, notably Central Asia, are still young. Providing these young generations with health care, education, a safe environment and employment opportunities is a major challenge of sustainable development and can potentially result in a demographic dividend. Failing to do so brings the risk of political and social instability, particularly if youth are disenfranchised or unable to develop the right skills and find meaningful work. Conversely, other countries in the region have the highest percentage of population over 60 at an average of 24 per cent. While some countries had many prosperous decades to develop social safety nets in anticipation of ageing, countries with less prosperous circumstances are facing significant challenges keeping their elderly out of poverty.

Population dynamics in Central Asia contrast in certain aspects with those in other parts of the region. Fertility levels are higher: in Kazakhstan and Kyrgyzstan fertility has even increased since 2000, and while Tajikistan, Turkmenistan and Uzbekistan have witnessed a consistent decline, their fertility rates are still high compared

to Western Europe. Because this is coupled with relatively high mortality, the populations are significantly younger – more than half of Central Asia's population is under age 25, with the exception of Kazakhstan. Kazakhstan is also a country of destination for international migration within Central Asia, while the other countries are generally countries of origin. Kyrgyzstan, Tajikistan and Uzbekistan experience particularly significant emigration, mainly to the Russian Federation. Kyrgyzstan and Tajikistan are among the biggest remittance-receiving countries in the world. The young age structure of these populations contributes to population growth that is expected to continue for decades to come.²

In some Eastern European countries, the rapidly decreasing fertility rates have been accompanied by adverse mortality trends, including significant declines in life expectancy among men. This is probably the first example in history of a sustained and substantial increase in mortality that is not associated with a major epidemic or war. Eastern European countries face relatively high levels of secondary infertility – an estimated 12 million women have had one child but are unable to have a second. A significant cause of infertility is related to sexually transmitted infections, an area where countries in this sub-region have made little advancement. Several Eastern European countries experience decreases in population that are accentuated by net emigration of males and females. Ten countries/territory in the region (in the Baltics, Eastern Europe and the Balkans) are projected to see their population decline by more than 15 per cent by 2050.³ This has raised concerns about "demographic security" and has led to development of pro-natal policies that can have potential impact on the reproductive rights of women.

In Western Europe, population dynamics are characterized by late childbearing, low fertility levels and at the same time a continuous increase in the life span of women and men. This has led to a rapid increase in the number and proportion of older persons. A particular feature in this part of the region is the retirement of the so-called "baby boom generations" of the 1950s and 1960s, which results in a significant increase of the number of older persons relative to the working-age population. Today's older persons are however much fitter, healthier and with better capacities than in the past. More and more people are living healthy lives well above the age of 65; they are economically productive and participate in social life. With populations protected by social safety nets and remaining healthy during most of their lifespan, the picture of ageing looks less dramatic than it is sometimes portrayed.

In many countries in Europe and Central Asia the impact of international migration on population size and structure is significant, often outnumbering the population change due to births and deaths. In the future, net-migration is projected to become even more important for population growth of destination countries as the rates of natural growth⁴ in many countries in the region continue to decline. Most countries in Western Europe see important levels of immigration of working age populations, which have many positive implications but also bring increasing levels of cultural and ethnic diversity. From a public health perspective, most countries in the region are well prepared to respond to large-scale population movements; while efforts must continue in order to enhance health-system and public health capacity, it is necessary to ensure that every person on the move has access to a hospitable environment and, when needed, to high-quality health care, without discrimination.

With regards to population dynamics and the influx of refugees, many countries in the region are insufficiently prepared to receive large numbers of refugees and implement integration policies based on human rights standards. Fuelled by nationalism, this can be a source of social and political tension and discrimination. Guaranteeing adequate standards of care for refugees and migrants is important for population health and for the protection and promotion of human rights.

² Data based on UNDESA/Population Division: World Population Prospects: The 2015 Revision (available at http://www.un.org/en/development/desa/publications/world-population-prospects-2015-revision.html)

³ Ibid

⁴ Natural growth is the birth rate minus the death rate. It is the population growth without migration.

What needs to happen?

Population ageing and slow or even negative population growth are processes, which require a strengthening of policies combined with positive solutions and the countries/territories in the Europe and Central Asia region constitute a globally relevant testing ground where much can be learnt about policies that might effectively amplify or constrain their consequences. The Sustainable Development Goals provide a framework with associated goals and targets many of which cannot be attained unless there is a focus on: a) the human capital of the population through gender equality, equal access to education and health, flexible labour markets and productivity increases and b) the adaptation of major social institutions (pension and health systems, education systems, research institutions, labour markets, etc.) to the new realities.

The European and Central Asian countries/territories will move successfully through the present and future population transformations if they apply a harmonized medley of progressive policies. The respect of human rights and the Sustainable Development Goals on eradicating poverty, promoting gender equality, ensuring healthy lives and quality education as well as a high level of awareness for protecting the planet and its natural resources are not just ends of sustainable development, but are also the right means to address the challenges of population dynamics in the region. The Europe and Central Asia region with its many affluent societies, healthy, well-educated populations and rapid technological developments is uniquely equipped to demonstrate that ageing societies can prosper and that demography is not destiny.

- Enhance equal access to education and health services. Investments in health, education and opportunities for young people as well as women, refugees and migrants are particularly important in ageing societies. The poverty cycle can be broken only if children and young people from lower income families and communities have equal access to good education and health services, so that they can realize their full potential in all stages of life.
- Create sustainable social security systems. Young generations in many countries of the region are relatively small but they need to shoulder high per-capita support for older generations. This poses challenges to intergenerational equity and the "intergenerational contract." Social security systems, particularly pension schemes, have to be made sustainable through reforms that reduce the financial burden for the participants of labour relations, limit early retirement options and create incentives to stay in employment and be employed productively at older ages.
- Adjust policies to reflect societies. Ageing societies have to foster active ageing and independent living among the older populations, including their capacity to support the younger generations and society at large. Member states must address the needs of older persons that face poverty and social exclusion and pay special attention to the provision of care for the increasing number of elderly that will need assistance. This has an important social dimension as the care burden falls largely on women and often on immigrants. In many Western European countries policy adjustments, such as pension reforms, are being made to reflect the changing conditions of ageing.
- Devise appropriate family related policies. Appropriate policies should be put in place to support families and create conditions that make it easier for couples to have their desired number of children, based on their choice. Family related policies may be designed differently, but they should respect the human rights of men and women, support gender equality, the harmonization of work and childcare, and compensate (at least partially) for the cost of children and the loss of income of women and men (including at older ages) due to family duties, irrespective of the type of the family. Experience shows that family related policies that go against individual desires and choices and infringe on the rights and opportunities of women and men are not sustainable and likely to fail. There is increasing evidence in the Western European context that it is gender equality, combined with well-designed family and social policies that contribute to higher fertility as well as higher labour force participation rates.

Manage population flows. Even taking into account an important increase in population flows into the region during recent years, provoked inter alia by the influx of refugees, the region's population dynamics have not been influenced significantly. While it is unlikely that migration and refugee flows alone will solve the demographic decline in parts of the region, these could be considered as contributing factors in counterbalancing population ageing. The countries in the region that are receivers of high numbers of migrants should apply policies that combine the management of flows with integration policies for refugees and migrants. These should be managed within a human rights framework, for the benefit of countries of origin and of destination as well as individual migrants, particularly children and young people. Appropriate legislation and close cooperation among local authorities and communities where migrants and refugees settle and live is necessary to break down the barriers that migrants and refugees often face in accessing education, employment, health and social services and the vulnerability of female migrants and refugees.

Population Dynamics

KEY MESSAGES:

Western Europe



Late childbearing, low fertility levels and an increase in the life span of women and men, leading to an increase in number of older persons who are much fitter and healthier.

Eastern Europe



Increase in mortality not associated with a major epidemic or war.



High levels of secondary infertility - an estimated 12 million women had one child and are unable to have the second.

The Baltics, Eastern **Europe and the Balkans**

Population projected to decline by more than 15 per cent by 2050.

Central Asia



More than half of population is under 25.







Fertility levels increased since 2000.

International migration







Impact of international migration on population size and structure is significant, often outnumbering the population change due to births and deaths.

POLICY RECOMMENDATIONS:

Enhance equal access to education and health services.

Create sustainable social security systems.

Adjust policies to reflect societies.

Devise appropriate family related policies.

Manage population flows



Large Movements of Refugees, Migration and Resilience

What is at stake?

The world is witnessing an unprecedented level of human mobility. It is relevant to virtually all countries/territories and has steadily increased: the number of international migrants reached 244 million in 2015, growing at a faster rate than the world's population, 31 million of them children. Women represent 48 per cent of the international migrant stock. There are roughly 65 million forcibly displaced persons as a result of conflict and human rights abuses, including 21 million refugees, 3 million asylum seekers and over 40 million internally displaced persons. Environmental degradation and conflicts over the access to, and use of, natural resources also drive displacement by threatening lives in the short term and making livelihoods untenable over the long term.

The 2030 Agenda commits states not to leave anyone behind and to reach the furthest behind first, including internally displaced persons, refugees and migrants. It specifically provides for the need to facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies. The needs of refugees, internally displaced persons and migrants are explicitly recognized. Migration and refugee flows are closely tied to Goals on good health and well-being; gender equality; inclusive and sustainable economic growth; building resilient infrastructure; safe, resilient and sustainable communities; and just, peaceful and inclusive societies. The 2030 Agenda also includes specific targets to protect migrant workers' labour rights, eradicate trafficking; promote safe and secure working environments; implement planned and well managed migration policies; reduce the transaction costs of migrant remittances; and produce high quality, timely and reliable data disaggregated, among other, by race, ethnicity and migratory status. Other targets related to legal identity, equal access to justice, and accountable and transparent institutions are highly relevant.

The movements of refugees and migrants require building countries' resilience as a matter of sustainable development. These influxes may stretch the capacity of authorities to support public services, to maintain community security and cohesion, and ultimately create conditions where people can pursue better lives and livelihoods. This can detrimentally impact both refugees and migrants and local communities, with the most vulnerable being particularly affected, such as children and women. By adopting the *New York Declaration for Refugees and Migrants*, states have reaffirmed solidarity with persons who are forced to flee and their obligations under international human rights and refugee law. They reasserted the centrality of international cooperation and solidarity to the refugee protection regime and recognized that large movements may strain national resources, especially for developing countries.

The story of the region

Europe and Central Asia has experienced increased displacement and migration dynamics with important implications in terms of sustainable development. It is a region of origin, transit and destination, which hosts sizable refugee, asylum-seeking and migrant populations. In 2015, 76.1 million international migrants lived in the region and represented 10.3 per cent of the region's population.³ In 2015, the average share of migrants in the total population stock of the region's transition economies was 6.9 per cent, while these countries' average

Population Facts, United Nations Department for Social Affairs (available at http://esa.un.org/unmigration/documents/The_number_of_international_ migrants.pdf)

² New York Declaration for Refugees and Migrants (available at http://www.un.org/ga/search/view_doc.asp?symbol=A/71/L.1

³ United Nations Department of Economic and Social Affairs Population Division, International Migrant Stock 2015 (available at http://www.un.org/en/development/desa/population/migration/data/estimates2/estimatesgraphs.shtml?1g1)

shares of emigrants was 18.6 per cent. With a total population of 5.4 million, migrant children comprise over seven per cent of migrants living in the region.⁴ Females make up around 50 per cent of the total amount of migrants.

Both 2015 and early 2016 were characterized by continuing large-scale arrivals across the Mediterranean Sea to the region, caused in large part by conflicts in the Middle East and other regions. This has resulted in increasingly restrictive measures in relation to access to territory and asylum, inadequate reception conditions and integration policies, family separation, abuse and exploitation, including violence against women and children. This has particularly impacted persons in need of international protection with specific needs, including unaccompanied and separated children, the elderly, women at risk, single headed households and persons with disabilities. At the end of 2015, Europe hosted 4,391,400 refugees⁵, and by end 2016, there were 2.8 million refugees in Turkey.⁶ The vast majority (77 per cent) originated from Syria, Iraq and Afghanistan; children accounted for one third of the arrivals in 2015. Turkey continues to host the largest number of refugees worldwide. In 2016, over 347,000 refugees and migrants arrived by sea, including 24,000 unaccompanied and separated children to Italy alone, more than double compared to the previous year. During the same year, some 5,096 refugees and migrants have died or gone missing at sea while heading for the continent.⁷

Socio-economic forces are among the key drivers of migration within the region, causing increasing levels of youth migration. Millions of migrants from less wealthy countries in the region work, including informally, in other countries. For many, the Russian Federation and Kazakhstan are destination countries, with different national gender migration patterns.8 According to the World Bank, three of the seven countries receiving the largest amount of remittance inflows (relative to GDP) in the world in 2015 were former Soviet republics (Tajikistan, Kyrgyzstan and the Republic of Moldova). For these countries and territories, as well as for Armenia, Georgia, and Kosovo*, Official Development Assistance receipts are dwarfed by remittance inflows. Both the economic downturn in the Russian Federation and the tightening of migration regulations triggered the voluntary or involuntary return of migrant workers in their home countries during 2014-2015, which subsequently contributed to declines in remittances and impacted the economic and social situation in the major countries of origin.

Irregular movement is a long-standing challenge throughout the region, with human trafficking, smuggling exploitation and abuse becoming more frequent. Underdevelopment, lack of regular channels, the rise in instability as well as large forced and irregular movements going to and through the region have compounded the problem. Roma, who have been illegally residing in many countries, are among the first to be affected, but this also impacts migrants from Central Asia who had to involuntarily return due to the economic downturn in the Russian Federation and Kazakhstan.

The gender-differentiated impacts of migration in countries of origin and destination present a mixed picture. On the one hand, rising household incomes from migration is beneficial for household and community wellbeing. On the other hand, in countries of origin male migration results in a higher burden of unpaid care work for women,⁹ as single heads of households with sole responsibilities for the care of children, the sick

⁴ Uprooted: The Growing Crisis of Refugee and Migrant Children, UNICEF, 2016 (available at https://www.unicef.org/publications/index_92710.html)

⁵ United Nations Population Division, Department of Economic and Social Affairs: International Migration, (available at http://www.un.org/en/development/desa/population/migration/data/estimates2/estimatesgraphs.shtml?1g1)

⁶ Turkey, UNHCR Operational Update, October-December 2016 (available at https://data2.unhcr.org/en/documents/details/53804)

⁷ See UNHCR, "Desperate Journeys: Refugees and migrants entering and crossing Europe via the Mediterranean and Western Balkans routes", February 2017, http://www.unhcr.org/58b449f54.html. Between January - September 2016, over 1 million new asylum applications were registered in 38 countries in ECA. The vast majority were lodged in EU member states, which received over 916,000 new asylum applications, almost 84,000 more than the same period during the previous year. The top nationalities of new asylum applications were from Syrians, Afghans and Iraqis. In the EU, the top receiving country of new asylum applications continues to be Germany, which received around 65 per cent of the applications, followed by Italy, France and Austria. A record high of almost 90,000 unaccompanied and separated children applied for asylum in the EU in 2015, mostly in Sweden, Germany and Austria (see further https://s3.amazonaws.com/unhcrsharedmedia/2016/2016-06-20-global-trends/2016-06-14-Global-Trends-2015.pdf)

⁸ As of mid-2015, citizens of Kyrgyz Republic, Tajikistan and Uzbekistan accounted for one third of the 11 million foreigners officially registered in the Russian Federation. Citizens from these countries likewise account for the vast majority of foreigners registered in Kazakhstan. Migration flows to the Russian Federation from Tajikistan and Uzbekistan are dominated by men (84 per cent and 82 per cent of total migrants form these countries, respectively), but contrast, women constitute larger shares of migrants from the Kyrgyz Republic (39 per cent) as well as from Kazakhstan (42 per cent); Labour Migration, Remittances, and Human Development in Central Asia, UNDP, 2015 (available at http://www.eabr.org/general/upload/reports/CAMRHDpaperUNDPEDBFINALENG.pdf)

⁹ Central Asia Security Policy Briefs #21, Norwegian Institute of International Affairs & OSCE Academy, 2015

and the elderly. Women are more likely to engage in informal work, irregular migration, and vulnerability to trafficking and abuse. At the same time, women migrant workers earn lower wages than men, even when equally qualified and engaged in similar activities. Female and male migrants send approximately the same amount of remittances. An increase in female migration is beneficial for origin countries, as female migrants tend to remit a higher proportion of their income, and send payments more consistently and over longer periods of time. Women who receive remittances, meanwhile, also do more to boost family welfare.¹⁰

Migration and refugee movements entails important public health implications. Statistics, where available, generally indicate that refugees, asylum seekers and migrants may be at risk for worse health outcomes including, in some cases, increased rates of infant mortality. Their susceptibility to illness is largely similar to that of the rest of the population, although there are substantial variations between groups, countries of origin and health status. Many refugees, asylum seekers have experienced severe trauma in their countries of origin. Additionally, refugees, asylum-seekers and migrants will have experienced burdensome travels and temporary stays in transit centres, during which they may have been exposed to hazards and stress, including heat, cold, wet weather, poor sanitation and lack of access to healthy food and/or a safe water supply. In addition, gender differences in health status are also manifest. Women are more exposed to sexual violence, abuse and trafficking, and experience risks related to pregnancy and childbirth, particularly when these are unassisted. Risk factors that affect men in particular include exposure to accidents, physical stress and other work-related health hazards. Evidence also suggests higher mental distress among refugee and migrant populations, with increased risk for women, older people, and those who have experienced trauma, and further risk caused by lack of social support and increased stress after migration.¹¹

The armed conflict in Eastern Ukraine has also generated internal displacement and outflow from the country to neighbouring States and other countries in the region. The situation in Ukraine has increased an already significant number of internally displaced persons (IDP) within the region. Many of these IDPs are in protracted situations, with a large share of the displacements as a result of conflicts and violence, which took place in the 1990s.

What needs to happen?

- Ensure respect for and protection of human rights of refugees, asylum seekers and migrants, taking into account differentiated needs based on causes of flight and legal status, gender, age, health, legal status and other factors.
- Prevent and address discrimination and xenophobic narratives about migrants, refugees and asylum-seekers, as well as reducing negative perceptions of refugees and migrants in host countries, and promoting positive relations and integration as a "two-way" process between refugees and host communities
- Mainstream migration and refugee issues into sustainable development, and other policy areas such as health and education by factoring them into local, national, regional and global development strategies, poverty reduction strategies and sectoral policies and plans; and by more systematically establishing synergies with related policy instruments, such as those for disaster risk reduction and climate change adaptation.
- Promote evidence-based policymaking on migration, refugee flows and their linkages with development. This includes greater investment in data, research, needs assessments, evaluations and capacity development with respect to migration, refugee movements and outcomes for individuals and societies.

⁽available at http://www.osce-academy.net/upload/file/Policy_Brief_21.pdf)

¹⁰ Women have been found to better utilize remittances by investing them in their children's education, health care for the elderly, and savings plans for their family's future. TWG Migration, 2012; (available at http://publications.iom.int/bookstore/free/MPI_Issue10_12Sept2014.pdf)

¹¹ Strategy and action plan for refugee and migrant health in the WHO European Region. Copenhagen: WHO Regional Office for Europe, 2016, (available at http://www.euro.who.int/_data/assets/pdf_file/0004/314725/66wd08e_MigrantHealthStrategyActionPlan_160424.pdf)

- Comprehensive approaches require cooperation to be multidisciplinary: migration, refugee, and development communities need to work together and include other policy areas, those affecting human rights, humanitarian issues, education, social protection, housing, health, employment and the environment. Involvement of non-State actors is essential—first and foremost migrants and refugees themselves, including diaspora groups and transnational networks, but also local and international NGOs, the business and finance sectors, academia and local communities. Such broad-based multidisciplinary partnerships should be established at the local, national, bilateral, regional and global levels as well as among countries of origin and destination.
- Create regulatory environments to enhance the impact of migrants' privately-funded contributions to development, including remittances and migrants' savings (for reduction of transaction costs of remittances), as well as transfer of skills, values and innovation. This involves good governance, economic stability, openness to entrepreneurial activities, lowering barriers to freedom of movement, as well as more targeted incentive mechanisms, including dual citizenship, simplified administrative procedures, portable pensions and social security, and voting rights.
- Promote a comprehensive European response to refugees, including through ensuring access to territory and to fair and efficient asylum procedures, respect for the right of liberty by using detention only on an exceptional basis, prioritizing family reunion, and integration of those found in need of international protection through sustained engagement between refugees and host communities.
- Address specific protection risks, in particular by ensuring adequate reception and access to services, including health services, in a gender and age sensitive manner, preventing family separation, preventing and responding to sexual and gender based violence and ensuring the protection of unaccompanied and separated children in line with their best interests.
- Support regional responsibility-sharing mechanisms to address the resource strain the large movement of refugees to and through the region places on states and to maintain trust, and enhance protection and close cooperation between states, particularly for those receiving the majority of new arrivals.
- Enhance safe pathways as alternatives to dangerous and risky journeys in the hands of smugglers, including through resettlement and humanitarian admission, work and study visas, and private sponsorship, with particular focus on the most vulnerable groups.
- Migration and forced displacement are long term issues that require long term, resilience¹² focused solutions. Successful resilience interventions ensure that shocks and stress do not lead to long-term setbacks in the development process. Some groups may be impacted disproportionately, and vulnerable groups must be empowered, such as women, so as to acknowledge their potential to contribute to the resilience of communities. Such an approach shall ensure that current strains on affected states and communities do not set back their development trajectories, while support is provided to address human mobility pressures, overall by focusing on inclusive economic development and improved governance as longer-term solutions to key drivers of migration and displacement to and within the region.
- This approach shall include efforts to strengthen institutional and community resilience, helping countries to respond to large displacement in a manner that enhances social cohesion and meets the needs and rights of both migrant and refugee populations, as well as the host and transit communities over the short, medium and long-term. Grounded in a human-rights based approach that integrates gender equality and ensures that all activities benefit both men and women, girls and boys, focus shall be given on:

¹² Resilience can be defined as the ability to absorb, utilize, recover and benefit from change and disruption (see further http://www.unisdr.org/we/inform/terminology)

- Building the capacities of local governments to provide critical public service delivery to both
 impacted local communities and migrants and refugees to plan and manage the impacts of
 increased population/demand while maintaining critical public services and standard of living
 for local communities at pre-crisis levels,
- Strengthening social-cohesion and community security with a conflict-sensitive, humanrights based approach - to prevent a breakdown in social cohesion,
- Improving livelihoods, integration and enabling employment environment by supporting local development, small and medium sized enterprises, start-up schemes, youth and female entrepreneurship, the recognition of previous educational attainment and professional qualifications, as well as policies, strategies and structures for attracting foreign investments to create jobs and improve livelihoods of women, men, girls and boys.
- Supporting national coordination and planning mechanisms, with an emphasis on data, assessment and forecasting, where possible, particularly the linkages between the national and local-level resilience and crisis management planning,
- **Implementing comprehensive migration regimes**, including strengthening government capacity to integrate migration and displacement in national development strategies,
- Providing early warning and scientific evidence of ecological changes, strengthening communities and countries capacities to prepare for external shocks, and promoting ecosystems based disaster risk reduction to address risk drivers of forced migration.

Large Movements of Refugees, Migration and Resilience

KEY MESSAGES:

Europe and Central Asia

76. 1

million



Is a region of origin, transit and destination for refugees, asylum-seekers and migrants. In 2015, 76.1 million international migrants lived in the region and represented 10.3 per cent of the region's population. Migrant children (5.4 million) comprise over seven per cent of the migrants living in the region. Females make up around 50 per cent of the total amount of migrants.

Remittances



3 out 7 of countries receiving the largest amount of remittance inflows (relative to GDP) in the world in 2015 were Tajikistan, Kyrgyzstan and the Republic of Moldova. In 2014–2015, remittances declined.

Impacts on migrants



Human trafficking, smuggling exploitation and abuse, worse health outcomes and increased rates of infant mortality. Women are more likely to engage in informal work, irregular migration, and vulnerability to trafficking and abuse.

Turkey

2.8 million



The country continues to host the largest number of refugees worldwide. By end 2016, there were 2.8 million refugees in Turkey.

Ukraine



Conflict in Eastern Ukraine increased an already significant number of internally displaced persons (IDPs) within the region.

POLICY RECOMMENDATIONS:

Ensure respect for and protection of human rights.

Ensure multidisciplinary cooperation.

Support regional responsibility-sharing mechanisms.

Prevent and address discrimination and xenophobic narratives.

Create regulatory environments to enhance the impact of migrants' privately-funded contributions to development.

Enhance safe pathways.

Mainstream migration and refugee issues into sustainable development.

Promote a comprehensive European response to refugees.

Focus on long term, resilience focused solutions.

Promote evidence-based policymaking on migration, refugee flows and their linkages with development.

Address specific protection risks.

Strengthen institutional and community resilience.



Gender Equality, Women's Rights and Women's Empowerment

What is at stake?

Gender equality, women's rights and women's empowerment are key to accelerating sustainable development. Gender inequalities, such as weak rights to own land and reduced access to energy, water and sanitation facilities for women, have a negative impact on human health, the environment and sustainable development and are still deep-rooted in every society. Women suffer from lack of access to decent work and face occupational segregation and gender wage gaps. In many situations, they are denied access to basic education and health care and are victims of violence and discrimination. They are under-represented in political and economic decision-making processes. Gender equality matters in its own right, as a prerequisite for the health and development of families and societies, as a driver of economic growth and as a key contributor to sustainable development. There is no chance of making poverty history without significant and rapid improvements to the lives of women and girls in all countries/territories.

Millennium Development Goal 3 – to promote gender equality and empower women – signalled global recognition that this is both an important development goal in itself, and a key to the success of all the other goals. The 2030 Agenda for Sustainable Development contains a specific stand-alone goal to tackle the gender inequalities that remain widespread and persistent across the world and which leave women disproportionately represented amongst the poorest and most marginalised people.¹ Gender equality is also prioritised across other goals through concrete, gender-specific targets and indicators, including in the areas of poverty, education, health, jobs and livelihoods, food security, environmental and energy sustainability, and stable and peaceful societies. None of these development goals will be achieved without addressing gender inequality, women's rights and women's empowerment. Thus, the 2030 Agenda opens new opportunities for addressing regional challenges in reaching gender equality and empowerment for all women and girls.

Story of the region

Since 2013, the situation regarding gender equality, women's rights and the empowerment of women and girls in the region has been characterized by uneven progress, with MDG 3 being only partially achieved. Given gender inequality challenges in the region, and pockets of severe poverty and inequality within individual countries/territories, leaving no one behind entails addressing a wide spectrum of challenges and reaching out to the most vulnerable communities.

Countries/territories in the region have undertaken efforts to increase women's labour force participation, reduce occupational segregation and the gender pay gap, facilitate the reconciliation of employment and family responsibilities, support women's entrepreneurship or enhance female participation in top-level economic decision-making. Nevertheless, significant gender gaps remain and discriminative gender attitudes and patriarchal values continue having a strong negative impact on the progress towards gender equality. Most policy innovation and progress in the area of women's economic empowerment in the region has been achieved in the EU.²

Progress in women's political participation and representation has been slow. Numerous models of quotas and other measures to promote women in elected bodies have been developed, but have rarely achieved a major change in the unequal distribution of power between women and men. With very few exceptions, female political

Sustainable Development Goal 5: Achieve Gender Equality and Empower all Women and Girls

² Beijing +20 Review Meeting, United Nations Economic and Social Council, Economic commission for Europe, 2014, (available at http://www.unece.org/fileadmin/DAM/Gender/documents/Beijing%2B15/ECE.AC.28.2014.3.E.pdf)

representation across all levels remains far below the 40 per cent recommended by the Council of Europe as indicating balanced representation. Assessing progress in women's political power beyond elected positions is difficult and because of weak data, particularly so in the Europe and Central Asia region. Women are largely underrepresented in governance bodies and are rarely leading core ministries, top judiciary ranks and major political parties. Civil society, historically a strong channel for women's social and political mobilization, is currently under severe pressure in some parts of the region (limitations on mobility, activities and foreign funding).³ With civil society organizations shut down or isolated from the political process in some countries, civic space for women's participation and influence is shrinking. National machineries for the promotion of gender equality and the empowerment of women are weak, lacking in funding and a strong mandate. A sound legislative base and policy commitments to gender equality and the empowerment of women and girls are not consistently followed by the introduction of strong and consistent implementation mechanisms.⁴

Gender based discrimination systematically obstructs women's economic opportunities and serves to reproduce social exclusion and poverty. In many parts of the region, women's labour force participation rate (LFPR) is fairly high (although still lower than male LFPR in all countries/territories) and women outperform men in educational achievements, however this advantage fails to translate into women's economic empowerment. Even in countries with educational gender parity, or a higher level of education of women, educational success does not translate into proportionate economic success and political decision-making power for women. The mismatch is clearly documented in the EU, as well as Switzerland.⁵

The gender wage gap constitutes a major setback for women's economic opportunities: women's gross hourly earnings in 2015 were, on average, 21.8 per cent less in Central and Eastern Europe and Central Asia,⁶ and 16 per cent less in the countries of the European Union.⁷ A large portion of the wage gap stems from gender-based discrimination. All across the region, occupational segregation persists with women concentrated in low-paying sectors of the economy and is perpetuated through educational choices, based on gendered stereotypes about types of work "suitable" for men and women. Despite impressive educational achievements of women in tertiary education, men still have higher chances of being promoted up the career ladder. Women account for a minor share among top managerial and business leaders in the region. The gendered employment gap persists: women are 30 per cent less likely to be employed than men.

Throughout the region, women work longer hours than men when unpaid work is factored in. ⁸ A disproportionate load of unpaid care and domestic work provided by women and girls remain largely unrecognized and undervalued. On average, in the region women perform two and a half times more unpaid care and domestic work than men, ⁸ the difference increasing to 8 times in parts of the region. ⁹ Because of the responsibilities associated with both unpaid care work and productive employment, women often resort to part-time employment. ¹⁰ Women are also more likely to be employed in insecure jobs (contributing family worker and informal domestic worker), labouring without contract, regular pay or rights' protection.

³ UN Human Rights Council: Civic Space Restrictions in Central Asia and Eastern Europe must be addressed, Article 19, 22 June 2015 (available at https://www.article19.org/resources.php/resource/38010/en/un-hrc:-civic-space-restrictions-in-central-asia-andeastern-europe-must-be-addressed)

⁴ Europe and Central Asia, Social Institutions & Gender Index, SIGI Regional Report, OECD, 2015. p. 9 (available at http://www.oecd.org/dev/development-gender/SIGI-BrochureECA-2015-web.pdf)

⁵ Beijing +20 Review Meeting, United Nations Economic and Social Council, Economic commission for Europe, 2014, (available at http://www.unece.org/fileadmin/DAM/Gender/documents/Beijing%2B15/ECE.AC.28.2014.3.E.pdf)

⁶ Eurostat, 2015 and Progress of the World's Women 2015-2016, Transforming Economies, Realizing Rights, UN WOMEN (available at http://www.unwomen. org/en/digital-library/publications/2015/4/progress-of-the-worlds-women-2015).

⁷ http://ec.europa.eu/justice/newsroom/gender-equality/infographs/equal-pay-day-2015/equal-pay-day/index_en.html 8 Progress of the World's Women 2015-2016, Transforming Economies, Realizing Rights, Trends & Statistics, p.87, UN WOMEN (available at http://www.unwomen.org/en/digital-library/publications/2015/4/progress-of-the-worlds-women-2015).

⁸ Progress at Risk: Inequalities and Human Development in Eastern Europe, Turkey and Central Asia, Regional Human Development Report, United Nations Development Programme, 2016 (available at http://hdr.undp.org/en/content/regional-human-developmentreport-2016-eastern-europe-turkey-and-central-asia)

⁹ United Nations Economic commission for Europe, Statistical Database (available at http://w3.unece.org/PXWeb/en/)

¹⁰ Progress of the World's Women 2015-2016, Transforming Economies, Realizing Rights, Trends & Statistics, p.105, UN WOMEN (available at http://www.unwomen.org/en/digital-library/publications/2015/4/progress-of-the-worlds-women-2015).

Government introduction of austerity measures (including subsidy reduction, wage cuts in public sector, pension and health reform and safety net transformation)¹¹ in some countries of the region has multiple gendered implications. For example, reductions in wages and jobs in public health, public education and social services mainly affect women, who are overrepresented among the employees in these sectors. Reductions in pensions and healthcare spending further impede the access of women and girls (even more so, women and girls with disabilities, those in rural areas, or poverty stricken areas) to crucial services for reproductive and sexual health. While the adolescent fertility rate is 18 in the region, it can reach up to 59 births per 1,000 women ages 15-19.¹² Decreased public investment in childcare, elderly and disabled care (for example, day-care facilities, personnel and training) generates a growing reliance of families and states on unpaid care provided by women and girls. The high dependency of families on women's unpaid labour keeps all women, including those educated and highly skilled, away from formal employment and good career opportunities, and undermines their ability to accumulate lifetime savings. This also has the potential of deprioritizing girls' education and preventing women and girls from realizing their full economic, social and political potential.

Implementation of laws and policies remains weak, particularly in Eastern Europe and Central Asia. Here, barriers in the access to services and limited access to justice remain key concerns for women, and for specific groups of women also in other countries, such as rural women, ethnic/national minorities, women with disabilities and migrants.

A wave of conservative, nationalist and xenophobic sentiment and politics is on the rise in some countries in the region. In some cases, the rhetoric used by political and social actors, casts women as repositories of national values. Re-traditionalization often supported by influential religious institutions, ties women's primary value to their reproductive function, maternal care and the private sphere of home. In parts of the region, women's reproductive rights are targeted and limited through specific pro-natal policies. Harmful traditional practices are persistent in areas across the region, with evidence of female genital mutilation/cutting in at least one country. Child marriage, albeit hard to document, is estimated to affect girls¹⁴ in Eastern Europe and Central Asia, with estimates for individual countries ranging from 27.2 per cent to 2.2 per cent. Child marriage is reported to be even more prevalent among certain population groups. Child marriage is associated with early school dropout and early childbirth perpetuating poverty, making women more vulnerable to domestic violence and social exclusion in an intergenerational cycle of violence against children.

The digital divide commonly disadvantages women and girls, for example, in Central Asia women have 30 per cent less access to Internet compared to men,¹⁸ and undermines their chances to obtain skills necessary for labour market transformation caused by the Fourth Industrial Revolution.

¹¹ The Decade of Adjustment: A Review of Austerity Trends 2010-2020 in 187 Countries / Isabel Ortiz, Matthew Cummins, Jeronim Capaldo, Kalaivani Karunanethy; International Labour Office. - Geneva: ILO, 2015 (Extension of Social Security Series No. 53) (available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2685853)

¹² The World Bank: Databank (available at http://data.worldbank.org/indicator/SP.ADO.TFRT)

¹³ Civil society organizations from Europe and Central Asia call for action and accountability at Beijing+20 review, UN Women (available at http://www.unwomen.org/en/news/stories/2014/11/europe-cacso-beijing-review#sthash.oAY7UP7N.dpuf) http://www.unwomen.org/en/news/stories/2014/11/europe-cacso-beijing-review

¹⁴ The practice of child marriage impacts boys as well, but on a lesser scale than girls.

¹⁵ Child Marriage in Eastern Europe and Central Asia, Issue Brief, UNFPA, 2015 (available at http://eeca.unfpa.org/sites/default/files/pub-pdf/SWOP2016%20Regional%20Supplement%20EECA.pdf)

¹⁶ According to the research data, 30 per cent of Roma girls in ten countries are married before the age of 18, compared to 4.5 per cent of girls in overall population Asenjo, A., Bancalari, A., Castillo, C., D'Arcy, M. and Raigada, T. Mind the Gap. Gender Disparities in Adolescent Wellbeing Outcomes in Central and Eastern Europe and Central Asia, LSE Capstone Report, UNICEF, March 2016, p 79

¹⁷ Focus on children from ethnic and linguistic minorities in Central and Eastern Europe and Central Asia, Issue Brief, UNICEF, 2016 (available at https://www.unicef.org/ceecis/2016_Children_from_minorities.pdf)

¹⁸ Women and the Web, Bridging the Internet gap and creating new global opportunities in low and middle-income countries, Report by Intel, 2013, p 10 (available at http://www.intel.com/content/dam/www/public/us/en/documents/pdf/women-and-the-web.pdf)

Gender-biased sex selection persists in some parts of the region. The practice, based on tradition of son preference, generated a skewed ratio between male and female births and has already resulted in an estimated 171,000 "missing" girls. ¹⁹ The practice inflicts a lasting damage on women's health, reinforces a culture of low value placed on girls and in two decades it will translate into a demographic imbalance affecting men's marriage prospects, the potential to increase human trafficking, gender-based violence, and political unrest.

The benefits of a demographic dividend can be seriously limited if women and girls are not equipped with highly relevant education and skills. The gender gap in access to decent jobs, characteristic for many countries/ territories across the region, can also undermine the positive effect of demographic dividend. ²⁰ Population ageing affecting some countries in the region has a key gender dimension: women will constitute a majority within the aging population. The process will increase women's load of unpaid care work and expose elderly women to several risks: old age poverty (due to pension gap), increased health risks and mental health risks in the situation of inadequate healthcare services, increased economic dependency and vulnerability to gender based violence.²¹

26 per cent of women in Eastern Europe, 23 per cent of women in Central Asia and 19 per cent of women in Western Europe have experienced either physical and/or sexual violence by an intimate partner or sexual violence by a non-partner.²² The region's crisis-affected areas reveal the increase in gender-based violence (GBV) in emergencies (for example, a rate 3 times higher among women IDPs in Ukraine, compared to host community residents).²³ The majority of states in the region have legislation addressing GBV/violence against women (VAW), however laws are mainly focused on domestic violence and rarely mention sexual harassment and conflict-related sexual violence. GBV laws in many countries still lack strong implementation and monitoring mechanisms.

In recent years, Europe and Central Asia has become more prone to natural disasters as a result of climate change. Women and girls are disproportionately affected by disasters and climate change due to the multiple discriminations that they face. This is due to poor access to resources, information and decision-making processes. There is good evidence that women are more vulnerable to climate change than men: in poor areas women are often the poorest. In addition, some studies in the region show that the mortality rate of women, as a result of natural disasters, is often much higher than that of men.²⁴

To better understand complex regional trends and develop relevant interventions, comprehensive measurement, based on reliable and comparable data, is necessary. Despite some good developments, gaps in the availability, accessibility, analysis and use of gender statistics and sex-disaggregated data in the region persist (for example, in collection of VAW prevalence data). The use of gender statistics in setting of national development priorities and policy formation remains quite limited.

What needs to happen?

Key trends in the region illustrate that elimination of gender inequality and a push towards the empowerment of all women and girls represent both a driver/accelerator of progress towards all SDGs and a central part of the solution for the sustainable development of the whole region. For example, the efforts to reduce growing inequality in the region will have to acknowledge the impact of weakened social protection on limited economic opportunities of women and girls. Promoting peaceful and inclusive societies in the region,

¹⁹ Preventing gender-biased sex selection in Eastern Europe and Central Asia, Issue Brief 4, UNFPA, 2015 (available at https://www.unfpa.org/sites/default/files/resource-pdf/GBSS%20Brief_WEB.pdf).

²⁰ Investing in Young People in Eastern Europe and Central Asia, Issue Brief, UNFPA, updated in January 2015 (available at http://eeca.unfpa.org/sites/default/files/pub-pdf/EN-SW0P14%20Supplement%20Final_0.pdf).

²¹ Bussolo, Maurizzio, Johannes Koettl and Emily Sinnott. 2015. Golden Aging. Prospects for Healthy, Active and Prosperous Aging in Europe and Central Asia. Washington DC: World Bank (available at http://documents.worldbank.org/curated/en/647461467997250805/pdf/97714-PUB-PUBLIC-Box391451B-9781464803536.pdf).

²² Combatting Violence against Women and Girls in Eastern Europe and Central Asia, Issue Brief N 6, UNFPA (available at http://eeca.unfpa.org/sites/default/files/pub-pdf/21770%20Brief_web.pdf

²³ Gender-based violence in the Conflict-Affected Regions of Ukraine, Ukrainian Center for Social Reforms, UNFPA, 2015, p. 29 (available at http://reliefweb.int/sites/reliefweb.int/files/resources/gbv_study_2015_final_eng.pdf)

²⁴ Gender, Environment and Climate Change, UN Women and UNDP, 2015 (available at http://www2.unwomen.org//media/field%20office%20eca/attachments/publications/2013/climate%20change.pdf?vs=4321)

building sustainable cities and communities, ensuring sustained, inclusive and sustainable economic growth is impossible without tackling women's exclusion from political and social leadership, pervasive impact of GBV and harmful practices, exploitation of female migrants and abuse of women's rights. Issues of climate change and building resilience to disasters can only be addressed through increasing women's access to resources and information and their participation in decision-making processes.

- Expand women's economic opportunities and support the economic empowerment of all women and girls. This includes designing and implementing macroeconomic policies that enhance women's economic opportunities and ensure access to decent work and synergy between macroeconomic and social protection policies; ensure that women's right to own and control land and other forms of property is legislatively secured and supplemented by policies and programmes that enhance women's access to technologies and financial services, including microfinance; evaluating and rewarding unpaid care and domestic work, through appropriate measurement and analysis of country-specific patterns and custom-made social protection interventions; and raising awareness and introducing financial incentives to encourage women and girls to enter male dominated fields of education. The introduction of programmes, such as mentorship and foreign exchange, to support girls in STEM (Science Technology Engineering and Math) can help close the gendered digital divide.
- Enhance and transform current social protection by the states. This includes investment in expanding and maintaining free social services and supporting infrastructure (such as child-care services, free day-care centres, senior care centres and rehabilitation centres for children with disabilities) and free and secure public transport; promoting social protection to increase girl's school enrolment and attendance; introducing nationally appropriate social protection systems and measures for all (including, social protection floors²⁵) and ensure that relevant policies address the challenges faced by women; providing incentives for both parents active participation in child-care, through equalizing conditions for paid maternity, paternity and parental leave; supporting mechanisms to prevent separation of children from their families, including through community-based alternatives to institutional care; ensuring that single-parent families are not rendered "invisible" within the system of social protection; encouraging public and private sector employers to introduce family-friendly working conditions to support women's career prospects and family male involvement (flexible work schedule, teleworking); and introducing the gender dimension into pension reforms to recognize and reward years of unpaid care provided by women. Gender transformative models of care guaranteeing sustainable models of care that do not increase the burden on women and increase women's participation are also required.²⁶
- Build on opportunities and address challenges presented by demographic shifts. Governments should respect women's rights to make their own reproductive choices and should select gender-sensitive family policies that build on the principle of gender equality and support women's participation in social, educational, political and economic fields. Such policies include: subsidized maternity, paternity and parental leave, free child-care, quality public reproductive healthcare, family oriented working conditions for parents, tax credits, and social transfers. Investment in adolescent girls should be made, with enhanced opportunities and access to health, education and social services.
- Promote human rights in light of re-traditionalization, radicalization and harmful traditional practices. This includes ensuring access to justice for all, through building capacity of law enforcement and judiciary to ensure gender justice, access to rule of law for women and girls, and end gender-based discrimination, harmful traditional practices and violence against women; strengthening the legislative base to protect women's reproductive choices and raise public awareness about the importance of sexual and reproductive rights of women and girls; addressing the problem of gender-biased sex selection without compromising women's and girl's access to health services; and developing interventions to ensure access to primary, secondary and tertiary education for girls, particularly those from marginalized groups, through scholarships and education related tax credits.

²⁵ As stated in SDG 1, Target 1.3

²⁶ Women's health and well-being in the WHO European Region, WHO 2016, (available at http://www.euro.who.int/en/healthtopics/health-determinants/gender/publications/2016/womens-health-and-well-being-in-europe-beyond-the-mortality-advantage2016)

- Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life and expand women's ability to influence governance through civil society. This includes lifting pressures from civil society and supporting the mobilization and advocacy for women's rights; introducing temporary special measures to break male-dominated hierarchies in political parties and raising awareness and introducing women-friendly work policies and career development programmes to increase women's representation within the high ranks in all branches of government.
- Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation including in emergency settings. This includes introducing the concept of multi-sectoral coordinated response to GBV and ensure strong and consistent implementation mechanisms for existing legislation on GBV, including working with boys and men to prevent GBV/violence against women (VAW); and integrating the minimum standards of GBV prevention, mitigation and response in humanitarian work with refugees, IDPs and host communities, in areas affected by armed conflicts and natural disasters.

Gender Equality, Women's Rights and Women's Empowerment

KEY MESSAGES:

Women in politics





Female political representation across all levels remains far below the 40 per cent recommended by the Council of Europe.

Women in labour market







Participation rate of women is fairly high (but still lower than men's rate). Women have more educational achievements, but have less economic empowerment. Women's gross hourly earnings in 2015 were, on average, 21.8 per cent less than men's in Central and Eastern Europe and Central Asia and 16 per cent less in the countries of the European Union. On average, women perform 2.5 times more unpaid care and domestic work than men (8 times more in some countries).

Re-traditionalisation. nationalism, xenophobia





A wave of conservative, nationalist and xenophobic sentiment is on the rise. Re-traditionalization supported by religious institutions ties women's primary value to their reproductive function and the private sphere of home.

Gender-based violence



Eastern Europe Central Asia Western Europe 26%

26% of women in Eastern Europe, 23% of women in Central Asia and 19% of women in Western Europe experienced either physical and/or sexual violence by an intimate partner or sexual violence by a non-partner. Crisis-affected areas show an increase in gender-based violence (GBV) in emergencies (e.g. 3 times higher among women IDPs in Ukraine, then in host community residents)

POLICY RECOMMENDATIONS:

Expand women's economic opportunities.

Promote human rights in light of re-traditionalization and radicalization.

Enhance and transform current social protection.

Ensure women's full and effective participation at all levels of decision-making in political, economic and public life.

Build on opportunities and address challenges presented by demographic shifts.

Eliminate all forms of violence against all women and girls.



Decent Jobs for All

What is at stake?

For countries/territories at all levels of development, an adequate supply of productive jobs is the foundation of sustained prosperity and economic and social inclusion. Employment-rich economic growth is the necessary foundation for decent jobs, but by itself is not sufficient for achieving decent work for all. Decent jobs help to lift people out of poverty, reduce income inequalities, achieve social cohesion and create sustainable societies. At the same time, the increased spending power of workers helps to drive economic growth, thereby contributing to further job growth. Eliminating gender inequalities and building labour markets that are inclusive for all vulnerable groups will be paramount.

The globalization of supply chains, demographic and migration developments, technological innovations, as well as the need to convert to renewable energies, environmentally friendly production and more sustainable modes of consumption, are significantly affecting the labour market. These changes in the world of work offer new and better job opportunities for many, whilst also creating decent work challenges.

Full employment and decent work for all was already one of the targets of Millennium Development Goal 1, but has received a more prominent place in the 2030 Agenda, highlighting the multipronged nature of Decent Work and its four pillars.¹ Access to decent jobs that provide an adequate level of protections and where workers and employers have a voice are a basic right of all people. As an integral part of the nexus between social, environmental and economic sustainability, decent jobs are core elements of the 2030 Agenda for Sustainable Development. Decent work for all as a goal of the 2030 Agenda is reflected in SDG 8. In addition, decent jobs are a vehicle for ending poverty and hunger, improving mental health and wellbeing,² require and reinforce inclusive and equitable learning opportunities for all, and are integral to decreasing inequalities, achieving gender equality and building more inclusive societies. The path to decent jobs needs to ensure equality for all and help end discrimination.³ These linkages show the need for coordination among stakeholders to ensure policy coherence and, ultimately, sustainable results.

The story of the region

The region has endured a sustained period of sluggish and job-less growth, including severe downturns in some countries, as aggregate demand is still weak. Growth for the region has remained well below 2 per cent in 2016 across the region and is projected to continue at a similar rate in 2017 and 2018.⁴ Continuous downward pressure on aggregate demand is amplified by downward pressure on wages, high unemployment and only moderately rising employment rates. The detrimental effects on employment are causing further fragmentation of the labour market, increases in informality, downward pressures on wages and social protection systems, and increased unemployment, especially for vulnerable groups. These factors combined are also visible in increases in inequality and the number of workers and families that are at risk of relative poverty, as well as those that are currently living in poverty.

¹ Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.

² Siegrist J, Rosskam E, Leka S et al. Report of Task Group 2: Employment and Working Conditions including Occupation, Unemployment and Migrant Workers

³ The application of the Fundamental Rights and Principles at Work is essential to ensuring decent jobs for all.

⁴ See European Commission, Winter 2017 Economic forecast (available at https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-forecasts/winter-2017-economic-forecast_en); and World Bank, Global Economic Prospects (available at http://www.worldbank.org/en/region/eca/brief/global-economic-prospects-europe-and-central-asia)

As highlighted in the graph below, a large group most affected by these developments are young people as new entrants into the labour market. With youth unemployment topping 50 per cent in some countries and youth participation rates in the labour market ranging from below 20 per cent in Moldova to over 60 per cent in the Netherlands⁵, the youth employment crisis remains to be one of the most pertinent development challenges. The current generation of young people is the highest educated ever, yet faces a future full of insecurities across their lifetime due to the lack of decent jobs. The severe effects of the economic crises and continuous jobless growth, coupled with ageing populations and demographic downturns are creating the risk of a generation that is left behind, which will face continuous spills of unemployment, low quality jobs, inadequate access to social protection and an elevated risk of old-age poverty.

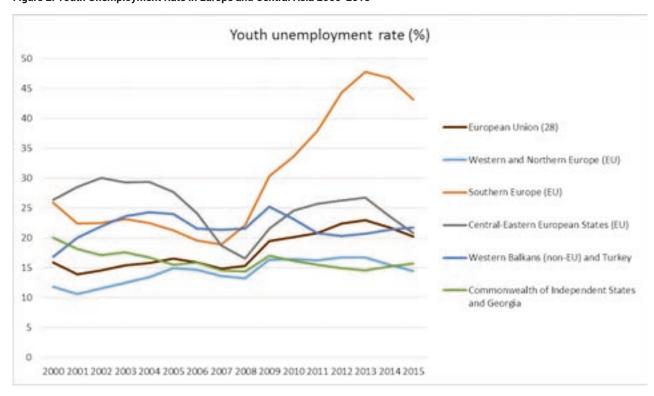


Figure 2: Youth Unemployment Rate in Europe and Central Asia 2000-2015

Source: Key Indicators of the Labour Market (KILM), International Labour Organisation, 2015

While labour market participation of women has risen in parts of the region, discrimination against women in the world of work remains a persistent reality, evidenced by high gender pay gaps, the predominance of women in precarious forms of work, and the continuous overburdening of women with unpaid care and household work.

The rise of the informal economy, and growing prevalence of new forms of work are depriving increasing parts of the population of traditional protections. At the same time they are undermining fiscal sustainability through an erosion of the tax base, which in turn impacts investments in sustainable development and SDG implementation. In the advanced economies, atypical employment, which is often involuntary and includes temporary and part-time employment, is on a steep rise. Temporary employment is particularly high among youth, women and low-skilled workers and contributes to increasing labour market segmentation, with workers often remaining trapped in such jobs. Though all fundamental ILO principles and rights at work have been ratified in the region most economies face challenges in implementing them.

Many of the middle-income countries/territories in the region report low rates of employment and labour force participation, particularly among women and youth who are neither in employment, nor in education and training; but gaps are also visible in high-income countries, with growing numbers of early school leavers and worsening literacy and numeracy of young people, despite overall increasing levels of education. There are also substantially elevated negative health effects, both psychological and physiological, among unemployed and precariously

employed persons, affecting their wellbeing and their ability to re-enter the labour market.⁶ Beyond the adverse social outcomes for these groups, including low social protection coverage, this also puts a strain on sustainable financing of social protection systems.

Human mobility patterns are changing rapidly within the region, posing challenges both in receiving and sending countries. Many post-Soviet countries face the challenge of reintegrating returning migrants into their own labour markets and need to stem the dual effect of a lack of jobs and a decline in remittances. Other important population flows in the region are from the Balkans to the EU and vice versa – both refugees and the migrants – as well as refugees from Syria into Turkey. Linked to this issue is the fact that the sustainability of social protection systems also depends on a stable labour force.

Beyond the story that emerges from available data, challenges linked to informality, vulnerability and inequality are expected to be even larger and more complex than the available data suggests, as data gaps are considerable.

What needs to happen?

- Promote a comprehensive and gender sensitive employment policy framework based on tripartite consultations, to promote full, decent, productive and freely chosen employment. In this context, it is important to strengthen institutions that play key roles in implementing and regulating employment policies as part of economic policies, such as Public Employment Services, which play an essential role in supporting disadvantaged groups' access to the labour market.
- In order to support the creation of decent jobs in the formal economy, a conducive environment for business and investments into the real economy needs to be created or improved in some countries in the region, with a specific focus on small and medium-sized enterprises as they create the majority of jobs. Employment promotion policies should build on widespread access to quality education and training, including lifelong learning, in line with labour market needs, and further strengthen the link between education and the labour market. Ensuring non-discrimination and equal opportunities for all is paramount to addressing increasing inequalities.
- Apply an optimal combination of labour market policies, with time-bound income support during periods of unemployment, to help jobseekers and protect them from falling into poverty. Better integration with social protection policies is required to ensure labour market inclusion of the particularly hard-to-employ, including those registered for other types of social assistance. Job-friendly economic policies should be complemented by sound wage policies that encourage wages to increase in line with productivity, including the establishment of minimum wages to protect the most vulnerable workers. This will ensure fairer distribution of added value and contribute to boosting consumption, growth and job creation. Social dialogue and collective bargaining are indispensable for shaping and implementing such policies.
- To ensure that policies are shaped by evidence, enhance labour market data in terms of quality, quantity, and disaggregation by sex, age and territory (urban/rural); as well as through the implementation and development of new statistical standards to measure the changing world of work, such as 19th International Conference on Labour Statistics Resolution on statistics of work, employment and labour underutilization. Data collection should be participatory and inclusive, where appropriate, to ensure that vulnerable groups are adequately reflected.

The call for a job-rich growth strategy has global resonance and is at the core of Sustainable Development Goal 8 on decent work and economic growth and linked to a number of other SDGs. While recognizing that any strategy must be tailored to the specific situation of each country/territory, the following core components, using a mix of the policy approaches outlined in the previous section, can be highlighted:

⁶ Working for equity in health: the role of work, worklessness and social protection in health inequities. Context, situation analysis and evidence review (2012) (available at http://www.apho.org.uk/resource/item.aspx?RID=114918)

⁷ Resolution concerning statistics at work, employment and labour underutilisation, International Labour Organisation, 2013, (available at http://www.ilo.org/global/statistics-and-databases/meetings-and-events/international-conference-of-labour-statisticians/19/WCMS_230304/lang--en/index.htm)

- Ensure diversification of productive activities under consideration of environmental sustainability, which is indispensable for sustainable job creation in all countries/territories. Financing the real economy, facilitating innovation, investment and the creation of enterprises (particularly small and medium enterprises), and active training policies for increasing the employability of workers, especially youth, are some of the key policy areas necessary for successful diversification.
- In particular, create incentives for strengthening the expansion and creation of jobs in promising "green" sectors such as renewable energy, housing, public transport and recycling and waste management. Transitioning to a green economy could be a major component of a job-rich growth strategy. Implementation of the Batumi Initiative on Green Economy can facilitate transition to the green economy. Similarly, the social and solidarity economic sector should be targeted as a source of environmentally sound jobs and a direct response to local and social needs. A fundamental question in this regard concerns the monetisation of the care economy to respond to demographic shifts in the region, which would especially help lift women into the formal labour market.
- Promote the creation and expansion of jobs for the production of public goods and social welfare, including those most closely related to sustainable development. These include environment, health and security, which are associated largely with benefits deriving from reducing risks; and knowledge and governance, which are associated primarily with enhancing capacity.
- Make use of the Global Initiative on Decent Jobs for Youth¹¹ at the country/territory level to engage key stakeholders and world leaders in high-level policy action on youth employment; expand and scale up national/central and regional policies and interventions on youth employment; pool existing expertise and enhance knowledge on what works for youth employment; and leverage resources from existing facilities while also mobilizing additional resources.
- Revisit budgetary and fiscal policies, with three main and interconnected concerns in mind: facilitating domestic demand; reducing inequality and poverty; and generating employment. Increasing the fiscal space for adequate social and employment policies is crucial for meeting these concerns, which would change the very nature of growth and reconnect it with human development.
- All relevant actors of the real economy should be engaged through improved social dialogue mechanisms in creating the conditions for job-rich growth: public authorities, which are responsible for the overall strategy and the related public institutions and policies; trade unions, which represent the interests of workers; the private sector and employers, who are able to identify business needs, and generate the growth needed for new jobs; educators, who are crucial in working with the private sector to shape and adapt the skills of workers to match the needs of the labour market; and cooperatives, associations and social enterprises, which contribute actively to the inclusion of people at risk of being excluded. In light of the changing world of work, these actors need to be an integral part of developing and implementing relevant policies.
- Revise migration policies to aid the increasing demographic and skills challenges, and embrace migration as an opportunity, rather than a challenge. Labour market integration of migrants should be supported through active labour market policies, mentoring schemes, adequate education measures and an enabling environment for entrepreneurship. Public employment services also play a role to enable labour market integration of migrants and vulnerable groups more generally.

⁸ Guidance from the UN System on the transition to a green economy is provided through the Partnership for Action on Green Economy (PAGE) that brings together ILO, UNEP, UNDP, UNIDO, and UNITAR to put sustainability at the heart of economic policymaking to advance 2030 Agenda. The Partnership supports nations and regions in reframing economic policies and practices around sustainability to foster economic growth, create income and jobs, reduce poverty and inequality, and strengthen the ecological foundations of their economies.

⁹ The Batumi Initiative on Green Economy operationalizes the Pan-European Strategic Framework for Greening the Economy - a tool that supports countries' efforts in transitioning to green economy and, at the same time, contribute to the implementation of the SDGs. The framework includes all countries/territories in Europe and Central Asia, as well as Canada and the United States of America.

¹⁰ Greening the Economy in the Pan-European Region United Nations Economic and Social Council, Economic Commission for Europe (available at http://www.unece.org/environmental-policy/environment-for-europe/initiatives/big-e.html)

¹¹ The Global Initiative on Decent Jobs for Youth is the first-ever, comprehensive United Nations system-wide effort for the promotion of youth employment worldwide. It brings together the vast global resources and convening power of the UN and other global key partners to maximize the effectiveness of youth employment investments and assist member states in delivering on the 2030 Agenda for Sustainable Development.

Decent Jobs for All

KEY MESSAGES:

Youth unemployment



50%

50% in some countries; The current generation of young people is the highest educated ever, yet faces a future full of insecurities due to the lack of decent jobs.

Women employment







Discrimination against women in the world of work remains a persistent reality: high gender pay gaps, predominance of women in precarious work, and overburdening of women with unpaid care and household work.

Atypical employment



Involuntary and includes temporary and part-time employment; is on a steep rise. Temporary employment is particularly high among youth, women and low-skilled workers.

Migration and remittances





Challenge of reintegrating returning migrants into their own labour markets and need to stem the dual effect of a lack of jobs and a decline in remittances.

POLICY RECOMMENDATIONS:

Promote a comprehensive and gender sensitive employment policy framework based on tripartite consultations.

Make use of the Global Initiative on Decent Jobs for Youth. Create a conducive environment for business and investments into the real economy.

Revisit budgetary and fiscal policies.

Diversity productive activities.

Embrace migration as an opportunity.

Strengthen the expansion and creation of jobs in promising "green" sectors.



Social Protection for All

What is at stake?

Social protection has emerged as a key element not only in reducing poverty, exclusion and inequality, but also in promoting economic growth, while contributing to social cohesion and enhancing political stability. It has a powerful role in building the resilience of households and local economies, in preventing and recovering from economic crises, natural disasters, climate change and conflict. The contribution of social protection to economic growth is further supported by its role in stimulating domestic consumption through the provision of household income. In times of economic crisis, social protection serves as an automatic stabilizer. It also enhances human capital and productivity, impacting the ability of persons to participate in the labour market, which further spurs aggregate demand for consumption.1 The security ensured by social protection can encourage more innovative and risky entrepreneurial and other economic activity. Short-term social protection investments thus reduce the longer-term costs of not addressing deprivation, and social protection for children can help to break the cycle of intergenerational transmission of poverty. Moreover, investment in social support services can help reduce the reliance of families and states on unpaid care, mainly provided by women and girls, while generating jobs and redressing gender inequalities in the care economy.² Despite the realization that social protection plays a fundamental role in increasing citizen resilience and unleashing positive spin-offs in health, decent work, food and income security, among other areas, an estimated 80 per cent of the global population has little or no access to comprehensive social protection. It is against this backdrop that the 2030 Agenda has integrated social protection into the goals on poverty and inequality, with inevitable linkages across the goals on health, employment, labour laws and unpaid care work, among others, while calling for the implementation of nationally appropriate social protection systems and measures for all by 2030.

Social protection was an important instrument for the pursuit of at least six of the eight Millennium Development Goals by ensuring universal access to key essential services in quality basic and maternal health care, education, nutrition and environmental health. Social protection protects individuals from a variety of life-cycle risks, including ill health, unemployment, old age, employment injury and others. It allows to cushion the blow of unexpected developments and helps to smoothen out income and give access to essential services. Through these effects, it helps to tackle and prevent poverty and allows people to reintegrated into the economy after adverse events. In this sense, social protection is essential for sustainable and inclusive development and social justice. The importance of social protection for equitable progress as mapped out by the MDGs is integral to the successful achievement of many Sustainable Development Goals.

To this end, social protection policies should be designed using the underlying principles of the SDGs – namely universality, integrated approaches and "leaving no-one behind." The concept of social protection floors was launched by the UN in 2009 through the Social Protection Floor Initiative (SPF-I)³ and is a clear expression of all three underlying principles: it embodies a rights-based approach, acknowledging every person's right to basic protections from risks across the life-cycle.⁴

¹ Alderman, H. and Yemtsov, R. (2012) Productive Role of Safety Nets, Background Paper for the World Bank 2012–2022 Social Protection and Labor Strategy, World Bank, Washington, March 2012 (available at http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/430578-1331508552354/1203.pdf)

² The Impact of Public Investment in Social Care Services on Employment, Gender Equality and Poverty, The Levy Institute, 2015 (available at http://www.levyinstitute.org/pubs/rpr_8_15.pdf)

³ R202 - Social Protection Floors Recommendation, 2012 (No. 202) Recommendation concerning National Floors of Social Protection Adoption: Geneva, 101st ILC session (14 Jun 2012) (available at http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R202)

⁴ The rights to social security and to adequate standards of living are set out in articles 22 and 25 of the Universal Declaration of Human Rights; and articles 26 and 27 of the Convention on the Rights of the Child. The SPF-I approach is also relevant to ensuring children and persons with disabilities can access their rights as set out in the Convention on the Rights of People with Disabilities.

Figure 3: The Virtuous Cycle of Development and Social Protection



Source: International Labour Organisation 20155

As shown above, investments in social protection floors cut across achievement of the 2030 Agenda, and will further progress in, amongst others, education, health, decent jobs, production and consumption, reducing inequalities and achieving peaceful and inclusive societies for sustainable development.

The story of the region

Countries/territories of the region have a long tradition of comprehensive and well-developed social protection systems, but in many cases they face differing challenges in terms of coverage, adequacy and financial sustainability. In some cases, the share of those in need who receive social protection is limited due to complexity in accessing them and strict eligibility criteria. Inadequacy of benefit levels is an additional challenge in several countries, as they fail to provide a decent standard of living, hinder beneficiaries' ability to escape poverty, and make it harder to reenter the formal labour market by driving people into informal work. Challenges such as demographic ageing and a changing world of work put increased pressure on the financial sustainability of social protection systems, as well as sustainable development overall.

In insurance-based systems in the region, pension and other social insurance rights are accessed mainly via formal employment, leaving many excluded. Gaps in coverage and adequacy of these rights concern particularly women (especially unpaid care workers), young people, minorities, migrants and certain other groups (self-employed, workers in the informal economy, young people who are not in education, employment or training (NEET) and others outside the labour market). A high gender pension gap exists in most countries in the region, as women have lower pension contributions due to lower earnings and accumulated career gaps. Since benefits received within the social protection system are often proportional to one's earnings, gender-based discrimination in labour markets gets reproduced in social insurance systems. Furthermore, lack of adequate public investment in childcare, elderly and disabled care in the region has triggered increased reliance on unpaid care provided predominantly by women and girls, who also bear the brunt of the burden of unpaid domestic and agricultural work. There are also large groups of migrant workers, who experience lower coverage of social security, although some steps are being taken to improve this situation. Elsewhere, many sections of the working age population in the region do not have the right to unemployment benefits.

As a result of the above, gaps have opened up between the *de jure* rights to social protection and *de facto* access to it. Moreover, for those who do access benefits, the size of the benefits is not always adequate to ensure protection

⁵ See further iloglobalprogramme.social-protection.org

⁶ ILO's Recommendation No. 204 (2015) concerning the Transition from the Informal to the Formal Economy (available at http://www.ilo.org/ilc/ILCSessions/104/texts-adopted/WCMS_377774/lang--en/index.htm)

⁷ For example, in Albania, the former Yugoslav Republic of Macedonia and Serbia, individual farmers cannot register for unemployment benefits. See European Training Foundation, 2011, Activating the Unemployed: Optimising Activation Policies in the Western Balkans and Turkey (available at http://www.etf.europa.eu/webatt.nsf/0/463ACFA279C80281C125798400494F93/\$file/Activation%20policies_Western%20Balkans%20&%20Turkey.pdf)

from poverty. As a result, there are sections of the elderly and working populations in the region, who face a high risk of poverty due to inadequate benefits, while for many children benefits are not sufficient to improve their wellbeing.

The result of these developments is that progress in fighting poverty and inequalities has been stalling in the region, impacting the achievement of the Sustainable Development Goals. Much of the region has seen upticks in relative poverty and inequality, while gender inequalities have persisted. Data for EU member states show that since 2008, there has been an increased risk of poverty and material deprivation in multiple countries, especially in jobless households. In the region as a whole, children are the group most likely to live in poor households, while households with low-paid or unemployed members, ethnic minorities, persons with disabilities, single-parent families, large families, female-headed households, and people living in rural areas face an elevated risk of falling into poverty. Well-designed and adequately funded social protection systems can help address these challenges and break the cycle of intergenerational transmission of poverty through a lifecycle approach from cradle to grave.

The overall budget dedicated to social protection varies significantly: while members of the EU and other high-income European countries allocate, on average, 30 per cent of their GDP to social protection, Eastern Europe and Central Asia allocate much less. The proportion of social protection expenditure that targets families and children is also lower in Eastern Europe and Central Asia than in the EU.

Despite the potential benefits of investing in social protection in the region, which would further the Sustainable Development Goals, in practice there are often problems with securing adequate financing for tax-funded schemes, while insurance-based pension and unemployment funds face threats to their sustainability. The emergence of unemployment, extensive labour-market informality and irregular migration flows combine with demographic trends to threaten the financial sustainability of contributory pension schemes. Some governments have responded to this situation by increasing statutory social security contributions limited to wages earned from employment in the formal sector. While in Western Europe, such a response may not have impacts upon informality given the sizeable preexisting contribution levels and enforcement capacities, elsewhere this approach may encourage workers to enter undeclared, informal or own-account work, or to under-declare wages from jobs in the formal sector. Because of weak enforcement, many transition countries suffer from the latter, in which under-declared workers remain covered by a scheme and entitled to a minimum benefit, albeit one less than what they would receive from full declaration.

In the case of social assistance and other tax-funded schemes, arguments around fiscal space are often used to justify cuts in expenditure, or lack of expenditure. In practice, ideological approaches and lack of prioritization mean that there is also a lack of political will to find resources or re-direct resources to social protection. Social assistance in particular tends to be viewed as a form of charity, discouraging job search, and to be kept as limited as possible in terms of coverage and size of benefits. Apart from the overall size of expenditure, the distribution between different elements of social protection systems does not always work in favour of those most in need. For example, cash transfers are widely favoured in the international social protection agenda, raising concerns that much less attention is given to the role of subsidised childcare support for working mothers.⁹

The different demographic challenges faced by the countries/territories of Europe and Central Asia has placed various pressures on the sustainability of social protection systems in the region. While the EU faces the challenge of dramatic population aging, raising questions about financial sustainability, extension of working age and adequacy of benefit levels; parts of Eastern Europe and Central Asia have youth bulges, which favour a rising capacity of the workforce but require that this potential be realized through strong labour market performance and the extension of social protection coverage.

What needs to happen?

The core principle contained in the 2030 Agenda of leaving no-one behind is pertinent to the entire region but is particularly pertinent to the social protection agenda in the upper and middle income countries/territories of the region, where absolute poverty has been almost eliminated, save for a few pockets of extreme poverty and marginalization which exist in all countries/territories. Tackling these will require more than the standard systems of cash benefits, but rather a combination of the latter with new approaches to reach out and promote both social protection and inclusion into mainstream society.

⁸ See 2015 Social Protection Performance Monitor, EU Social Protection Committee; (available at http://ec.europa.eu/social/main.jsp?catId=758)

⁹ Gender and social protection. OECD 2009 (available at https://www.oecd.org/dac/povertyreduction/43280899.pdf)

The primary goal of national social protection strategies must be to ensure that no one lives below a certain level of income and everyone has access to basic social and health services. Drawing on the basic social protection floors, systems should be extended to provide higher levels of coverage. In addition, reducing poverty, combating inequality and sustaining economic growth is not effective without strengthening labour and social institutions and promoting pro-employment macroeconomic environments. This calls for an increased focus on policy coherence and complementarity.

- Expand social protection floors. To address the protection challenges of the region and operationalize implementation of the 2030 Agenda, social protection systems should be combined with other social and economic policies to promote social inclusion and ensure protection in a broader sense.¹¹ The Social Protection Floor approach has the potential to address gender-specific inequalities and vulnerabilities, and to empower women and increase their bargaining power at home and in the workplace. To maximise these potential impacts, the gender dimension should be integrated at every stage of policy design, implementation and monitoring of national social protection floors.¹¹ By promoting universal and rights-based social protection coverage, social protection floors highlight the importance of considering individuals' social protection needs throughout the life cycle. A basic level of social protection coverage based on the SPF approach can be complemented through different modalities (partially contributory) to provide higher levels of protection to as many people as possible.
- Prioritise social security and protection systems. In order to meet citizens' rights to protection, and to achieve positive returns to state investments in social protection, countries/territories in the region need to strengthen and give increasing priority to their social security or protection systems, including adapting their financing models and delivery mechanisms; lessening fragmentation between the different elements of social security systems (especially between benefits and social support/ care services); and more synchronizing of systems with other aspects of social policy.
- Ensure coverage and access. The social protection guarantees should ensure at a minimum that, over the life cycle, all in need have access to essential health care and basic income security. These together ensure effective access to essential goods and services defined as necessary at the national level.¹² Every member state needs to define effective national strategies within its social, economic and political context, to address the coverage and accessibility to social protection of the most vulnerable children, migrant workers, ethnic minorities, people with disabilities, persons living with HIV/AIDS, the homeless, survivors of gender-based violence and others. Where possible, an additional focus of social protection should be on activation, allowing disadvantaged people to fully participate in the labour market and society at large.
- Identify additional sources of revenue. In order to ensure sustainability of financing and to expand fiscal space (a move which seems inevitable given demographic trends, exclusion patterns, and the need to align with the labour market situation), additional sources of revenue for social protection expenditure should be explored (e.g. widening of the contribution base through extension of contributory benefits to previously uncovered groups, the re-allocation of public expenditure from other sectors to social protection, increasing tax receipts in line with principles of tax progressivity, the elimination of illicit financial flows and tackling of corruption, and the reallocation of fossil-fuel subsidies and other environmentally damaging practices).
- Redesign data collection systems, especially instruments for defining beneficiary eligibility require review, in particular in countries where they are linked to out-dated or very restricted definitions of subsistence minima and problems with poverty measurement. There is a need to redesign data collection systems to produce regular and appropriate survey data to monitor the impact of various social protection programmes, update eligibility criteria, and guide budget allocations.
- Strengthen resilience. The instruments and delivery mechanisms need to be reviewed to make them more adaptable and responsive to shocks. The region as a whole is vulnerable to various forms of natural and manmade emergencies (floods, earthquakes, extreme winters, migration and forced displacement), which can undermine the gains made in reducing poverty. Adaptive social protection systems that can be developed or expanded to provide additional support in response to these crises would help protect gains already made.

¹⁰ Babajanian, B., Hagen-Zanker j, 2012, Social Protection and social exclusion: an analytical framework to assess the links, ODI, Background Note (available at https://www.odi.org/sites/odi-assets/publications-opinion-files/7864.pdf)

¹¹ Social Protection Floors and gender equality: A brief overview. ESS - Extension of Social Security. ILO 2013 (available at http://www.social-protection.org/gimi/gess/RessourcePDF.action?ressourceId=39137)

¹² Social security for all. Building social protection floors and comprehensive social security systems (available at http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---soc_sec/documents/publication/wcms_secsoc_34188.pdf)

Social Protection for All

KEY MESSAGES:

Social insurance rights





Insurance-based systems in the region, pension and other social insurance rights are accessed mainly via formal employment, leaving many excluded, particularly women, young people, minorities, migrants and certain other groups.

Social security and poverty





Gaps opened up between the de jure rights to social protection and de facto access to it. Sections of the elderly and working populations face a risk of poverty due to inadequate benefits. Progress in fighting poverty has been stalling with an increased risk of poverty and material deprivation.

Budget allocation





EU and other high-income European countries allocate, on average, 30 per cent of their GDP to social protection, Eastern Europe and Central Asia allocate much less. Distribution between different elements of social protection systems does not always work in favour of those most in need.

Population dynamics and sustainability of social protection systems





The EU faces the challenge of dramatic population aging, raising questions about financial sustainability; parts of Eastern Europe and Central Asia have youth bulges. For this potential to be realized, strong labour market performance and extension of social protection coverage is needed.

POLICY RECOMMENDATIONS:

Expand social protection floors.

Prioritise social security and protection systems.

Ensure coverage and access.

Identify additional sources of revenue.

Redesign data collection systems.

Strengthen resilience.



Health¹ and Well-Being for All at All Ages

What is at stake?

The 2030 Agenda and the European Health Policy Framework (Health 2020)² envision a world in which all people of current and future generations are enabled and supported in achieving their full potential for health and well-being. Countries/territories, individually and jointly, promise to work towards reducing inequities in health, thus leaving no one behind.

Better health is central to human happiness and well-being. It also makes an important contribution to economic progress, as healthy populations live longer, are more productive, and save more. Poverty creates ill health because it forces people to live in environments that make them sick, without decent shelter, clean water or adequate sanitation, food safety and nutrition.

Health and well-being for all at all ages (throughout a life course) are at the centre of the 2030 Agenda. Health is a determinant, an enabler, a key component and an outcome of all the Sustainable Development Goals. Health has a central place in SDG 3 and almost all of the other 16 goals are directly related to health or will contribute to health indirectly, as illustrated below:

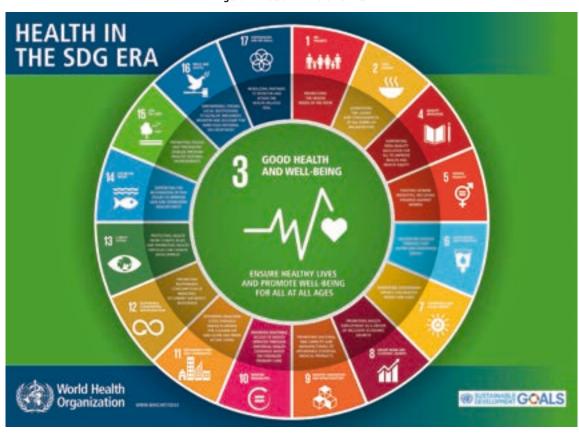


Figure 4: Health in the SDG Era

Source: World Health Organisation

1

¹ Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. The enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being without distinction of race, religion, and political belief, economic or social condition" WHO Constitution, paragraphs 2 & 3.

² European Health Policy Framework (available at http://www.euro.who.int/en/health-topics/health-policy/health-2020-the-european-policy-for-health-and-well-being/about-health-2020)

People's health can no longer be separated from the health of the planet, as economic growth alone does not guarantee improvement in a population's health. Investment in health is investment into human development, capacity, prosperity, social and financial protection, national security and the wider economy. Through its interconnected nature the 2030 Agenda provides an additional opportunity to tackle ill health at its root causes and promote health and well-being for all at all ages.

The story of the region

In the Europe and Central Asia region, there have been substantial health improvements, building on long-term commitments of member states. For example the region is the first in the world to have achieved interruption of indigenous malaria transmission. However, this achievement is fragile. The region achieved significant polio endgame strategy milestones, including the introduction of inactivated polio vaccine, cessation of trivalent oral polio vaccine use and the containment of poliovirus type 2 in facilities across the region: sustaining the region's polio-free status is the aim.

In the region, all countries/territories have achieved the maternal mortality target of 70/100 000 live births. However particular groups of women remain at higher risk of adverse outcomes during pregnancy and birth: adolescents, migrants, Roma and other marginalized groups, women who reside in rural areas and women with low socioeconomic status or education level. Across the region, there is an increasing use of modern contraceptives, although usage rates in South Eastern Europe and in the South Caucasus are low and in several cases below the average of the world's least developed countries. Abortion rates are declining, but remain high in parts of Eastern Europe, where abortion continues to be used widely as a method of birth control. The incidence of syphilis and gonococcal infections is reducing. Cervical cancer rates in Eastern Europe and Central Asia are up to ten times higher than in the western part of the region. The Eastern part of the region also has some of the world's highest secondary infertility rates, a result of sexually transmitted infections or complications from unsafe abortion. Unmet family planning needs and other sexual and reproductive health disparities within and between countries remain, and the MDG target on universal access to sexual and reproductive health was not achieved throughout the region. In addition, there is little or no information available for several important aspects of sexual and reproductive health.

Life expectancy at birth increased from 73.9 years in 2000 to 77.5 years in 2014 in the region. The number of people aged 65 and older is forecast to increase from 14 per cent to 25 per cent by 2050. The chances of spending the last years in good health vary within and between countries/territories but it is known that women will spend, on average, 12 years of their lives in ill health.

Not all the MDGs have been met in the region. The Europe and Central Asia region is the only one in the world where HIV incidence (reported newly diagnosed cases) continues to rise rapidly, with higher incidence in Eastern European and Central Asian countries. Despite a steady decrease in the burden of tuberculosis (TB) and the remarkable impact of the regional concerted interventions, the region did not fully meet all the TB MDG targets. In particular, the target of halting the prevalence of and deaths associated with TB was not achieved and there is a growing rate of co-infection with TB and HIV, with an average of eight per cent of patients with TB being infected with HIV.

Universal access to safe and sustainable sanitation and drinking water is fundamental in promoting health, well-being, dignity and development. The region has not met the MDG sanitation target. 62 million people in the region do not enjoy access to basic sanitation and 1.7 million people still practice open defecation. Every dollar spent on sanitation brings a return of five dollars by keeping people healthy and productive. Despite the considerable progress made in the past decades, waterborne diseases still represent a significant health burden in the region.

A number of SDG targets will be difficult to reach and require accelerated action in partnership across the whole of government and whole of society. The Europe and Central Asia region has the highest global burden of noncommunicable diseases (NCD), the four major ones being cardiovascular diseases, cancer, chronic obstructive

pulmonary disease and diabetes. These together account for 77 per cent of the burden of disease and almost 86 per cent of premature mortality. There has been progress in key areas of NCD control: death rates from cardiovascular disease continue to decline, a downward trend in some risk factors is observed. However, this overall picture masks significant differences within and between countries/territories and population groups.

Currently 21 per cent of men and 24 per cent of women over 18 years are obese and obesity rates are rising among children, making overcoming it a great challenge. The Childhood Obesity Surveillance Initiative estimates that, between 20 per cent and 50 per cent of all school-aged children are overweight in many countries in the region. Obesity is a major cause of NCDs.

It is estimated that the region will fall short of the global goal of reducing tobacco use. In the region, 28 per cent of those over 15 years of age are regular smokers. There is an urgent need to implement the *Framework Convention on Tobacco Control*³ and to ratify the *Protocol to eliminate illicit trade in tobacco products*. The harmful use of alcohol is a major avoidable risk factor for neuropsychiatric disorders, cardiovascular diseases, cirrhosis of the liver and cancer, and unintentional and intentional injuries. It has been estimated that mental disorders affect more than a third of the population every year, the most common causes being depression and anxiety. In all countries/territories, mental disorders tend to be more prevalent among those who are most deprived.

If progress on deaths from road traffic injuries (currently it has decreased by 8.1 per cent from 2010 to 2013) continues at this rate, the region will fall short of the global target of a 50 per cent reduction in road traffic-related fatalities by 2020. Almost 85 000 people died as a result of road traffic accidents in 2013: 40 per cent were unprotected road users such as pedestrians, cyclists and motorcyclists, who are highly vulnerable to the impact of a crash. The lowest mortality rates are in western European countries, with the highest rates in countries of Central Asia. Road traffic accidents are the leading cause of death in children and young people aged 5–29 years in the region. However, the fatalities are only the tip of the iceberg: For every reported death, at least 23 people are injured, with 1.6 million non-fatal road traffic injuries reported in 2013.6

Interpersonal violence is the third leading cause of death in Western Europe among those aged 10–29 years, accounting for 15 000 homicides yearly. Problems with regard to violence are greater in the east of the region and this calls for greater attention. Gender-based violence is present in multiple forms in the region: nearly 25 per cent of women are affected by intimate partner violence in Western Europe, with a higher prevalence in the central and eastern parts of Europe. Other forms of violence based on gender inequality and with an important impact on health are present in our region: female genital mutilation, bride kidnapping, honour killings and trafficking of women. Addressing gender inequalities and human rights is needed to ensure access to sexual and reproductive rights and services. Gender based discrimination intersects with other forms of discrimination such as migration status, disability, sexual orientation, gender identity or ageing, increasing vulnerability and social exclusion. Leaving no one behind requires an understanding of these intersections and their impact on health and how they can be addressed.

There is still a significant unfinished agenda in addressing environmental risk factors. In the region, 1.4 million deaths, equivalent to 16 per cent of all deaths, and of the total burden of diseases are caused by environmental factors that could be avoided and/or eliminated. The major health impact of environmental determinants in this region is related to non-communicable diseases, disabilities and chronic conditions and unintentional injuries, with a growing concern over the impact of climate change and biodiversity loss on changing patterns of existing and on emerging communicable diseases. Air pollution is a major risk factor for non-communicable diseases, besides polluting the environment and contributing to climate change. In 2012, 479 000 Europeans

³ WHO Framework Convention on Tobacco Control (available at http://www.who.int/fctc/en/)

⁴ WHO Protocol to Eliminate Illicit trade in Tobacco Products (available at http://www.who.int/fctc/protocol/about/en/)

⁵ While there is good news related to alcohol consumption in the region, which decreased by 11 per cent between 1990 and 2014, there remain huge differences between countries, and the historically high level of alcohol consumption in the region is still associated with a substantial amount of attributable mortality. The region still ranks highest globally in terms of adult per capita alcohol consumption.

⁶ European Facts and the Global Status Report on Road Safety 2015, World Health Organisation (available at http://www.euro.who.int/en/health-topics/disease-prevention/violence-and-injuries/publications/2015/european-facts-and-the-global-status-report-on-road-safety-2015)

⁷ As assessed at the WHO Mid-Term High Level Review of the European Environment and Health (available at http://www.euro.who.int/_data/assets/pdf_file/0006/290184/EHTF-MTR-Haifa_Report.pdf?ua=1)

died prematurely from air pollution. One year of life expectancy is lost for every person in the region through ambient air pollution. In some countries, emissions of many air pollutants have decreased substantially over the past decades. However, air pollutant concentrations are still too high, and air quality problems persist.

Global environmental changes, including climate change, ecosystem deterioration, chemical pollution and waste, have started to affect Europe and Central Asia's populations. Climate change is projected to cause 250 000 deaths globally by 2030. However effects have already been visible in the region. For example, the heat wave in 2003 caused 70 000 premature deaths in 12 countries in the region. Changes in the distribution of infectious diseases and their vectors have been observed, and climate change-induced changes to the social, environmental and economic determinants of health have been pronounced. In addition, a growing body of evidence shows that the health of humanity is intrinsically linked to the health of the environment and of the planet, but, by its actions, humanity now threatens to destabilize the Earth's key life-support systems.

Most countries in the region offer universal or near-universal population health coverage but there are large differences in health service delivery, health financing and the health workforce capacity. The goal of all people and communities receiving the needed quality services without financial hardship, including health protection, promotion, prevention, treatment, rehabilitation and palliation, is relevant to all countries/territories and offers an unprecedented opportunity to increase coherence in health-related actions and initiatives.

Across the region, health services delivery has responded and adapted to a range of challenges: On the one hand, health services can increase longevity and reduce comorbidity and chronicity in the populations. On the other hand, health service delivery must deal with different settings of care, for example deinstitutionalization and care delivered at home.

Health systems need adequate levels of public funding to promote financial protection and stable revenue flows to maintain service quality and accessibility. Most countries experienced fluctuation in public spending on health in the years following the financial and economic crisis, especially in 2009, 2010 and 2012. Public spending on health fell in many countries between 2010 and 2013, both as a share of GDP and per person; in some countries this was a continuation of a long-standing trend.

In many countries, unmet need for health care is high and people experience financial hardship when using health services. Financial hardship is often heavily concentrated among poor households and pensioners and largely driven by out-of-pocket payments (OOPs) for outpatient medicines. Weak financial protection leads to more and deeper poverty. On average, OOPs as a share of total expenditure on health at the regional level – 28 per cent in 2014 – have risen slightly since 2010. In 2014 only 13 out of 54 countries had an OOP share of total spending on health that was less than 15 per cent – the threshold above which OOPs are increasingly likely to cause financial hardship.

Health information systems need strengthening to support and respond to the increasing need for access to relevant, timely and quality health information and for use as evidence in policy-making, in addition to providing disaggregated data. Despite efforts to increase the availability and accessibility of information, health information systems in the region face difficulties with standardization, interoperability, integration and even cultural nuance. Moreover, despite a wealth of information being available in the region, health policy is often not optimally informed by this available evidence.

The region has been, and is, exposed to a variety of natural and man-made disasters. To meet the immediate health needs of crisis-affected populations, the full risk management cycle of prevention, preparedness, response and early recovery through a multi-hazard and multi-sectoral approach, is required. The International Health Regulation (IHR) 2005,⁸ is a major globally binding instrument and its implementation is one of the targets of the 2030 Agenda.

Refugees and migrants are at risk for worse health outcomes, including, in some cases, increased rates of infant mortality. The most frequent health problems of newly arrived refugees and migrants include accidental injuries, hypothermia, burns, gastrointestinal illnesses, cardiovascular events, pregnancy- and delivery-related complications, diabetes and hypertension. Children and adolescents are a particularly vulnerable group.

The success of achieving a number of SDGs directly depends on how well antimicrobial resistance is tackled. Losing the ability to treat patients or to prevent infections during complex medical procedures not only affects achieving good health and well-being but also the goals related to people's livelihoods, food production and environment.

What needs to happen?

- Implement current agreements and commitments. Member states can build on national health policies, strategies and plans as well as using a range of commitments, agreements, instruments and tools already available, including at the regional level. The first step towards the implementation the 2030 Agenda is to implement current agreements and commitments. This includes the European Health Policy Framework, Health 2020,⁹ which recognises that countries can achieve real improvements in health if they work across government. The European environment and health process can showcase inter-sectoral partnership at national, sub-regional and regional level and can serve as one of the avenues for planning and implementing the 2030 Agenda, as well as for monitoring and reporting on progress. Similarly, the International Conference on Population and Development Plan of Action (ICPD PoA) should be integrated fully as the key platform on sexual and reproductive health issues,¹⁰ and the WHO European SRH Action Plan¹¹ adopted in 2016 provides a regional framework for national implementation.¹² Ultimately health is a political choice. National ownership, political commitment and robust planning, combined with effective delivery, will further help to support the implementation. A number of cross cutting actions are further required to accelerate implementation, through a sustained whole of government and whole of society effort.
- Combat inequalities and discrimination. Health inequities and the unequal distribution of health risks and determinants require political action across many different sectors and global collective action. This includes determined multi-sectoral action on eliminating all forms of discrimination in laws, policies and practice, zero discrimination in health care and universal health coverage, promotion of gender equality, enforced labour rights and decent work, social protection systems, universal access to education, water and sanitation and other basic services, narrowing the digital divide, macroeconomic, employment and fiscal policy measures, participation and political representation, addressing environmental inequalities and global policy measures in trade, finance, and technology transfer.¹³
- Share accountability. Healthy lives and increased wellbeing for people at all ages can be only achieved by promoting health through all the SDGs and by engaging the whole of society and government into the health development process. The breadth and ambition of the 2030 Agenda and the interconnected nature of its goals call for national responses that build synergies across sectors and coherence of policies. These developments are particularly necessary for health, as many of the factors that bear significantly upon health outcomes are beyond the reach and control of the health sector.
- Strengthen the resilience of communities. Health and well-being for all at all ages is one of the most effective markers of sustainable development at community level and contributes to make cities inclusive, safe and resilient for the whole population. Community leaders face the nexus of economic stagnation, high

⁹ European Health Policy Framework (available at http://www.euro.who.int/en/health-topics/health-policy/health-2020-the-european-policy-for-health-and-well-being/about-health-2020)

¹⁰ International Conference on Population and Development, (available at http://www.unfpa.org/icpd)

¹¹ Action plan for sexual and reproductive health: towards achieving the 2030 Agenda for Sustainable Development in Europe – leaving no one behind. English: http://www.euro.who.int/_data/assets/pdf_file/0018/314532/66wd13e_SRHActionPlan_160524.pdf?ua=1
Russian: http://www.euro.who.int/_data/assets/pdf_file/0006/315483/66wd13r_SRHActionPlan_160524.pdf?ua=1

¹² International Conference on Population and Development, (available at http://www.unfpa.org/icpd)

¹³ From recently developed draft UN shared framework for action on inequalities and discrimination

unemployment, poverty, environmental deterioration and pollution. Therefore policies that create benefits between health and wellbeing and other policies, and those that aim for equity and social inclusion are to be preferred. Further re-orientation of health and social services to optimize fair access that put people and communities at the centre is required.¹⁴

- Further strengthen health systems, public health, protecting from the costs of ill-health, health financing and building capacity in the work-force. To move towards universal health coverage in pursuit of the SDGs countries/territories will need to further strengthen their health systems by ensuring adequate and stable public funding for health, commensurate with population health needs; aligning incentives across the system so that resources are used efficiently; improving access to cost-effective services and medicines at the primary health care level; promoting the delivery of coordinated and integrated people-centred services; developing workforce capacity by improved sustainability of supply distribution, motivation and effectiveness; improving health system governance arrangements and capacity; and reducing out-of-pocket payments, especially for poorer households.
- Embrace scientific research and innovation. Research and innovation, and the use of new technologies, are prerequisites for achieving the SDGs. Innovation refers not only to the invention and development of new technologies, but also to finding novel means of implementation, including legal and financial instruments, ways to expand the health workforce outside the medical profession, the use of common platforms for health delivery. Successful innovation also entails the application of existing technologies from outside the health sector into the delivery of primary care, including Information and Communication Technologies (ICTs) and other digital technologies. The very widespread use of tools such as cell phones offers a way to promote universal access to health services.
- Further strengthening health information systems. Health information, data and accountability are at the heart of measuring developments. Initiatives are on-going to align relevant monitoring frameworks in the region to reduce the burden of reporting. These initiatives are also strengthening the generation of relevant and culturally appropriate evidence on population health and well-being, including qualitative evidence; this, in turn, will support evidence-informed policy development and monitoring of the implementation of the 2030 Agenda within member states. Health information systems also need to expand towards the coverage of health determinants to identify the main health risks and to inform activities targeted at prevention and mitigation.
- Implement in partnership. New forms of governance for health are needed in today's diverse and horizontally networked, information-based societies, and these require multi-sectoral and multifaceted policy responses and interventions. The terms whole of government and whole of society increasingly reflect this reality. These concepts are at the heart of and must serve as implementation tools for the 2030 Agenda. In the region, there are many informal and formal partnerships, for example between regions, between cities, between clusters of countries/territories. They all are willing to implement the 2030 Agenda and contribute. This requires the strengthening of mechanisms for partnership and of accountability for health across the whole of government and society.

¹⁴ This text is from the Shanghai declaration of the 9th global conference on health promotion (see further http://www.who.int/healthpromotion/conferences/9gchp/en/)

Health and Well-Being for All at All Ages

KEY MESSAGES:

Fragile achievements





The region is the first in the world to have achieved interruption of indigenous malaria transmission. Polio-free status was achieved. Sustaining these achievements is a challenge.

Maternal mortality



70 / 100000

All countries/territories have achieved the maternal mortality target of 70/100000 live births. Some groups of women remain at higher risk of adverse outcomes during pregnancy and birth: adolescents, migrants, Roma and other marginalized groups, women who reside in rural areas and women with low socioeconomic status or education level.

HIV



The only region in the world where HIV incidence continues to rise rapidly, with higher incidence in Eastern European and Central Asian countries.

Water and sanitation





62 million people in the region do not enjoy access to basic sanitation and 1.7 million people still practice open defecation.

SDGs at risk









Highest global burden of noncommunicable diseases (NCD); obesity (21 per cent of men and 24 per cent of women over 18 years are obese); tobacco use (28 per cent of those over 15 years of age are regular smokers); road safety (Road traffic accidents - leading cause of death in children and young people aged 5–29 years); violence (15 000 homicides yearly); environmental risks (1.4 million deaths, equivalent to 16 per cent of all deaths, could be avoided).

Health coverage



Universal or near-universal, but with large differences in health service delivery.
Refugees and migrants are at risk for worse health outcomes, including increased rates of infant mortality.

POLICY RECOMMENDATIONS:

Implement current agreements and commitments.

Combat inequalities and discrimination.

Share accountability.

Strengthen the resilience of communities.

Further strengthen health systems, public health, protecting from the costs of ill-health, health financing and building capacity in the work-force.



Ensuring Inclusive and Equitable Quality Education and Promoting Lifelong Learning Opportunities for All

What is at stake?

Education is not only a basic human right but also a stepping-stone to the enjoyment of other rights, such as social, economic, political and cultural rights. As a strategic investment, education is also a driver for sustainable development. It contributes to building a more prosperous, equitable and peaceful society by improving health, and reducing poverty and inequalities. Raising awareness of key sustainable development issues is also a key element of education. Sustainable development cannot be achieved by technological solutions, political regulation or financial instruments alone. We need to change the way we think and act. This requires quality education and learning for sustainable development at all levels and in all social contexts.

There were positive advancements in education during the period of the MDGs. Universal access to primary and lower secondary education and youth literacy have nearly been achieved in most countries of the region. But progress towards universal primary education, the explicit aim of MDG 2, across countries and within countries, and across populations and groups, was uneven. Issues of inclusion and quality of primary education, as well as education overall, remain profound causes of concern and are still to be fully addressed in the region.¹

The 2030 Agenda for Sustainable Development recognizes that education development is necessary for the success of all 17 of its goals. Achieving inclusive and quality education for all reaffirms the belief that education is one of the most powerful and proven vehicles for sustainable development. SDG 4 aims for all girls and boys complete one year of quality pre-primary education, as well as primary and secondary schooling by 2030 – with relevant and effective learning outcomes. It also aims to provide equal access to affordable vocational training, to eliminate gender and wealth disparities, and achieve equal access to a quality higher education.

Education is not only restricted to SDG 4 but is also reflected in a number of targets related to other Goals. Education is critical to lifting people out of poverty, promotes sustainable farming and better nutrition, makes a difference to a range of health issues, including early mortality, reproductive health, spread of disease, healthy lifestyles and well-being, helps women and girls achieve basic literacy, improve participative skills and abilities, and improve life chances and can promote better energy conservation and uptake of renewable energy sources. Education's relationship with these other development goals makes up a virtuous cycle. Just as education can allow more children to live healthier, more prosperous lives in surroundings less threatened by conflict and environmental dangers, there's no doubt that children are more likely to learn well when they enjoy good health, economic prosperity, peace and a safe environment.

The story of the region

Europe and Central Asia, although comprised of mostly high and middle-income economies, is home to large numbers of children from vulnerable and disadvantaged communities and groups. There are an estimated 5.1 million children with disabilities in the region, of which 3.6 million are estimated to be out of school.² Access to pre-primary and lower and upper secondary remains a challenge in many countries, particularly for the most marginalized, including children with disabilities, ethnic and linguistic groups such as the Roma, and children from the poorest households. In addition, hundreds of thousands of refugee and migrant children

¹ The MDGs in Europe and Central Asia: Achievements, Challenges and the Way Forward, (available at http://www.un-rcm-europecentralasia.org/fileadmin/DAM/RCM_Website/Publications/2010_MDG_Optimized.pdf)

² UNICEF and the UNESCO Institute for Statistics. 2014. Education Equity Now: A regional analysis on the situation of out-of-school children in CEE/CIS (available at http://www.uis.unesco.org/Education/Documents/ceecis-oosci-report-2013.pdf)

are out of school in Europe and Central Asia. At the end of 2015, Europe hosted a total of 4,391,400 refugees, approximately one third of which are children. These children face huge barriers in accessing education. Without access to inclusive and quality education these children are in grave danger of not only being left behind but also of being a lost generation.

That said, the countries/territories of Europe and Central Asia have achieved, on average, high rates of participation in basic education, with the main issues in the region relating to inclusion and quality. However, within countries/territories, disparities based on wealth, location, gender, immigration or minority status and disability deny millions of children a good-quality education.³ Significant inequalities persist across and within countries in terms of access to education, learning outcomes, quality of education and mismatches between skills demanded by the labour market and those of jobseekers, especially young labour market entrants. For children, especially those from low-income groups, education represents a gateway to a higher quality of life. Yet, school dropout rates or non-participation of children belonging to the most marginalized groups are a cause of concern in many countries in the region. Cost, distance to school and negative social attitudes limit smooth transitions from primary to lower secondary education for the most marginalized children. In most countries with large Roma populations, the participation rates of Roma children beyond primary school are dramatically lower than those of majority populations. Being born into poverty is one of the strongest factors leading to marginalization in education. Children with disabilities are often left behind; suffering from social attitudes that stigmatize, restrict opportunity and lower self-esteem.⁴

Learning assessments (such as the Programme for International Student Assessment - PISA⁵) across the region show a high share of 15-year-olds who do not achieve minimum proficiency in reading, maths and science in many countries.⁶ There are equity gaps in learning outcomes, for example between boys and girls, the poorest and richest households and urban and rural students. Gaps in learning contribute to children and adolescents leaving school before completing. Learning goes beyond the ability to read and perform simple arithmetic; it entails a range of cognitive, social and emotional skills needed to lead productive and healthy lives.

In terms of gender equality, in the region there are contrasting patterns of school enrolment at upper secondary age. In some countries there are gender disparities (GPI <1.03) to the disadvantage of boys (Armenia, Croatia, Kazakhstan, Moldova and Serbia) and in others the Gender Parity Index is <0.97, indicating a disadvantage toward girls (Bulgaria, the former Yugoslav Republic of Macedonia, Tajikistan and Turkey). Girls are severely disadvantaged in some marginalized social groups such as Roma. Girls tend to outperform boys in terms of learning outcomes, particularly in reading, but the difference varies across fields of study and countries/territories. Despite efforts to remove them, gender stereotypes have not fully disappeared from curricula, textbooks and classroom practices. There remain large gender differences in the fields of study chosen. Men continue to dominate in the fields of science, mathematics and computing while women dominate business administration, law, social sciences, journalism, humanities and arts. Gender segregation in the educational choices risks reinforcing occupational segregation in the labour market and thereby the gender pay gap, which remains large across the region.

The expansion of pre-primary education is expected to help improve learning outcomes in the near future, as new cohorts of pupils will be better prepared for primary school. However, there continue to be disparities in access between the sub-regions of Europe and Central Asia. For example, only 50 per cent of children aged one year before primary entrance age in Central Asia were enrolled in pre-primary or primary education in

³ Regional Overview: Central and Eastern Europe & Central Asia, EFA Global Monitoring Report, United Nations Educational, Scientific and Cultural Organisation, 2011 (available at http://en.unesco.org/gem-report/sites/gem-report/files/191765e.pdf_

⁴ Building More Inclusive and Sustainable Societies, Regional Advocacy Paper, United Nations Development Group for Europe and Central Asia, 2013 (available at http://www.un-rcm-europecentralasia.org/fileadmin/DAM/RCM_Website/Publications/Building_more_inclusive_sustainable_societies-English.pdf)

⁵ PISA is a triennial international survey which aims to evaluate education systems worldwide by testing the skills and knowledge of 15-year-old students conducted by OECD (see further http://www.oecd.org/pisa/aboutpisa/)

⁶ OECD. 2016. PISA 2015 Results in Focus (available at https://www.oecd.org/pisa/pisa-2015-results-in-focus.pdf)

⁷ UIS Database, accessed 19 December 2016 (available at http://data.uis.unesco.org)

⁸ The MDGs in Europe and Central Asia: Achievements, Challenges and the Way Forward (available at http://www.un-rcm-europecentralasia.org/fileadmin/DAM/RCM_Website/Publications/2010_MDG_Optimized.pdf)

2014, compared to 84 per cent in Central and Eastern Europe. The main barriers to early childhood education are the very small numbers of public preschools in many countries, household poverty and lack of awareness of the importance of pre-primary education for children's development.

The countries/territories of Europe and Central Asia are relatively close to achieving universal primary education: in most of these countries, the proportion of primary-school-age children enrolled in school in 2014 was above 94 per cent. However, despite on-going reforms and policies and programmes for minority groups, certain groups remain excluded from education, in particular the Roma and children with disabilities.

In most countries of the region, more than 90 per cent of pupils complete compulsory education. Increasing numbers of young people are also completing upper secondary education, and enrolment in tertiary education is also on the rise. In contrast, 713,000 adolescents of lower-secondary school age in Central and Eastern Europe and 285,000 in Central Asia were not enrolled in 2014. Early school dropout leaves many young people without the skills needed to find decent jobs and compete in the labour market. The most marginalized communities are often excluded from data collection and thus invisible in national indicators.

Meanwhile, the current generation of youth has higher educational attainment than any other before, and expresses a strong demand for higher education and technical and vocational education and training, in particular by girls and women.¹⁰

Achieving the 2030 Agenda hinges not just on delivering more years in school, but also on ensuring that children really learn and acquire the skills necessary to shape their future lives. Even when they finish secondary and, increasingly, post-secondary education, young people often enter the labour market without the professional skills demanded by the market, and remain jobless, take up jobs below their level of education or are pushed into the informal sector.

Another major challenge is to give learning opportunities to millions of low-skilled adults, including those who have low levels of literacy and/or obsolete skills. Work-based learning schemes can equip adults with new skills in the face of changing labour markets, but more youth and adult education opportunities are needed, particularly for the unemployed.¹¹

Large numbers of youth and adults in the region have low literacy or numeracy skills, making it difficult for them to fully participate in social or professional life. Functional illiteracy has been recognized as major societal issue and as a policy priority at the European Union level, with high potential returns to investing in the quality of initial education and remedial programmes: On past trends, if Europe achieved its current benchmark of functional literacy for 85 per cent of 15-year-olds, this could lead to an aggregate GDP gain of EUR 21 trillion over the lifetime of the generation born in 2010.

Workers need access to continuing education and training to upgrade and update their skills. In a context of high unemployment, it is crucial to ensure that unemployed workers do not lose their skills, and can acquire new skills in demand on the labour market. In this perspective, the European Union faces a formidable challenge: More than 73 million adults aged 25-64 do not have qualifications above upper secondary level.¹²

Educational policies are constrained as governments are striving to reduce fiscal deficits. The quality of education and the availability of training are jeopardized by the combined effects of fiscal tightening and uncertain private sector funding. Several countries in Europe are freezing or cutting public expenditure on higher education and

⁹ The Rights of Roma Women and Children in Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia and Serbia, UNICEF, 2015 (available at https://www.unicef.org/ceecis/21352_UNICEF_Roma_Woman_web_V2.pdf)

¹⁰ Mean years of schooling (of adults) (years). UNDP Human Development Report (available at http://hdr.undp.org/en/content/mean-years-schooling-adults-years)

¹¹ Building More Inclusive and Sustainable Societies, Regional Advocacy Paper, United Nations Development Group for Europe and Central Asia, 2013 (available at http://www.un-rcm-europecentralasia.org/fileadmin/DAM/RCM_Website/Publications/Building_more_inclusive_sustainable_societies-English.pdf)

¹² Education for All Review 2015, Europe and North America, UNESCO (available at https://www.unesco.de/fileadmin/medien/Dokumente/Bildung/2015_UNESCO_EFA_2015_Regional_Review_Europe_and_North_America.pdf)

research – even though these are priorities on the European Union agenda – while emerging countries are investing massively.

The spread of information and communication technology (ICT) can facilitate access to learning for all age groups, including for young men and women and older adults. ICT is facilitating distance learning, for instance, through massive open online courses, but access to them is still problematic in rural and remote areas. The perspective of lifelong learning is gaining ground, as workers and employers are increasingly aware of the need for continuous training in a rapidly transforming economy associated with less stable employment relationships. Education and training policies have a key part to play in making development sustainable. Curricula need to be adapted to promote environmental awareness and training should be developed in skills necessary to the emergence of a green economy, to support implementation of the 2030 Agenda.

What needs to happen?

- Enhance policy coherence. Sector-specific approaches are insufficient to meet the interdependent challenges of sustainable development. The broad 2030 Agenda requires multi-sector approaches. In education, cross-sector interventions include integrated initiatives in school feeding and school health, early childhood development, support for children at risk of dropping out, and skills and livelihood training. At the national level, successful efforts to improve multi-sector planning reflect the importance of political will, institutional support, adequate capacity and sufficient data.
- Improve the quality and equity of education and lifelong learning systems. Policies at pre-primary, primary and secondary levels need to ensure that all students irrespective of their individual or family background achieve sufficient skills in literacy, numeracy and "soft skills" to receive further education and training, and to be able to fully participate in society. This comprises inclusion of all learners in regular schools to replace tracking and segregation of children with special needs, including those from ethnic minorities and children with disabilities. The quality of education, including on "soft skills" should be improved, with a focus on teachers, content and relevance, pedagogical approaches and formative assessments and evaluations. A related concern is to ensure that general and Technical, Vocational Education and Training (TVET) curricula at secondary and higher education levels remain relevant to rapidly evolving labour market needs and that TVET includes "soft skills."
- Develop education and training systems beyond their current reach at non-compulsory levels to provide life-long learning and to reduce equity gaps in learning outcomes. Access needs to be increased to Early Childhood Care and Education (ECCE) and post-basic education, particularly upper-secondary education, with a particular emphasis on marginalized children and out of school young men and women. Broadening access includes work-based learning, curricula and qualifications that are responsive to changes in society and the labour market. Lifelong learning opportunities should be facilitated through career guidance and counselling, recognition and validation of prior formal and informal learning, and multiple entry points for flexible learning.
- Ensure inclusive and quality education for refugees and migrants. All refugee and migrant children should have access to inclusive and quality education. This should include recruiting, training and supporting teachers and educators to protect and promote the rights and needs of refugees and migrants, taking account of language needs and context. Support should be provided for the socio-economic integration of young and adult refugees and migrants, with a flexible, equitable and dynamic approach to a fair recognition of skills and qualifications, building on and improving existing systems, and strengthening connections between formal, non-formal and informal systems.
- Strengthen the gender-education-health nexus. A nexus approach to gender-education-health is critical for gender equality and the empowerment of women and girls, which has a multiplier effect on development. Educating women and girls contribute to their economic, social and political empowerment. Early marriage, early pregnancy and child labour, however, can force some girls to drop out of school. Educated women are

more likely to have access to paid jobs and enjoy better health, while their families are more likely to receive better health care and nutrition. Educated women are also more likely to delay and space out pregnancies, and have better access to health care services. At the same time, the promotion of health of girls and young women can help keep them in school and successfully transition to employment.¹³

- Integrate partnership models. Stakeholders need to plan together, act together and commit to equity and sustainability. In this context, educational partnerships should be sought in the region integrating gender, health, inequalities and other cross-sectoral issues to ensure integrated responses. The Global Education Monitoring Report cites the Global Partnership for Education¹⁴ as uniquely positioned to facilitate this kind of coordination, not only when it comes to coalescing and harmonizing funding but also in promoting stronger and more ambitious partnerships among governments, development partners, civil society and the private sector at the country level.
- Implement existing commitments and declarations. Accelerate full implementation of existing commitments and declarations that will ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.¹⁵
- Enhance education related data and monitoring systems. Governments and partners need recent and accurate data and tools to improve the learning outcomes of all and monitor progress at the regional and country level. Learning goes beyond the ability to read and perform simple arithmetic; it entails a range of cognitive, social and emotional skills needed to lead productive and healthy lives. To measure these aspects, a comprehensive and balanced approach to learning assessment is needed, using a variety of metrics and measures for national and sub-national assessment purposes and regional or international comparison as appropriate. Better collection of administrative data on enrolment, absenteeism and completion by Ministries of Education, which will allow for detailed analysis of trends on student and teacher issues, as well as disaggregation by key sub-groups such as children with disabilities and ethnic minorities is also required. This necessitates horizontal collaboration between ministries, which support children in order to share information in order to design coordinated and targeted interventions for regions, schools and to avoid exclusion and enhance education and learning.

¹³ Breaking the Silos: Cross-sectoral Partnerships for Advancing the Sustainable Development Goals, United Nations Economic and Social Council, March 2016 (available at https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/2016doc/partnership-forum-issue-note1.pdf)

^{14 2016} Global Education Monitoring Report: Education is Essential for all SDGs, (available at http://www.globalpartnership.org/blog/2016-global-education-monitoring-report-education-essential-all-sdgs)

¹⁵ These include the Aichi-Nagoya Declaration on Education for Sustainable Development (ESD) which outlines the new the Global Action Programme (GAP) on (ESD) and its five priority actions on: policy, integrate sustainability practices into education and training environments, increase capacity of educators and trainers, empower and mobilizing youth, and promote community-based ESD programmes; the Framework for the future implementation of the UNECE Strategy for ESD adopted in June 2016 (available at http://www.unece.org/fileadmin/DAM/env/documents/2016/ece/ece.batumi.conf.2016.11.e.pdf; the Batumi Ministerial Statement on ESD also adopted in June 2016 http://www.unece.org/fileadmin/DAM/env/documents/2016/ece/ece.batumi.conf.2016.2.add.2.e.pdf; the UN Environment Assembly (UNEA2) resolution on environmental education entitled "Investing in human capacity for Sustainable Development, through environmental education and training" http://www.unep.org/about/sgb/cpr_portal/Portals/50152/2-3/K1607131_UNEPEA2_RES3E.pdf; and the 10-year framework of programmes on sustainable consumption and production patterns (10YFP), which is SDG 12.1, and in particular the Sustainable Lifestyles and Education Programme (SLE) (available at http://web.unep.org/10yfp/programmes/sustainable-lifestyles-and-education-programme)

Ensuring Inclusive and Equitable Quality Education and Promoting Lifelong Learning Opportunities for All

KEY MESSAGES:

Achievements







On average, high rates of participation in basic education. Disparities exist based on wealth, location, gender, migration status. Out of 5.1.million children with disabilities 3.6 million are out of school. Participation rates of Roma children beyond primary school are dramatically low.

Gender equality







In some countries there are gender disparities to the disadvantage of boys (Armenia, Croatia, Kazakhstan, Moldova and Serbia) and in others a disadvantage towards girls (Bulgaria, the former Yugoslav Republic of Macedonia, Tajikistan and Turkey).

Pre-primary education



50%

Disparities in access between the sub-regions: only 50 per cent of children aged one year before primary entrance age in Central Asia were enrolled in pre-primary or primary education in 2014, compared to 84 per cent in Central and Eastern Europe.

Primary education



94%

Relatively close to achieving universal primary education (2014 above 94 per cent)

Upper secondary education

713 000 / 285 000 in 2014

713,000 adolescents of lowersecondary school age in Central and Eastern Europe and 285,000 in Central Asia were not enrolled in 2014.

Education and employment



If Europe achieved its current benchmark of functional literacy for 85 per cent of 15-year-olds, this could lead to an aggregate GDP gain of EUR 21 trillion over the lifetime of the generation born in 2010.

POLICY RECOMMENDATIONS:

Improve the quality and equity of education and lifelong learning systems.

Develop education and training systems beyond their current reach at non-compulsory levels to provide life-long learning and to reduce equity gaps in learning outcomes. Ensure inclusive and quality education for refugees and migrants.

Strengthen the gender-educationhealth nexus.

Enhance education related data and monitoring systems.



Access to Affordable, Reliable, Sustainable, and Modern Energy

What is at stake?

Energy is a fundamental need as it provides essential services for cooking, heating, cooling, lighting, mobility, and operation of appliances, information and communications technology (ICT) and machines in every sector of every country/territory. If the world is to develop sustainably, it will be necessary to secure access to affordable, reliable, sustainable and modern energy services, as set forth in the 2030 Agenda and specifically in Sustainable Development Goal 7, while reducing greenhouse gas emissions and the carbon footprint of the energy sector. Energy was not included explicitly in the Millennium Development Goals but has assumed a prominent place in the 2030 Agenda. Energy is linked to goals and targets on poverty eradication, sustainable agriculture, food security and nutrition, health and population dynamics, education, gender equality and women's empowerment, water and sanitation, economic growth, sustainable consumption and production and climate.

The energy supply sector itself accounts for 13 per cent of total global greenhouse gas emissions, but the burning of fossil fuels (coal, natural gas and oil) to provide energy services in industry, the residential sector, the commercial and public sectors, transport and energy supply accounts for 65 per cent of total global emissions. The challenge is reconciling a tight emissions pathway with development aspirations. To avoid exceeding the amount of carbon that can be emitted, which is consistent with the objectives of the Paris Agreement, and to set the stage for future reductions in atmospheric greenhouse gas concentrations, all options for reducing net carbon emissions must be developed and pursued urgently to reduce energy's net carbon intensity.

The current rate of improvement in energy efficiency, the deployment of net low carbon energy solutions, and the provision of sustainable access to modern energy services are insufficient. Energy's contribution to the 2030 Agenda will falter in the absence of concrete measures to improve energy productivity, rationalize energy use, optimize energy resources, and the deployment of both new energy technologies and sustainable energy infrastructure.

The story of the region

Throughout the region, there is no common understanding of what sustainable energy is or how to attain it. Divergent economic development, resource availability and energy mixes are embedded in today's approaches. Each country/territory sets its strategy based on its perspectives on sustainable development, environmental protection, poverty alleviation, climate change mitigation, quality of life, and the like, so multiple approaches and outcomes are found. While many of the energy challenges in the Europe and Central Asia region are similar to those elsewhere in the world, other challenges relate to the region's specific climatic, economic, environmental and political circumstances and can be observed in the inefficient use of energy, power cuts, increasing energy costs, sustainable and affordable heating in winter.

Many of the countries in Central Asia and Eastern Europe have high carbon footprints due to a legacy of high energy intensity and energy inefficiency in industry and buildings. Energy losses from old infrastructure and dilapidated networks are significant. The past two decades have changed how the countries/territories in the region use energy. At present, some export large quantities of fossil fuels and boast some of the world's highest rates of energy intensity. Others struggle to provide reliable and affordable energy for their own

¹ Ecofys (2013): World GHG Emissions Flow Chart 2010, (available at http://www.ecofys.com/files/files/asn-ecofys-2013-world-ghg-emissions-flow-chart-2010.pdf)

² The Paris Agreement (available at http://unfccc.int/paris_agreement/items/9485.php)

citizens. Numerous market barriers, often combined with subsidised energy prices, impede the introduction of new, efficient energy technology. Lack of access to basic energy services and frequent disruption of power supply are of particular concern in Central Asia and the South Caucasus.

The Europe and Central Asia region consumed 20.6 per cent of the world's primary energy and produced 24.1 per cent of world GDP. It produced 21 per cent of the world's primary energy resources, and emitted 18.2 per cent of global CO2 emissions from fossil fuel combustion.³ The region is comprised of countries/territories that are energy rich and energy poor and countries/territories that are in economic transition. The region as a whole has significantly higher primary energy supply per capita than world levels, but within the region there is significant variance.

Fossil fuels remain dominant in the region, a reality that must be considered fully in devising economically rational pathways to achieving the 2030 Agenda. The share of fossil fuels in primary energy globally was 81 per cent in 2014. When evaluated across sub-regions, Western and Central Europe's share of fossil fuels in primary energy stands at 71 per cent whereas Central Asia's share is at 94 per cent.⁴ Even under a climate change scenario that meets the objectives of the Paris Agreement,⁵ fossil energy will still represent 40 per cent of the energy mix in 2050 and must be addressed whether through efficiency improvements or through emissions controls. In 2014, the region's contribution to global greenhouse gas emissions from fossil fuel combustion was 36 per cent.⁶

Although the region has almost universal household electrification, 99.99 per cent, in terms of physical access, ageing energy supply infrastructure, a lack of supply diversity and increasing tariffs lead to poor power quality and, for some, energy poverty. Access to reliable and sustainable energy is important for food security, economic development, human health and poverty reduction, particularly in Central Asia and the far eastern parts of Russia. The three main impediments to achieving sustainable, reliable and affordable energy access in the region are remote, off-grid locations; on-grid access with limited or intermittent supply due to poor infrastructure or fuel supply problems' and affordability issues. These issues are closely linked to additional problems: energy security and energy poverty. Unequal interruptions or shortages in electricity supply, insufficient access to clean and efficient cooking facilities and affordable heating restrict access to energy among particular groups, populations and countries/territories, leading to inequalities in energy provision. In addition, the 1990s wars in some of the countries of the former Yugoslavia® damaged the energy infrastructure, leaving many people who had previously been connected to the grid without access. This situation is particularly acute during the cold winter months, and disproportionately affects women®, and poor and rural populations. Some consumers are switching back to solid fuels for cooking and heating, and others to electricity with off-grid diesel generators.

All countries of the eastern part of the region have at least part of their household population in energy poverty, defined as more than 10 per cent of household income spent on energy. Energy poverty severely impacts the potential for economic growth, negatively affecting people's livelihoods and the quality of social services. The number of people without access and with intermittent supply has the potential to grow if infrastructure is not repaired or replaced and if the electricity supply is not increased. In the Russian Federation, 29 per cent of households spend more than 10 per cent of income on energy; in four other countries in the region¹⁰ more than 40 per cent of households spend over 10 per cent of their income on energy. This aspect is particularly

³ International Energy Agency Statistics (available at http://www.iea.org/statistics/).

⁴ Ibid.

⁵ The Paris Agreement (available at http://unfccc.int/paris_agreement/items/9485.php)

⁶ International Energy Agency Statistics (available at http://www.iea.org/statistics/).

⁷ World Bank Global Tracking Framework for Sustainable Energy for All 2017 (available at http://trackingenergy4all.worldbank.org).

⁸ Croatia, Kosovo*, Bosnia and Herzegovina and Serbia

⁹ Toward Gender Informed Energy Subsidy Reforms: Findings from Qualitative Studies in Europe and Central Asia, the World Bank, 2015 (available at http://documents.worldbank.org/curated/en/834451468189851792/pdf/96945-WP-REPLACEMENT-Gender-and-Energy-Subsidies-web.pdf)

¹⁰ Albania 46 per cent, Moldova 52 per cent, Serbia 49 per cent and Tajikistan 60 per cent.

¹¹ UNDP (2014) Sustainable Energy and Human Development in Europe and the CIS, (available at http://www.tr.undp.org/content/dam/turkey/docs/Publications/EnvSust/UNDP,2014-Sustainable%20Energy%20and%20Human%20Development%20in%20Europe%20and%20Hthe%20CIS.pdf)

important for the heating market. The region's countries circle the arctic, and cold continental climates over most of the region create the highest demand for heat services in the world. The region has a legacy of older, often poorly insulated buildings with inefficient heating systems. The heating is inadequate, inefficient and unaffordable without significant subsidies. The high dependence on fossil fuels for heating creates a locked-in dependence on fossil fuels that are used inefficiently.

Renewable energy consumption in the region nearly doubled from 1990 to 2014 from 4.9 EJ to 8.9 EJ and increased from 3.5 per cent to 6.5 per cent of total final energy consumption. Doubling the share again from 2014 levels will depend on the potential for renewable energy, prevailing energy market conditions, and available socio-economic drivers. Although the rate of growth has been significant and the region as a whole has tremendous untapped potential for almost all forms of sustainable energy, renewables represent only a small share of total primary energy supply.

So far renewable energy sources other than hydropower accounted for only 3.7 per cent of the energy supply in 2014, and including hydro 5.1 per cent, compared to a global share of 13.8 per cent. Between 2000 and 2015, the region increased installed renewable energy generating capacity by 313 GW to 600 GW, 27.4 per cent of all global additions, from which non-hydro additions account for 85.1 per cent, or 266 GW. The current share of total renewable energy installed capacity is 51.7 per cent hydro-based. The EU represents 21.7 per cent of the global total renewable power capacity including hydropower.

Higher financing costs for renewable energy technologies reflect a number of informational, technical, regulatory, financial and administrative barriers and their associated investment risks in the region. Whilst countries employ a number of promotional schemes for renewable energy in the region (the EU adopted a new regionally binding target calling for a minimum of 27 per cent renewable energy in final energy consumption by 2030),¹⁶ analysis reveals that important barriers to investment remain. Promotional schemes for renewable energy have led to increased deployment, but the correlation between promotion and deployment is not always clear. Western European countries recognized for their renewable energy programmes, such as Germany, Spain and Denmark, continue to depend on fossil fuels in their overall energy mix, with Germany's share standing at 81 per cent of total energy consumption in 2013.¹⁷ Lessons learned from feed-in tariff schemes have led to the introduction of more competitive approaches such as renewable energy auctions. Germany expects that more than 80 per cent of future added capacity will be open to tendering.¹⁸ Countries with increasing shares of variable renewable energies such as wind and solar energy face challenges to develop market or capacity based solutions to ensure flexible supply that can maintain grid stability, and the flexibility is often supplied by natural gas or coal-fired power plants.

Energy efficiency indicators currently are based on measurements of energy intensity, which is the amount of energy used to produce a unit of GDP. The inverse of energy intensity is energy productivity, which is the amount of GDP produced per unit of energy consumed. While the two are equivalent mathematically, the latter indicator represents an opportunity for improvement, not a judgement of inadequacy. Further, while the greatest opportunities for improvement appear to lie still in formerly planned economies, such presentation omits the enormous potentials that exist for efficiency improvements throughout the region in transport, buildings, industry, and the upstream segments of the energy sector. For example, improving the energy efficiency of EU buildings, 35 per cent of which are over 50 years old, could result in a reduction in the region's total energy consumption by an estimated 5–6 per cent. Western Europe represents the largest market for energy-efficient buildings, which is attributable to its high energy prices and strict building codes.

¹² International Energy Agency Statistics (available at http://www.iea.org/statistics/).

¹³ EA Data.

¹⁴ International Renewable Energy Agency (IRENA) Renewable Capacity Statistics 2016 (available at http://www.irena.org/menu/index.aspx?mnu=Subcat&PriMenuID=36&CatID=141&SubcatID=1719).

¹⁵ Ibid

^{16 2030} Energy Strategy, European Commission (available at https://ec.europa.eu/energy/en/topics/energy-strategy/2030-energy-strategy)

¹⁷ International Energy Agency Statistics (available at http://www.iea.org/statistics/).

¹⁸ Agora Energiewende (2017): Energiewende: What do the new laws mean? (available at https://www.agora-energiewende.de/fileadmin/Projekte/2016/EEG-FAQ/Agora_FAQ-EEG_EN_WEB.pdf).

Energy intensity remains well above the EU levels in some countries of the region. Levels remain particularly high in countries of Eastern Europe, the Caucasus and Central Asia because of the dominant role of energy-intensive industries, out-dated production technology and low energy prices. However most of these countries have made impressive progress since the 1990s. Data shows a gradual decrease in the energy intensity level of primary energy (MJ/\$2011 PPP GDP) to 5.185,¹⁹ slightly lower than the global average of 6. The region's GDP per unit of energy use (constant 2011 PPP \$ per kg of oil equivalent) in 2013 was 8.59, above the global average of 7.7.²⁰ Such progress can be attributed to a structural change towards less energy-intensive economic activities and the increased use of less carbon-intensive energy sources, such as gas and nuclear power. Economic activity in the European Union region increased faster than energy consumption over the past two decades, due to significant energy-efficiency improvements. Technical progress and energy efficient investments are the principal sources of such improvements.

Most of the countries in the region made noteworthy progress in advancing energy efficiency and renewable energy over the past decade by creating the necessary regulatory framework; adopting targets, policies and regulations; and deploying projects backed by scale and financial incentives. From a global perspective, however, the region is still in the early stages of renewable energy deployment and energy mix varies widely among the countries of the region. Half the countries are net energy exporters, some countries are highly dependent on high carbon fuels such as oil and coal, and several countries are heavily reliant on energy imports. The share of renewables in the energy mix varies considerably among countries/territories of the region.

Energy efficiency is an essential component of attaining the energy-related sustainable development goals. In order to support continued economic growth, the region needs access to secure, affordable and sustainable energy supply. Many countries in the eastern part of the region have low energy productivity and energy consumption per capita and the quality of energy services is insufficient. Long-term patterns of energy use in the built environment, transportation infrastructure, industry, and agriculture hinder the penetration of energy efficiency technologies and practices, resulting in excessive energy consumption. Energy production and distribution infrastructure need major investments to provide better efficiency and improved quality of service.

Low efficiency in buildings increases the need for energy products to meet heating and electric requirements. When commercial energy products are constrained, households tend to switch to non-commercial, traditional fuels. Wood collection by rural communities contributes to deforestation, biodiversity loss, and soil degradation, and the use of obsolete technologies for the combustion of non-commercial energy carriers leads to indoor air pollution and high greenhouse gas emissions. Uncomfortable thermal conditions in homes combined with poor lighting contribute to higher medical bills and productivity loss. Problems at health and educational facilities due to the lack of or low quality heat and electricity supply undermine human potential and ultimately contribute to lower labour productivity.

Energy security is the association between national security and the availability of natural resources for energy consumption. Access to cheap energy has become essential to the functioning of modern economies. However, the uneven distribution of energy supplies among countries/territories in the region has led to significant vulnerabilities. Renewable resources and significant opportunities for energy efficiency exist throughout the region, in contrast to other energy sources, which are concentrated in a limited number of countries. Rapid deployment of renewable energy and energy efficiency, and technological diversification of energy sources, would result in significant energy security and economic benefits. However, energy security concerns impede improvements in technical, environmental, and economic efficiency, often by promoting energy independence instead of more efficient enhanced integration of energy markets. At the same time, energy security concerns can also be a driver for energy efficiency for countries/territories that are net importers of energy.

Certain options for improving the overall performance of today's energy system such as nuclear power, carbon capture and storage, shale gas, using natural gas in transport are often excluded from the discussion for

¹⁹ Energy Intensity Levels, The World Bank Open Data 1990-2012 (available at http://data.worldbank.org/indicator/EG.EGY.PRIM. PP.KD?locations=Z7&view=chart+or)

²⁰ GDP per unit of energy use, The World Bank Open Data 2014 (available at http://data.worldbank.org/indicator/EG.GDP.PUSE.KO.PP.KD?view=chart)

reasons of public perception, politics, imposed market distortions, or legitimate but possibly solvable concerns of safety or environment. Truly transforming the energy system will require a shift in policy, regulation and finance to treat energy as a series of services rather than as a series of commodities. In many countries in the region, the current political, regulatory, and industrial infrastructure is not ready for such a transformation.

What needs to happen?

Achieving the 2030 Agenda depends on transforming the energy system. There is an imperative for profound and immediate changes in how energy is produced, transformed, transported and consumed. The objectives of energy sustainability are attainable, and need not contradict more short-term considerations, if the region and the world embark on a determined, collective effort. Reinventing the energy system to one in which a systems perspective shapes overall policy and the transformation of energy from a series of commodities to a series of services will not be an instantaneous process. At the outset, it will be necessary to start with the system that is in place today. Nevertheless, action by national governments and regulators, international organizations and civil society, and private sector investors will accelerate the needed transformation. The following priority areas would assist countries/territories in enhancing the contribution that energy can make to the 2030 Agenda.²¹

- Energy markets should be reformed so that energy prices reflect full costs, including emissions, while eliminating market-distorting subsidies throughout the system. The use of energy subsidies could be reviewed by exploring more efficient and effective ways to protect vulnerable groups, including women. Policy-makers should work to enable a transition from an energy commodity industry to an energy services industry.
- Develop internationally recognized minimum energy performance standards in all sectors. Energy market reform will not happen unless energy security is assured. The development of a full range of normative instruments such as standards and best practice guidance is needed throughout the energy system including development of regional and international norms covering interconnections, interoperability and trading. It will be important to maintain an open dialogue among energy-producing, -transit and -consuming countries/territories on energy security, technology and policy. Achieving greater interconnectivity and mutually beneficial economic interdependence will require investment in energy infrastructure projects to enhance energy efficiency, integrate renewable energy, and optimize energy resource utilization. Encouraging interconnection infrastructure projects among countries/territories with complementary energy resources is a cost-effective way to enhance mutual energy security.
- Improve more quickly energy efficiency in most countries. Improving energy efficiency is one of the most cost-effective options for meeting growing energy demand in most countries. It contributes to energy security, a better environment, improved quality of life, and economic well-being. Significant potential for improving energy efficiency exists in the region, but attempts to improve energy efficiency often fall short because of flawed national policy frameworks: policies that artificially lower energy prices encourage wasteful consumption; production and consumption subsidies distort markets; housing stocks are poorly managed; land use management is inefficient; new participants face barriers to entry; there are inadequate norms and standards; and the statistics and information to manage energy use and track progress are incomplete. In addition, there is often a lack of public awareness and education about the long-term economic and social benefits of action to improve energy efficiency and industrial productivity.
- Mobilizing adequate resources to ensure equitable access to modern energy services. Ensuring physical and economic access to quality energy services requires investment throughout the energy value chain, from primary energy development to end use. Enabling investment requires that governments have a long-term vision for providing sustainable energy services, and that they promulgate sustainable policies and regulations that allow producers and consumers to respond to a dynamically changing energy market.

²¹ The details of the proposed actions can be found in the Hammamet Declaration (available at https://www.medcoast.net/modul/index/menu/Hammamet-Declaration/72) and the Yerevan Action Agenda (available at http://www.unece.org/index.php?id=39915#/).

Such a vision should be based on a total energy system perspective that includes provision of access to modern energy services for vulnerable groups. It also requires proper integration of the full slate of development goals (e.g., energy, gender, and youth; the water-food-energy-ecosystems-health nexus).

- Redesign renewable energy policies. Renewable energy resources are gradually becoming cost-competitive in comparison to conventional resources. They offer a way to reduce the net carbon intensity of the energy sector, improve energy security, provide energy access in remote areas, and encourage economic development. Integrating renewables into the global energy mix will be important as future energy systems are optimized both on- and off-grid. However, wider uptake of renewables requires addressing barriers to fair competition vis-à-vis conventional technology (without resorting to long-term subsidies), implementing stable long-term energy policy frameworks in a future energy system context, and deploying innovative and targeted financial mechanisms. Countries/territories need to develop sustainable energy plans that are aligned with their future energy needs and that are consistent with the policy steps already detailed.
- The future energy system will need new technology. Research and development and commercial introduction of new technology, capital, and management skills are essential to support the needed transitions. It will be important to extend international collaboration on research and development of new technology and exchange lessons learned about large-scale deployment of low carbon energy sources.

Access to Affordable, Reliable, Sustainable, and Modern Energy

KEY MESSAGES:

Carbon footprint





Some countries have high carbon footprints due to a legacy of high energy intensity and energy inefficiency in industry and buildings. The region produced 21 per cent of the world's primary energy resources, and emitted 18.2 per cent of global ${\rm CO}_2$ emissions from fossil fuel combustion.

Fossil fuels



Western and Central Europe's share of fossil fuels in primary energy stands at 71 per cent whereas Central Asia's share is at 94 per cent.

Western, Central Europe's **71**%

Central Asia

94%

Access to reliable and sustainable energy



is important for food security, economic development, human health and poverty reduction, particularly in Central Asia. The three main impediments are remote, off-grid locations; on-grid access with limited or intermittent supply due to poor infrastructure or fuel supply problems' and affordability issues.

Energy poverty





In the Russian Federation, 29 per cent of households spend more than 10 per cent of income on energy; in Albania, Moldova, Serbia and Tajikistan more than 40 per cent of households spend over 10 per cent of their income on energy.

Renewable energy



Consumption in the region nearly doubled from 1990 to 2014 from 4.9 EJ in 1990 to 8.9 EJ in 2014 and increased from 3.5 per cent to 6.5 per cent of total final energy consumption. RE sources other than hydropower accounted for only 3.7 per cent of the energy supply in 2014, and including hydro 5.1 per cent, compared to a global share of 13.8 per cent.

Energy efficiency

35%



over 50 years old

35 per cent of buildings are over 50 years old, could result in a reduction in the region's total energy consumption by an estimated 5–6 per cent. Data shows a gradual decrease in the energy intensity level of primary energy.

POLICY RECOMMENDATIONS:

Energy prices should reflect full costs, including emissions, while eliminating market-distorting subsidies throughout the system.

Develop internationally recognized minimum energy performance standards in all sectors

Improve more quickly energy efficiency in most countries.

Redesign renewable energy policies. Use neo technology for the future energy system.



Changing Production Patterns

What is at stake?

Everything we produce has either a positive or negative impact on the economy, the environment and social development. Achieving sustainable production patterns secures efficiency and productivity gains, ensuring that human activities remain within the carrying capacity of the planet, while respecting the rights of future generations. Sustainable production means doing more and better with less.¹

Consumption and production activities are the basis of the global economy, but current patterns of both are fast depleting natural capital, degrading ecosystem services and undermining the capacity of countries/territories to meet their needs in a sustained way. Current unsustainable production and consumption patterns lead to deforestation, water scarcity, food waste, and high carbon emissions, and cause the degradation of key ecosystems.

While production was not recognized in a specific Millennium Development Goal, the inclusion of SDG 12 recognizes the essential and crosscutting role of production in sustainable development. Targets in 14 of the other SDGs are also oriented towards the achievement of sustainable production patterns, making it the most interconnected of the Goals.² Such links among goals through targets facilitates the real mainstreaming of production issues. For example, recovering just half of the food that is lost or wasted would be enough to feed the world. The sound management and disposal of chemicals and all wastes will minimise adverse impacts on human health. The producers of health care products need to consider a products' ingredients or materials, packaging and efficient use of energy and water to increase sustainability. Water efficiency will help meet water needs while energy efficiency is a key contributor to achieving universal access to affordable energy services. Effective reduction and management of municipal and other waste is critical to reducing the adverse per capita environmental impact of cities. Further, the integration of climate change measures into national policies, strategies and planning will impact on businesses, requiring them to be more energy efficient. Achieving sustainable production patterns will thus impact on the achievements towards sustainable development overall and the 2030 Agenda.

Unsustainable production patterns contribute to environment degradation and threaten the security of supply of non-renewable resources, energy and food. These in turn are threats to peace and security and to intergenerational well-being. These issues are both regional and global concerns. Addressing them requires global collective action with the involvement of governments, civil society and leading players in global value chains.

The story of the region

The diversity of the region highlights different challenges each country/territories faces in changing production patterns. Current production patterns vary in the region and there are moreover high differences among countries/territories as regards to their production patterns.³

¹ Ensuring sustainable consumption and production patterns, UN Chronicle, April 2015, (available at https://unchronicle.un.org/article/goal-12-ensuring-sustainable-consumption-and-production-patterns-essential-requirement)

² Towards Integration at Last: The sustainable development goals as a network of targets, DESA Working Paper No. 141 ST/ESA/2015/DWP/141, United Nations Department of Economic and social Affairs, 2015, (available at http://www.un.org/esa/desa/papers/2015/wp141_2015.pdf)

³ From Transition to Transformation: Sustainable and Inclusive Development in Europe and Central Asia, United Nations, 2012 (available at https://sustainabledevelopment.un.org/index.php?page=view&type=400&nr=795&menu=1515)

Due to the divergence in the levels of economic development in the region, many countries are still witnessing dramatic shifts in their structure of production. The main producing sectors, i.e., industry, agriculture and transport, remain relatively energy inefficient in some countries, while other countries have developed dynamic high-tech sectors, increasing their capabilities to innovate and to transfer their technologies to other countries through foreign direct investments (FDIs) and regional cooperation.

In order to improve living standards, alleviate poverty and create jobs, countries/territories need to expand the industrial sector. Industry accounts for 25 per cent of employment in Europe and Central Asia ⁴ and its importance has been reflected in the 2030 Agenda, specifically in Sustainable Development Goal 9, focusing on infrastructure, industrialisation and innovation. However, current production patterns threaten sustainable economic growth, due to increasing environmental degradation and resource depletion. With three billion extra middle-class consumers predicted to enter the global market by 2030, there will be an even bigger demand for goods and services, causing further harm.⁵

With vast differences in production patterns, countries/territories in the region face different challenges in implementing changes: for middle-income countries/territories, the biggest challenge is to maintain high levels of human development while reducing their ecological footprints. For energy exporting countries, the need to lower the use of fossil fuels will be a hurdle to overcome, similar to that of lower-middle-income countries, which need to accelerate sustainable growth and human development while minimising the impact of harmful production patterns.

Experience in the region has shown that environmentally sound production methods not only reduce environmental degradation by a significant amount, but also make a lot of business sense. The wastage of costly resources is reduced and competitiveness is increased, leading to the creation of jobs. Moreover, this move generates other multiple benefits including energy and water use efficiency. However, the adoption of more sustainable production patterns can, of course, encounter difficulties. Although resource efficient production can lead to new business opportunities, industries, which rely on unsustainable methods of production, such as mining, may suffer. Furthermore, lower subsidies for energy production and consumption needed to ensure efficiency could lead to rises in energy prices, thus requiring safeguards for the poor. It is therefore important that industrialisation is not only sustainable, but also inclusive and that the economic potential of the most vulnerable groups such as women and youth is also harnessed.

The importance of gender mainstreaming and harnessing women's potential as economic actors, leaders and consumers will contribute to more sustained growth rates. This is not only important from the perspective of ensuring the equality and women's rights, but is also economically smart. Women, who make up only 14 per cent of people employed in industry in the Europe and Central Asia region, can make a great contribution as important economic actors and key agents of change. With the equality of both men and women, less people overall will remain in poverty through higher levels of inclusive and sustainable industrialisation.⁶

A large number of countries have already adopted the idea of a green economy⁷ in their development strategies and have recognised the benefits of shifting to sustainable consumption and production, such as boosting energy security (reducing imports) and maximising the efficiency of cities (through improved energy efficiency in buildings, waste recycling) among others.⁸ Initiatives include the Batumi Initiative

⁴ Industry, Value Added, % of GDP, The World Bank Open Data 2014 (available at http://data.worldbank.org/indicator/NV.IND.TOTL.ZS?locations=B8-Z7)

⁵ Towards Circular Economy in South East Europe (available at) https://www.unido.org/fileadmin/user_upload/2016_Circular_Economy_Side_Event_8th_ Ministerial_Conference_on_Environment_2016_final.pdf

⁶ Employment in Industry, percentage of female employment, World Bank Data (available at http://data.worldbank.org/indicator/SL.IND.EMPL. FE.ZS?end=2014&locations=Z7-B8&start=1997&view=chart), Gender Equality and the Empowerment of Women, United Nations Industrial Development Organisation (see further https://www.unido.org/gender.html?L=2)

⁷ Green industry promotes sustainable production patterns i.e. those, which are resource and energy efficient, as well as low-carbon, low-waste, non-polluting and safe. The green industry agenda is that which aims for industries to improve their resource productivity and environmental performance, and to deliver environmental goods and services through, for example, introducing effective waste management and recycling services.

⁸ Some countries have signed OECD's Declaration on Green Growth, with Kazakhstan as the newest and 44th signee (available at https://www.oecd.org/env/44077822.pdf)

on Green Economy (BIG-E)⁹ and the *Greening Economies in the Eastern Neighbourhood (EaP GREEN) Programme,* which both contribute to the implementation of the 2030 Agenda. The latter assists countries in Eastern Europe and Central Asia in achieving their goal of sustainable development and in transitioning to a green economy through objectives such as mainstreaming sustainable consumption and production into national development plans, promoting Strategic Environmental Assessment and Environmental Impact Assessments as tools for environmentally sustainable economic development, and facilitating the greening of selected economic sectors.¹⁰

Within the region, there has been more recognition of the need to adopt a circular economy model, to contribute to sustainable economic development and the creation of new jobs. Initiatives such as the EU circular economy package adopted by the European Commission in 2015, which consists of revised legislative proposals on waste, aim to facilitate the region's transition towards a circular economy. Targets of the initiative include recycling 65 per cent of municipal waste by 2030 and economic incentives for producers to put greener products on the market and support recycling and recovery schemes.

Low-carbon transition presents a window of opportunity for the entire region: targeted investments in new environmental technologies and projects will boost a qualitatively different structural transformation with new green technologies leading to the emergence of new innovative industries and new jobs. In other words, the region has a great potential for energy-efficiency savings and for renewable energy production, which can be integrated into a diversified European and Central Asian energy market. Such potential can drastically change production and consumption patterns, which are at the core of the transition towards a green economy and supporting implementation of the SDGs.

What needs to happen?

The countries/territories of Europe and Central Asia have major tasks in operationalizing and implementing the 2030 Agenda. These include decarbonizing their economies; accelerating their energy and raw material efficiency programmes; increasing the share of renewable energy in their overall energy usage; and transferring their expertise in pursuing low carbon growth to other countries/territories. High-income countries in Europe have great experience in the uptake of green technologies and in financial engineering for investment in this field. The region can thus make a decisive contribution towards the global transition to a low-carbon economy. In the implementation of strategies, the need to fully respect the leave no one behind principle as enshrined in the 2030 Agenda is vital to ensure that the change in production patterns to resource efficient and cleaner, is successful.

Key policy recommendations include:

- Move towards a circular economy. Although not explicitly mentioned in the 2030 Agenda, the circular economy model has a lot to contribute to the Agenda: providing a profitable opportunity to move away from resource-intensive processes, whilst maximising the use of existing assets and creating new revenue streams. The benefits of a circular economy are far-reaching and importantly include making production processes more sustainable and competitive. Estimates suggest that by adopting a circular economy, countries/territories would see a boost in their competitiveness, which would lead to the creation of new business opportunities. The adoption could additionally reduce the use of natural resources and lead to energy savings. Principles such as "reduce, reuse, recycle" should be introduced as a guide for production and consumption patterns, as well as stepped-up training and retraining. Moreover, awareness-raising efforts and research, which are needed to fill knowledge and skills gaps at all levels, should be encouraged.
- Make industry green. Again, while not explicitly mentioned in the 2030 Agenda, if we want a sustainable and economically viable future, we need to ensure our industry does not harm the environment, i.e. green

⁹ United Nations Economic Commission for Europe (see further http://www.unece.org/environmental-policy/environment-for-europe/efe-conferences/batumi-conference/documents-and-materials.html)

¹⁰ EU Eastern Partnership: Green (see further http://www.green-economies-eap.org/about/objectiveandcomponents/)

industry. Governments and authorities in the region should promote and facilitate the greening of industries in their countries/territories by providing support through national strategies, policies and integrated governance structures. With the recognition that the greening of industries will lead to the creation of new jobs, special attention will be required to ensure that no one is left behind and that the process is thoroughly inclusive. In this regard, policies should take into consideration the importance of retraining workers to ensure that jobs are not lost, which can be an undesirable consequence of the introduction of new technologies. The transfer of knowledge and technologies should be encouraged to ensure that the greening of industries is a joint effort and worldwide approach. Importantly, strategies should be gender mainstreamed to specifically address the issue of women being left behind. Financial institutions should support new business opportunities and the development of new technologies in relation to green industry.

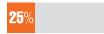
- Foster international partnerships. The transition towards a greener economy calls for concerted efforts by the international community through international cooperation, starting with observance of internationally agreed treaty requirements; ministerial dialogue; South-South and triangular cooperation; and public-private partnerships to deploy the best available technologies, implement benchmarking and monitoring schemes and foster innovation through long-term, strategic plans for resource and energy efficiency. Given its level of resource consumption, the Europe and Central Asia region has a strong interest, both for itself and for the rest of the world, in deepening such cooperation with international partners.
- Reflect, implement and monitor the SDGs in national strategies. Such strategies include: industrialisation focusing on technological gains to ensure that new and existing industries pursue sustainable paths, including through innovation, creativity and upgraded technology; and investment in sustainable infrastructure to manage resource efficiency e.g. improvements in water infrastructure help manage scarce resources in a sustainable manner while improving quality of life by providing access to water, among other.
- Raise awareness about sustainable production among all actors in society and ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature: producers, consumers, political parties and scientific and cultural communities. Women are critical contributors to this effort because they control household consumption. Through education, youth must be engaged because of their future responsibility in addressing the sustainability challenge. Media, non-governmental organizations and civil society also have a critical role in creating constituencies to call for Governments to adopt sustainable development policies, to resist industrial lobbies in resource-intensive sectors, to fulfil their obligations with regard to the public's rights to information and to comply with the other multilateral environmental agreements.

Changing Production Patterns

KEY MESSAGES:

Industry





Accounts for 25 per cent of employment in Europe and Central Asia.

Production patterns





For middle-income countries, the biggest challenge is to maintain high levels of human development while reducing their ecological footprints. For energy exporting countries, the need to lower the use of fossil fuels will be a hurdle to overcome. Lower-middle-income countries/territories need to accelerate sustainable growth and human development while minimising the impact of harmful production patterns.

Inclusive and sustainable industrialization





Women, who make up only 14 per cent of people employed in industry in the Europe and Central Asia region, can make a great contribution as important economic actors and key agents of change.

Green economy





Benefits of shifting to sustainable consumption and production are boosting energy security (reducing imports) and maximising the efficiency of cities (through improved energy efficiency in buildings, waste recycling), emergence of new innovative industries and new jobs.

Circular economy model



The EU circular economy package was adopted by the European Commission in 2015. Targets of the initiative include recycling 65 per cent of municipal waste by 2030.

POLICY RECOMMENDATIONS:

Move towards a circular economy.

Make industry green.

Foster international partnerships.

Raise awareness about sustainable production.



Changing Consumption Patterns

What is at stake?

Sustainable consumption is about promoting resource and energy efficiency, sustainable infrastructure, and providing access to basic services, green and decent jobs and a better quality of life for all. Sustainable consumption helps to achieve overall development plans, reduce future economic, environmental and social costs, strengthen economic competitiveness and reduce poverty. Sustainable consumption aims at "doing more and better with less," increasing net welfare gains from economic activities by reducing resource use, degradation and pollution along the whole lifecycle, while increasing quality of life. It involves different stakeholders, including business, consumers, policy makers, researchers, scientists, retailers, media, and development cooperation agencies, among others. It also requires a systemic approach and cooperation among actors operating in the supply chain, from producer to final consumer. It involves engaging consumers through awareness raising and education on sustainable consumption and lifestyles, providing consumers with adequate information through standards and labels and engaging in sustainable public procurement, among others.

Although major technological strides have been made to improve resource efficiency on the production side, these gains are often more than offset by the quantity of goods and services consumed, often called the rebound effects. Improvements in resource efficiency are often being offset by growing material and energy consumption. Central to this phenomenon is the widely held perception of welfare being directly correlated to a high level of material consumption. This trend also contributes to the creation of social inequalities — be it locally between wealthy households and social groups deprived of access to essential goods; between rich and poor countries; and between present and future generations.

Developing and implementing policies that encourage the public to make purchasing, usage and disposal decisions that meet its needs while minimising natural resource depletion, emissions, waste and pollution – is central to attainment of the 2030 Agenda. Sustainable consumption plays a pivotal role in achieving not only the specific Goal on ensuring sustainable consumption and production patterns but also on ensuring access to affordable, reliable and sustainable energy and making human settlements inclusive, safe, resilient and sustainable. It impacts on Goals and targets related to food security and nutrition, health and population dynamics as well as on education. Promoting sustainable consumption is also essential for generating demand for products or components that can be re-used/re-manufactured/recycled to create nw products. This will ensure the advancement of the 'circular economy', wherein material flows are not only reduced ("dematerialisation") but also enclosed in loops of multiple 'cascading' uses – essentially extending products' lifetimes and economic value, while minimising the creation of waste. Sustainable patterns of consumption are recognized as one of the major contributors to sustainable environmental development, including climate change, degradation of natural resources and loss of biodiversity, and environmental impacts caused by emissions and waste.

The story of the region

Consumption shows a very different pattern from GDP in the Europe and Central Asia region. Between 2015 and 2018, consumption in the European Union and Western Balkans is expected to grow 0.9 percentage points faster than GDP. By contrast, in Eastern Europe and Central Asia, consumption declined by 4.8 per cent in 2015, compared with a 1.2 per cent contraction of GDP. Consumption is expected to decline at a more modest rate in 2016, but the reduction in consumption will be sharper than the GDP contraction.¹

¹ Europe and Central Asia Economic Update, November 2016, World Bank Group, (available at http://pubdocs.worldbank.org/en/278581479765753603/ECA-Economic-Update-Nov-2016-Eng.pdf)

The growing affluence of the population of some countries in the Europe and Central Asia region is moving consumption patterns beyond the regenerative/carrying capacity of environmental systems. Although emission-, energy- and material intensity per unit of output have fallen over the past decades, the region's overall emissions generated, energy use and material use have kept on growing (as also observed on a global scale). This rebound effect is partly due to changes in lifestyle and behaviour patterns. For example, consumption patterns are moving towards more energy intensive categories of goods and services, such as large individual vehicles, larger housing, imported foods etc. particularly in Western Europe. Furthermore, materials and products are predominantly used only once or in very short cycles. For example, in the European Union, the average manufactured asset lasts only nine years (excluding buildings) and only 40 per cent of discarded materials undergo some form of recycling. The EU's economy continues to operate predominantly on a linear "take-make-dispose" system.²

Globally, roughly a third of all food produced for human consumption is lost or wasted before people consume it, with the average person in Europe wasting between 95 and 11 kg of food per year.³ In Central Asia the average person wastes 35 kg of food per year.⁴ Europe, excluding Central Asia, has the third largest per capita food wastage footprint on climate — with the average citizen producing some 680 kg of CO2 per year due to food loss.⁵ Being further along the supply chain means that consumers make up as much as 37 per cent of the total carbon footprint or food wastage, and therefore play a pivotal role in reducing the carbon footprint of agri-food systems. The overall globalization of the food market, as well as the increased consumption of non-seasonal and processed food items, have also contributed to the increasing environmental impact of the region's food production, processing, transport and marketing systems. Despite growing international markets, inequalities in quantity and quality of food persists in the region - with Western Europe overconsuming resource intensive items (e.g. meat) and items detrimental to health (e.g. sugar-based products) while in Eastern Europe and Central Asia chronic malnutrition still affects pockets of the population.

Car ownership in some countries in the region increased by more than one third (35 per cent) between 1990 and 2007. Today over one third of the world's 750 million automobiles are owned by drivers in the EU. The growth in private car ownership/use more than offsets technological efforts by manufacturers to improve average fuel efficiency and has resulted in the discontinuation of public transport services in some rural areas – thereby actually reducing the mobility of the vulnerable groups. As the numbers of cars continue to rise, vehicle capacity utilization has been decreasing (also due to rising incomes) with average car occupancy in many countries being around 1.5 persons, and the average European car being parked during 92 per cent of its lifetime. In some countries in Western Europe car ownership per 1000 people is as high at 750 whereas in Central Asia, it is as low as 37.6 However private car ownership is increasing rapidly throughout the region, especially in Eastern European countries, such as Belarus where it numbers 362 and in the Russian Federation, where it numbers 292.7

The transport sector is an important source of emissions of a wide range of gaseous air pollutants and of suspended particulate matter (PM) of different sizes and compositions. In 2013, road transport was the largest source of nitrogen oxide emissions in the EU (46 per cent of total emissions) with around 80 per cent of those coming from diesel-powered vehicles. The number of life-years lost owing to outdoor air pollution shows wide regional variation: the rate in countries of Eastern Europe, the Caucasus and Central Asia is 20 per cent higher that in Western Europe.⁸ Average loss in life expectancy owing to fine particles (mostly due

² Sustainable Consumption and Production in Eastern Europe, UNEP (available at http://web.unep.org/10yfp/where-we-work/eastern-europe)

³ FAO. 2016. Key facts on food loss and waste you should know (available at: http://www.fao.org/save-food/resources/keyfindings/en/)

⁴ Gustavsson, J, Cederberg, C & Sonesson, U, 2011, Global Food Losses and Food Waste, Food And Agriculture Organization Of The United Nations, Gothenburg Sweden, (available at: http://large.stanford.edu/courses/2012/ph240/briggs1/docs/mb060e00.pdf)

⁵ Food wastage footprint and climate change, Food and Agricultural Organisation of the United Nations (available at http://www.fao.org/fileadmin/templates/nr/sustainability_pathways/docs/FWF_and_climate_change.pdf)

⁶ Nation Master Country Statistics, Motor Vehicles per 1000 people (available at http://www.nationmaster.com/country-info/stats/Transport/Road/Motor-vehicles-per-1000-people)

⁷ Controlling Greenhouse Gas Emissions Generated by the Transport Sector in ECA: Policy Options, International Bank for Reconstruction and Development/World Bank, 2013, (available at http://siteresources.worldbank.org/INTTRANSPORT/Resources/336291-1227561426235/5611053-1229359963828/TP40-Final.pdf)

⁸ Towards cleaner air: Scientific assessment report, UNECE 2016 (available at https://www.unece.org/fileadmin/DAM/env/documents/2016/AIR/EB/ECE. EB.AIR.2016.3.pdf)

to increased risk of cardiovascular and respiratory diseases, and lung cancer) is currently about 5 months in Europe, but can be more than 12 months in some urban areas.

Furthermore, road traffic also discourages or impedes cycling and walking and thereby reduces opportunities for physical activity – a phenomenon estimated to be associated with nearly 1 million deaths per year in the European region, excluding Central Asia. Coupled with increased exposure to excessive levels of noise, which affects almost 70 million people in Europe, and other adverse health effects and their economic costs on society, it is estimated that the total cost of the externalities of car usage in the EU is between 300 and 400 billion EUR. The annual cost of congestion alone is estimated at EUR 100 billion or 1 per cent of the EU's GDP. Even small reductions in car travel time during peak hours result in significant time and energy savings as well as reduced air pollution.

Several studies have shown that green and healthy transport can play a positive role in job creation. For example, cycling and walking initiatives are more labour intensive than those related to motorised transport and on average, cycling projects generate 11.4 jobs per each US\$ 1 million invested, 9.9 jobs in pedestrian-only projects and 7.8 jobs in road-only projects. It has recently been estimated that as many as 435,000 additional jobs can be created if 56 major cities of the region achieved the same level of bicycle usage as Copenhagen. Other green transport jobs exist in the design and manufacture of low carbon, energy efficient vehicles, the provision of mobility services such as car sharing, as well as in the tourism, accommodation and catering services that can be established along sustainable transport routes.

Globally, occupying less than 2 per cent of the earth's surface, urban areas concentrate more than 50 per cent of the world's population, 80 per cent of economic output, between 60 and 80 per cent of energy consumption, and approximately 75 per cent of CO2 emissions.¹¹ For this reason, it is essential to target urban areas in the region to reduce their resource consumption. Domestic heating, water consumption, appliance and electronics account for 40 per cent of the region's total energy consumption. For example, in the EU space heating accounts for some 70 per cent of household energy consumption and water heating for some 14 per cent.

Increasing the energy efficiency of the existing building stock is critical to reducing energy consumption and mitigating climate change. Various alternative construction methods/designs have been proven to achieve heating and cooling energy savings of up to 90 per cent, with an average upfront investment of only 10 per cent more than traditional construction. Better insulation, improved district heating connections and smart energy management tools (smart metres and connected devices, lighting controls, and smart thermostats) are growing at an annual rate of 20 per cent. Many municipalities are actively pursuing energy saving renovation of the public buildings including schools and kindergartens. In the EU countries, such efforts are also directed to the social housing districts with the lowest energy efficiency and where such interventions also have the added benefits of reducing energy poverty and vulnerability. Studies confirm that heating consumption can vary by a factor of two to three depending on user behaviour. This means that occupant behaviour is as important as actual building physics when it comes to energy consumption for heating so that one can avoid the rebound effect (not to offset the efficiency gains by heating larger space, for example).

⁹ Transport, Health and Environment Pan-European Programme (THE PEP). 2016. Cycling and green economy: Riding towards the green economy. Key findings of the forthcoming joint report by UNEP, WHO and UNECE (available at http://www.euro.who.int/_data/assets/pdf_file/0017/311471/Cycling-and-green-jobs.pdf)

¹⁰ Unlocking new opportunities: jobs in green and healthy transport, UNECE. 2014 (available at http://www.euro.who.int/en/health-topics/environment-and-health/Transport-and-health/publications/2014/unlocking-new-opportunities-jobs-in-green-and-healthy-transport)

¹¹ The State of European Cities 2016: Cities leading the way to a better future, UN-HABITAT, 2016, (available at: http://unhabitat.org/books/the-state-of-european-cities-2016-cities-leading-the-way-to-a-better-future/)

¹² Gram-Hanssen, K. 2011. Households' energy use – which is the more important: efficient technologies or user practices? World Renewable Energy Congress 2011, Sweden (available at: http://www.ep.liu.se/ecp/057/vol3/032/ecp57vol3_032.pdf)

What needs to happen?

- Strengthen coordinated government action. Promoting sustainable consumption patterns is the responsibility of multiple central executive bodies (concerned with economic management, use of natural resources, housing, communal services, transport etc.) meaning that countries/territories require a central coordinating body to develop, implement and monitor activities, as well as resolve any conflicting legislation, incentives and authority structures. Such coordination mechanisms are also essential for formulating policy packages concerning different consumption sectors. For example, water and energy charges should be increased as part of a package that also includes tariff policies, improvement of infrastructure, and informative actions on how the individual/public can reduce water and energy consumption. Similarly, public transport, walking and cycling should not be viewed in isolation but as a system of integrated modes, and can complement urban traffic management measures such as congestion charges and parking policies. Urban planning that ensures access to public transport will also discourage dispersed, low-density development. Such coordinated government action can also facilitate the earmarking public funds for future sustainable consumption programmes/interventions, and can provide an entry point for/ facilitate public participation in decision-making processes.
- Promote public procurement practices that are sustainable, in accordance with national policies and priorities. Changing institutional consumption behaviours is essential for building demand and stimulating improvements in environmental and social performance of products and services. Harnessing the purchasing power of governments through their public spending is an excellent way to lead the transition towards sustainable consumption and a circular economy by example.
- Provide physical and social infrastructure to promote sustainable lifestyles. Such infrastructure development affects consumer behaviour by widening the consumption choice. Examples include the expansion of public transport schemes, bicycle infrastructure, dedicated bus or tram lanes, as well as consideration of size and proximity to green areas within the spatial planning of new neighbourhoods.
- Use regulatory instruments. Regulatory instruments induce change in consumer behaviour by redefining their choice set. Traditional examples include building codes, product standards, the phase-out of leaded petrol, restrictions in the use of private cars in cities, speed limits, norms for the separation of household waste, suppression of incandescent lighting, as well as spatial planning rules/bans aimed at reducing urban sprawl.
- Use economic instruments. Economic instruments alter relative prices and thus change the incentives faced by consumers when making consumption decisions. Examples of economic instruments include user charges (such as water and electricity tariffs and parking fees), taxes (such as fuel taxes), and subsidies (such as public transport subsidies or subsidies for undertaking insulation works in private dwellings). It is also essential to phase out perverse policies that encourage overconsumption of underpriced goods and services for example subsidised road infrastructure; tax abatements encouraging (multiple) home ownership; or other public policy measures (or lack thereof) that facilitate urban sprawl and the use of the private transportation.
- Use Progressive instruments. Policies must adapt to the reality of rising incomes and material living standards while avoiding an increase in social inequalities and the gap between rich and poor (e.g. through taxes on certain goods/services). For example, progressive tariffs can be designed for public utilities, according to quantity of consumption and income level. In particular, compensation schemes must be set up for mitigating the impact of rising tariffs for communal services on the utility bills of the poorest segments of the population.
- **Use Information-based instruments.** Governments can also promote product labelling schemes that enable consumers to differentiate between products based on their and their supply chains' environmental footprints. Information-based instruments also empower consumers to act on their preferences examples include eco-labels on organic food or energy-efficient appliances. Eco-labels need to be clear

and comprehensible as well as trustworthy. They are most effective when the environmental benefits coexist with more direct personal benefits for the consumer, such as reduced energy bills or personal health benefits.

- Use product-service systems. Consumer preferences are shifting away from ownership to "access" to services over products. This involves schemes for sharing products when they are needed, thus by-passing the need for purchasing items, which spend most of their lifetime unused. For example, one reason for lower car ownership in European cities may be the growing popularity of car-sharing schemes which make it easier for households to live without their own car (or have one instead of two cars), while also reducing congestion and pressure on parking. Such collaborative consumption models are ensuring for de-materialisation of lifestyles and are increasingly taken up by young urban and rural consumers. They also provide a platform for more interaction between users, retailers and manufacturers and encourage a shift from being passive consumers to becoming co-producers of goods and services (e.g. growing your own food in urban farms).
- Ensure that people are aware and have the relevant information on sustainable lifestyles. Public campaigns, information portals and action by civil society can deeply change consumption behaviour in areas such as diet, soft mobility and use of public transport means, choice of goods according to their life cycle, water and energy saving, as well as respect for nature and biodiversity. For example, it is crucial to monitor and communicate the adverse effects of transport activities on health and the environment to the public, so as to encourage behaviour change and the use of green infrastructure.
- Promote gender sensitise interventions. Studies have found that women are consistently stronger in pro-environmental behaviour and attitudes.¹³ Car ownership globally is heavily gender-skewed women walk, or use bicycles and public transport, more than men; while fewer women own or control access to individual cars, or if they do they use them less. Women and men may also control different shares and parts of a family's budget. All this means that we need to engage women as well as men in planning for a sustainable future and that policies, instruments (including targeted campaigns) and infrastructure need to ensure that they incentivise and benefit men and women equally.

¹³ Félonneau, M.L. and Becker, M. 2008. Pro-environmental attitudes and behaviour: Revealing perceived social desirability. Revue internationale de psychologie sociale 4: 25-53 (available at https://www.cairn.info/revue-internationale-de-psychologie-sociale-2008-4-page-25.htm#anchor_citation).

Zelezny, L.C., Chua, P.P. and Aldrich, C. 2000. Elaborating on Gender Differences in Environmentalism. Journal of Social Issues 56 (3): 443-457 (available at https://web.stanford.edu/~kcarmel/CC_BehavChange_Course/readings/Additional%20Resources/J%20Soc%20Issues%202000/zelezny_2000_6_gender_b.pdf). 13

Lee, E., Nam-Kyu, P. and Ju, H.H. 2013. Gender Difference in Environmental Attitude and Behaviours in Adoption of Energy-Efficient Lighting at Home. Journal of Sustainable Development 6 (9) (available at: http://www.ccsenet.org/journal/index.php/jsd/article/viewFile/28817/17552)

Changing Consumption Patterns

KEY MESSAGES:

Consumption patterns

+0.9% 2015-2018

-4.8% 2015-2018

Between 2015 and 2018, consumption in the European Union and Western Balkans is expected to grow 0.9 percentage points faster than GDP. By contrast, in Eastern Europe and Central Asia, consumption declined by 4.8 per cent in 2015, compared with a 1.2 per cent contraction of GDP. Consumption patterns are moving towards more energy intensive categories of goods and services, such as large individual vehicles, larger housing, imported foods etc.

Food waste



35 kg per year

In Central Asia the average person wastes 35 kg of food per year. Europe, excluding Central Asia, has the third largest per capita food wastage footprint on climate – with the average citizen producing some 680 kg of CO_2 per year due to food loss

Transportation and automobility

†† 1000

A 750

Western Europe

Central Asia

In some countries in Western Europe car ownership per 1000 people is as high as 750 whereas in Central Asia, it is as low as 37. The average European car is parked during 92 per cent of its lifetime. Road traffic reduces opportunities for physical activity – a phenomenon estimated to be associated with nearly 1 million deaths per year in the European region, excluding Central Asia. Total cost of the externalities of car usage in the EU is between 300 and 400 billion EUR.

Sustainable cities





Many municipalities are actively pursuing energy saving renovation of the public buildings including schools and kindergartens. In the EU countries, such efforts are also directed to the social housing districts.

POLICY RECOMMENDATIONS:

Strengthen coordinated government action.

Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

Provide physical and social infrastructure to promote sustainable lifestyles.

Use regulatory instruments.

Use economic instruments.

Use Progressive

instruments.

Use Information-based instruments.

Use product-service systems.



Sustainable Agriculture and Rural Development

What is at stake?

Agriculture is closely linked to many development challenges, not only hunger and malnutrition but also poverty; health; water and energy use; climate change; and unsustainable production and consumption. For example, agriculture contributes significantly to climate change with an estimated 25 per cent of the total greenhouse gases (GHG). Environmental threats such as climate change and loss of biodiversity put both agriculture and livelihoods at risk.

Obesity, environmental degradation and health disparities are among the most pressing public health issues, including in the Europe and Central Asia region. Contributing to each of these problems in a big way is our current food system, with its heavy dependence on fossil fuels (pesticides, fertilisers and gasoline) for large-scale production and long-distance transport on often high-calorie, nutrient poor food, from farm processing to table. The result is not only damaging to health and the environment but is also devastating to the economic base of to rural communities.

On the supply side, access to capital, knowledge, rural Infrastructure and environmental constraints (water scarcity, land and soil degradation, biodiversity loss and desertification), compounded by the fact that in some countries the most fertile land has already been brought into (intensive) cultivation, will limit growth in agricultural yields and rural labour productivity. It is estimated that 80 per cent of the additional food required to meet the demand in 2050, has to come from land already under cultivation, from yield increases, based on the advancement of agricultural research, its application and transmission to farmers through effective research-extension linkages and creation of an "innovation ecosystem." Furthermore, the greater the inequality in the distribution of assets, the most difficult it is for the poor to improve their situation and reduce undernourishment. Reducing social inequalities - gender inequalities being one of its most pervasive forms- is critical in order to end prevailing extreme poverty and hunger.

These trends explain why globally, some 800 million people still suffer from hunger and malnutrition, despite the great technological advances made in agriculture. The main cause of hunger and malnutrition is not lack of food, but inability to access it. Moreover over-nutrition and obesity are increasing in both developed and developing countries. The challenge is to place food production and consumption on a sustainable and equitable basis, inter alia by reducing the prodigious amounts of food lost and wasted both on the supply side, losses due to deficiencies in infrastructure and applied technologies, and on the demand side, waste, due to consumption patterns and behaviour. Achieving sustainable agriculture and rural development is a difficult task, but failure to do so is likely to lead to an increasing number of malnourished people, depletion of natural resources and irreversible environmental degradation.

The 2030 Agenda calls all countries to eradicate poverty and hunger; agriculture and rural development are key to achieving these goals. Global population growth and changing consumption patterns in populous developing countries are expected to lead to growing demand for food, on the background of increasing frequency of extreme weather events and accelerating climate change. These challenges will require major transformation in the way we use the natural resources that sustain our food systems. Reaching the SDG targets simply will not be possible without a strong and sustainable agricultural sector. More than just its direct impact on hunger and malnutrition, our food system is also linked to other development challenges being addressed in the SDGs, including poverty, health, education, gender equality, water use, energy use, economic growth and employment, sustainable production and consumption, climate change and ecosystems. Because disparities between rural and urban areas are a major form of inequality in the region's post-transition economies, the 2030 Agenda emphasizes reducing these inequalities. The implementation of the 2030 Agenda requires more productive and sustainable

¹ Expert paper "How to feed the world in 2050", World Food Security Summit, 2009 (available at http://www.fao.org/fileadmin/templates/wsfs/docs/expert_paper/How_to_Feed_the_World_in_2050.pdf)

² FAO State of Food Insecurity 2015, (available at http://www.fao.org/3/a-i4646e.pdf)

agriculture systems while enhancing the natural resource base and the ecosystem services it provides, such as pollination, nutrient cycling in soils, quality of water, biodiversity and carbon sequestration.

The story of the region

Having made major strides in reducing the prevalence of hunger over the last decades, many countries/territories in Europe and Central Asia are now looking to improve the quality of people's diets and transform their food systems in order to adapt to climate change, optimize the use of natural resources, and cut waste. But despite overall positive trends regarding food security, other forms of malnutrition still persist and continue to be a problem, affecting all the nations in the region. For example, in 48 of the countries in the Europe and Central Asia region, the combined overweight and obesity prevalence in the adult population exceeds 55 per cent, while relatively high rates of malnutrition and stunting continue to be seen among children in the Caucasus and Central Asia. Many governments in the region have already started taken steps that move beyond just producing more food and seek to transform food systems to improve food quality and people's nutrition. A substantial number of the region's poor and malnourished people live in rural communities, meaning that fostering dynamic rural economies must remain at the heart of development efforts.

Political and economic transition has had a profound impact on agricultural systems in this highly diverse region. Demand for food is on the rise across the region, and undernourishment persists in the Caucasus and Central Asia.³ Taking into account the impact of the economic crisis, poverty is expected to remain a persistent challenge for the countries/territories in the region over the next decade. Commodity markets are depressed and low food prices, while positive for consumers, also have a negative effect on farmers' income and on agricultural investments. It is forecasted that there will be a reduction in agricultural area over the next decade in Western Europe with a modest increase in yields, while in Eastern Europe and Central Asia it is expected that there will be a slow increase in area but higher increase in yields.⁴

On average 45.4 per cent of the population in the region lives in rural areas, though there are variations among countries/territories. Family farms in the region account for the bulk of agricultural production, and therefore play a critical role in both agricultural and rural economies. Rural populations are particularly affected, having fewer opportunities for decent employment and weaker social protection than urban residents. Consequently, young, educated people migrate to urban areas, which contributes to the further deterioration of rural human capital and increases the demand for innovations, both technological and social in the agricultural sector. Problems of low rural incomes are particularly acute in the region's post-transition economies, many of which suffer from fragmented land ownership structures with the size of holdings insufficient for viable operations. On the other hand, an increased competition for fertile land has been boosted by the growing demand for agricultural products and by deteriorating environmental conditions. Job informality and limited access to credit also hinders access to entrepreneurship, social protection and decent livelihoods. This is particularly relevant for rural women, who tend to be overrepresented in lower paid, more insecure and informal jobs, and who see their access to credit, land and other economic inputs severely hindered.

Another factor impeding agricultural productivity growth and consequently economic sustainability of agricultural systems within the region is limited agricultural research and development (R&D) and support systems, such as education, extension, credits and other financial mechanisms for boosting agricultural innovations. In many parts of the region rural people lack adequate opportunities to exchange information or participate in innovation and learn about environmentally and socially sustainable farming that would improve their livelihoods and promote rural development. Representation of farmers' and rural households' interests is also weak, due to historical distrust in cooperatives, leaving little possibility to influence policies and institutional processes that affect their lives, in many countries models are still linear and centralized as opposed to decentralized and pluralistic agricultural Innovation systems.

Demand for natural resources has been increasing in European and Central Asian countries/territories, due to changing consumption patterns, accelerating urbanization and growing populations. Climate change will further impact agricultural rain fed systems in a region that is already facing water scarcities, and reduction

³ FAO Regional office for Europe and Central Asia Regional Perspective (see further http://www.fao.org/europe/regional-perspectives/en/)

⁴ OECD/FAO Agricultural Outlook 2016-2025 (available at http://www.fao.org/3/a-i5778e.pdf)

of greenhouse gas emissions from agricultural activities will require overall awareness, as well as adequate incentives and polices, such as the promotion of agro-ecology approaches.

Persistent rural poverty in many of the region's countries/territories is affected by a number of different factors. For example, while globalization and economic liberalization had positive impacts on growth in the period prior to the economic crisis, they have increased the vulnerability of rural households that depend on agriculture and are not integrated into global supply chains, and of those with limited access to local markets and fewer alternatives for income opportunities. Unemployment and insufficient social protection have been identified as key problems facing rural populations. Disadvantaged groups in rural areas, including women, minorities and people with disabilities, face greater challenges in finding decent jobs. Heightened social tensions—partly due to deepening territorial differences—and the depopulation of rural areas are increasingly common. Insufficient policies and capacities for public and agricultural extension services that include agricultural research, coupled with deficient infrastructure in transport, logistics and information (e.g., the internet) and communications, as well as lacking access to finance are often major barriers to investment in rural and remote areas. This limits prospects for inclusion into the value chains and encumbers access to markets.

Further, education levels are generally lower in rural areas. In some countries, data show that children in rural areas, particularly from families with a lower economic status, have significantly lower enrolment rates in pre-school and lower attendance rates in subsequent educational levels. This factor is particularly important considering that sustainable agriculture practices are knowledge intensive and require access to information and training. Rural women and youth are most affected by the lack of opportunities, and access to training infrastructure.

Agricultural production is also affected by changing climatic conditions, particularly unprecedented variations in temperature, rainfall patterns and more frequent extreme weather events. These threaten ecosystems and sustainable livelihoods in the region's most fragile areas. Reduced water availability, soil degradation/desertification, biodiversity loss and the appearance of new pests and diseases are some of the consequences. In addition, agriculture, in particular because of livestock management and land use changes, is a major source of greenhouse gas emissions. However, alternative arable systems, such as organic agriculture systems and agro-ecology approaches, have the potential to sequester organic carbon and thereby mitigate the effects of climate change.

What needs to happen?

Agriculture therefore faces multiple challenges: it must become more sustainable on a dwindling resource base and strengthen the resilience of the vulnerable while having to feed and nourish an increasing number of people. Moreover, as it currently is the key economic activity for large parts of the population in developing countries/ territories, it also needs to provide greater returns and opportunities for growth and poverty reduction. The above-mentioned unfavourable conditions and processes can lead to and further exacerbate the pauperization and depopulation of rural areas. This can be resolved through creating enabling conditions and policy frameworks promoting agriculture and rural development that are economically equitable and viable, while managing and conserving natural resources and biodiversity in a way that maintains and restores ecosystem functions to support current as well as future human needs. Sustainability requires responsible governance that promotes secure tenure rights and equitable access to land, fisheries and forests, in order to eradicate poverty and enhance the environment and its ecosystems. Land reform, farm restructuring and modernized land administrations are crucial rural development challenges for the region's post-transition economies, in addition to required responsible investment in nutrition sensitive agriculture and food systems. Specific actions are necessary to ensure that women and those most vulnerable benefit from these interventions, framed by the core principle of the 2030 Agenda of *leaving no one behind*.

Apply appropriate climate change adaptation measures, such as improved water management, "climate smart" approaches to agriculture and wider access to information on new technologies—must be cornerstones for achieving food security and building resilience in rural communities. Green, "climate smart" agricultural sectors are also crucial for reducing the consumption of energy and raw materials, limiting greenhouse gas emissions, minimizing waste, food loss and pollution and protecting and restoring ecosystems, and increasing the resilience of food systems to threats and shocks.

- Promote key areas for investment, including support to all segments of the value chain, in particular rural infrastructure and farming technologies, storage capacities and transport systems. This can strengthen urban-rural linkages and significantly reduce post-harvest and other food losses and waste. Promotion of fair markets limiting the negative impact of trade restrictions and distortions in agricultural markets and adopting policies promoting the proper functioning of food commodity markets and their derivatives and facilitating access to market information including on food reserves will help limit extreme food price volatility.
- Implement Agricultural innovation Systems (AISs). Agricultural innovations, both social and technological, when adequately reflecting the precautionary principle and social and environmental responsibilities, are also contributing to the emergence of economically viable and competitive food and agricultural production, increasing farmers' incomes, and provision of ecosystem services and disaster risk management. It will however be important to maintain the biodiversity and the genetic pool of food crops of farmed and domesticated animals and their related wild species and to ensure access to fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge. Innovations have to take into account their full social, economic and environmental impact. Innovations require an appropriate enabling policy and institutional environment, including participatory approaches in generating and adopting innovations This improved understanding implies that the scope of the traditional national knowledge system, encompassing research, advisory services and education, has to be extended in order to take into account developments in the private sector, enabling service cooperatives, financial mechanisms in agriculture, implementation of information and communication technologies (ICTs) and overall policies, for an effective and efficient uptake and upscale. Vertical information flows and exchanges of views and experiences on sustainable agricultural methods and practices are essential; making new technologies accessible to all, including older and younger generations, women and men, is also critical; therefore extension services must play a significant role. Local governments have to identify their comparative advantages, building on knowledge rooted in the long traditions and experiences of communities and launching common initiatives.
- Apply an effective, integrated, holistic approach to rural poverty alleviation, which requires an assessment and identification of opportunities for higher standards of living in rural areas. Sustainable agricultural production and rural development policies and practices can play an important role in reducing rural poverty. Especially organic agriculture has the potential to create jobs, enhance soil fertility, sustain biodiversity, and leverage higher income for farmers through higher price premiums of organic products on growing international organic markets. Opportunities for income-generating activities in rural areas also need to be sought in diversifying agricultural sectors, and in engaging in other economic branches.
- Implement integrated and holistic sustainable agricultural and rural development policies that take into account the economic, social and environmental aspects. This includes, inter alia, more effective institutional arrangements and partnerships (between central and local governments, NGOs, civil society, private sector, associations, extension services, smallholders etc.) and improving access to public services and finance, with special emphasis on capacity development. This would create opportunities for self-sufficiency and contribute to the sustainable development of rural areas and attractiveness of investments.
- Further develop data and indicators on the multiple dimensions of rural livelihoods for informed rural development policymaking, as well as for adequate diagnostics and monitoring. Such data should be adequately disaggregated (by area, gender, age and other socio-demographic characteristics) and linked to agro-climatic conditions of the areas where the rural poor live, in order to monitor the result of policies and programmes in terms of rural development, sustainable agricultural production, environmental conditions, inequalities, enhanced income security and poverty reduction. Progress in all these areas would significantly contribute to solving other problems associated with overall human development. The SDG indicators and subjacent methodologies will provide a common platform for country reporting and for exchanges of good practices in particular for those SDGs indicators where the methodology still needs to be agreed.
- Reducing poverty and leaving no one behind will require policies and action to improve smallholders and family farmers' access to economic opportunities and knowledge by raising productivity whilst also aiming to increase off-farm employment opportunities and, through social protection, find better ways for rural populations to manage and cope with risks in their environments. Spillover benefits include bettering people's nutrition and making the use of natural resources in food production more sustainable.

Sustainable Agriculture and Rural Development

KEY MESSAGES:

Food security



In 48 countries of the region, the combined overweight and obesity prevalence in the adult population exceeds 55 per cent, while relatively high rates of malnutrition and stunting continue to be seen among children in the Caucasus and Central Asia.

Rural areas



On average, 45.4 per cent of the population in the region lives in rural areas. Rural populations are particularly affected, having fewer opportunities for decent employment and weaker social protection than urban residents.

Impact of climate change



Agricultural production is also affected by changing climatic conditions, particularly unprecedented variations in temperature, rainfall patterns and more frequent extreme weather events. Reduced water availability, soil degradation/desertification, biodiversity loss and the appearance of new pests and diseases are some of the consequences.

POLICY RECOMMENDATIONS:

Apply appropriate climate change adaptation measures.

Apply an effective, integrated, holistic approach to rural poverty alleviation.

Promote key areas for investment, including rural infrastructure and farming technologies, storage capacities and transport systems.

Implement integrated and holistic sustainable agricultural and rural development policies.

Implement Agricultural Innovation Systems (AISs).

Improve smallholders and family farmers' access to economic opportunities and knowledge.



Managing the Earth's Ecosystems

What is at stake?

There is wide agreement that current global consumption, production, and land-use patterns are unsustainable and have negative impacts on Earth's "life-support system" (including the functioning of ecosystems and the services they provide and maintaining ecosystem resilience and adaptive capacity), thereby reducing social and environmental capacities to achieve sustainable development. Deterioration of the Earth's ecosystems is a source of inequalities for present and future generations and affects equitable economic and social development. Equitable development can only be achieved by considering, protecting and sustainably using the ecosystem services—that is, benefits such as soil, water and climate— that we all depend on.

Biodiversity, including variations between ecosystems contributes across the thematic areas of food and nutrition, health, environmental sustainability, and water, resulting in direct benefits for inter alia: combating food insecurity and malnutrition; developing efficient and sustainable production systems for agriculture and fisheries; increasing resilience of livelihoods against shocks and crises; improving rural economies and household incomes; and helping to reduce externalities that impact land degradation, water cycles and genetic diversity. Yet global loss of biodiversity is undermining sustainable development by affecting these areas. The current model of economic development, based on overexploitation and degradation of natural resources, poses a significant challenge to sustainable development and social equality. Globally and in every region, the degradation of ecosystems and the resulting loss of biodiversity and ecosystem services are seriously affecting agriculture, animal husbandry, fisheries and forestry, the very sectors on which a big part of the population depend on. These consequences impact negatively on all people however, the loss of biodiversity may have particularly severe, and sometimes more immediate, impacts on the poor and vulnerable and on women and children, depending on their roles in society and degree of dependence on ecosystems. As biodiversity and ecosystem services are lost, there is a risk that some thresholds will be passed undermining the functioning of the earth system.²

Biodiversity and the ecosystem goods and services it underpins are critical to each of the issues that the MDGs aimed to address. Despite the great progress made in the MDGs, they did not always live up to their promise. For example, the goal of reversing the trend in loss of biodiversity was not met at a global level by 2015. Achieving the 2030 Agenda for Sustainable Development will only be possible by protecting and sustainably using the ecosystem services—for example, production of food and water, regulating climate change, pollination—that we all depend on. While two specific goals are dedicated to protecting marine and terrestrial ecosystems and biodiversity, the inter-linkages between ecosystems and other goals, are critically important as discussed below.

Many farmers and people depending on resources provided by the land can benefit from a better management of ecosystems. Measures to develop sustainable agriculture, to raise nutrients in the land, improved crop management and other agricultural policies can improve productivity and ensure food security, helping to break cycles of poverty. In order to be efficient, all such measures should be inclusive and recognize different groups of people and their specific needs and expertise.

Clean air and water are critical to human health and survival. Ecosystems provide air, water as well as soil purification services, natural regulation of infectious disease and are sources for modern medicine to

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Biodiversity in the post-2015 development agenda and Sustainable Development Goals (SDGs): Ecosystem goods and services for human wellbeing, Background Paper on the Convention of Biological Diversity, (available at https://www.cbd.int/sbstta/doc/trondheim-full-paper-2-sdgs-en.pdf)

develop new pharmaceuticals, making them vital for a better health for all. Protecting and restoring water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes is vital to keep clean water available. Ecosystems play an important role in providing safe drinking water, improving fisheries or hydroelectric power efficiency.

The overuse of natural resources and the impact of climate change on many sectors (like agriculture, fisheries) have made necessary a greener economy. Measuring and valuing the environment and our natural capital can support better decisions and policies to improve its contribution to economic growth and promoting employment. Ecosystems have a role in regulating climate and are key to mitigating and adapting to climate change. They sequester and absorb carbon emissions. Ecosystem conservation and restoration is a cost-effective way to reduce vulnerability and increase resilience. It should always be socially inclusive, taking into account different strategies and different types of knowledge regarding environmental protection.

Globally and regionally, there is increased awareness that a changing climate increases vulnerability to natural disasters and intensifies pressures on natural resources, food security and the demand for energy, with important implications for human well-being and security. The 2030 Agenda must drive a transformation in the world that will reduce its energy use and dependency on fossil fuels, complemented by binding targets to decrease greenhouse gas emissions and assistance to support the developing world in gaining access to the necessary technologies.

The story of the region

The Europe and Central Asia region is confronted, in diverse contexts and to varying degrees, with the same problems and challenges as the rest of the world in the areas of water, ecosystem services, habitats and landscapes, biodiversity and climate change. The main reason is that decision makers have not paid enough attention to the importance of nature to overall development, leading to a narrow focus on short-term gains at the expense of long-term prosperity and viability.

Water quality has improved in many parts of Europe and Central Asia over the past 20 years as a result of better regulation and enforcement, together with investment in wastewater treatment plants. Nonetheless, more than 100 million people in the region do not have access to safe drinking water or adequate sanitation, making them more vulnerable to serious water-related diseases. People living in rural and remote areas in Eastern Europe, the Caucasus and Central Asia, in particular, remain at risk. Rural women in some parts of the region bear the brunt of the lack of access to safe drinking water by traveling long distances to water sources, which are often contaminated, and the consequences of illnesses such as time off from work, medical expenses, and caretaking.

There has been progress in enacting and implementing policy related to the conservation and sustainable use of biodiversity, yet assessments have shown that a large proportion of habitats and species continue to be at risk. During the implementation of the MDGs, the average abundance of original species declined to 38.4 per cent of the natural state in Western and Central Europe and 77 per cent in the Russian Federation. In the EU in 2015, only 23 per cent of animal and plant species and 16 per cent of habitat types protected under the EU Habitats Directive have a favourable conservation status.

The major pressures on biodiversity in the region include agricultural intensification, overfishing, urbanization, and habitat fragmentation by transport infrastructure and climate change. The main drivers and pressures identified in the Europe and Central Asia region are the direct and/or indirect consequences of life styles, consumption and production patterns and economic development, leading to increased land use and land-use change, all constantly reducing natural and semi-natural habitats. Habitat types linked to agro-ecosystems generally have a relatively poor conservation status, with only seven per cent of assessment being favourable, compared to 17 per cent for habitat types not related to agro-ecosystems in the EU.

The spread of invasive alien species and pollution are also dramatic pressures for biodiversity globally. The resulting anthropogenic pressures on biodiversity and natural ecosystems are exacerbated by the effects of climate and environmental change and the fact that biodiversity's economic value is not reflected in decision-making.

Freshwater ecosystems are under extreme pressure, and the quantity and quality of habitats and the abundance of many species are declining in the region. Pollution, the degradation and fragmentation of habitats and the proliferation of invasive species remain significant threats to freshwater ecosystems in the region. Freshwater fish for example are among the vertebrate groups with the highest percentage under threat, 40 per cent face the threat of extinction.

Mountain ecosystems are particularly diverse in habitats and species in the region but are also especially vulnerable to impacts from changes in agricultural practices, tourism, infrastructure development and climate. The value of mountain ecosystems and their services to lowland economies, including water supply and regulation, is not sufficiently recognized in the region.

Forest ecosystems are threatened by fragmentation and forest fires, which have increased in the region during the last decade. Institutional changes, including privatization in many former centrally planned economies, have led to intensified commercial forestry in unprotected areas, increasing pressures on biodiversity. Agricultural and grassland ecosystems dominate much of the region's landscape and biodiversity has fallen significantly in these areas, as a result of particularly threats from intensified farming or abandonment of agricultural land, climate change, air pollution and invasive alien species.

Urban ecosystems are seldom well integrated into wider biodiversity considerations in the region. Moreover, urbanization and urban sprawl are significant factors affecting biodiversity in the region through land-use changes.

Many of Europe and Central Asia's coastal marine ecosystems are in bad environmental status and risk being irreversibly damaged by human activities and global climate change. Overfishing is still a serious concern—some 45 per cent of assessed European fish stocks are outside safe biological limits—but has been reduced in European Atlantic waters, the North Sea and the Baltic Sea during the last decades. Across all of the region's seas, marine biodiversity is in poor condition: only seven per cent of marine species assessments indicate 'favourable conservation status'. Climate change is moreover impacting on marine ecosystems, in particular; on coastal fringes and low-lying areas, through submergence, flooding and erosion due to more frequent storms and sea level rise; redistribution of marine species and invasion of alien species; expansion of reduced oxygen zones and anoxic 'dead zones'; ocean acidification in more sensitive regions, such as polar and coral reef ecosystems.

What needs to happen?

The key lesson from the implementation of MDGs is that environmental policy alone cannot ensure environmental sustainability, which needs to be integrated into sectoral policies (e.g. agriculture, energy, health and transport) and crosscutting policies for disaster risk reduction and climate change adaptation, taking into account the transboundary dimension of most of the natural resources in the region. The 2030 Agenda provides a framework for the integration of various aspects relevant for environmental sustainability and, as such, represent a significant advancement regarding the MDGs.

• Give highest importance to the wise use and management of natural resources in different sectors when pursuing economic development. This requires assessing and taking into account the economic, social and cultural value of the natural capital and ecosystems and improving valuation approaches. In transboundary contexts, this would also require the establishment and/or strengthening of existing appropriate multicountry platforms for the co-management of the shared resources (lakes and river basins commissions, transboundary world heritage sites and biosphere reserves).

- Introduce the valuation of natural capital and ecosystem services into national accounting systems, along with the regular calculation of their loss and degradation. Natural capital accounting can help deliver the SDGs by making explicit the links between the economy and the environment, enabling sustainable policy decisions and actions, and monitoring progress. This would allow decision makers and the general public to recognize the economic costs of these losses and the cost of inaction to society at large. Investments in nature today—whether restoration or management of protected areas and water resources—must be fostered. Investments in green infrastructure generally will provide both a good financial return and job opportunities that support people and nature. These investments could also strengthen the sustainable management of urban and peri-urban natural areas, reducing urban stress and supporting adaptation to climate change. In the field of agriculture, there is a need to promote sustainable agricultural practices that decrease the use of fertilizers, pesticides and water, and to invest in organic farming and agri-environment schemes, avoid unsustainable use of land and pollution and conserve agricultural biodiversity. These values should be integrated into strategies for development, disaster risk and poverty reduction as well as policy-making and planning processes for the implementation of the 2030 Agenda.
- Strengthen implementation of and synergies between existing ecosystems related conventions, policy instruments and programmes. An overwhelmingly diverse landscape of international and regional conventions, programmes³ and policy instruments exists to deal with strengthening ecosystems for countries/territories in the region. There is a clear need to strengthen the synergies between them. These include the Convention of Long-range Transboundary Air Pollution, the convention on Environmental Impact Assessment in a Transboundary Context, the convention on the Protection and Use of Transboundary Watercourses and International Lakes, the Convention on Transboundary Effects of Industrial Accidents and the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters.⁴ There are opportunities for newly- established bodies such as the Intergovernmental Science- Policy Platform on Biodiversity and Ecosystem Services (IPBES) to also play an important role in the integration of relevant political processes and instruments.⁵

³ Programmes such as UNESCO Man and the Biosphere Programme (MAB), UNESCO International Hydrological (IHP), UNESCO International Geoscience Programme (IGCP)

⁴ All conventions are available at http://www.unece.org/env/treaties/welcome.html

⁵ Global Environmental Outlook: Geo 6, Assessment for the Pan-European Region, United Nations Environment Programme, 2016, (available at http://web.unep.org/geo/sites/unep.org.geo/files/documents/unep_geo_regional_assessments_europe_16-07513_hires.pdf)

Managing the Earth's Ecosystems

KEY MESSAGES:

Access to water



More than 100 million people in the region do not have access to safe drinking water or adequate sanitation.

Biodiversity



-38.4% | **-77**%

Average abundance of original species declined to 38.4 per cent of the natural state in Western and Central Europe and 77 per cent in the Russian Federation. Pressures on biodiversity include agricultural intensification, overfishing, urbanization, and habitat fragmentation by transport infrastructure and climate change

Freshwater ecosystems



are under extreme pressure. Freshwater fish are among the vertebrate groups with the highest percentage under threat, 40 per cent face the threat of extinction.

Mountain ecosystems



are vulnerable to impacts from changes in agricultural practices, tourism, infrastructure development and climate.

Forest ecosystems



are threatened by fragmentation and forest fires, which have increased in the region during the last decade.

Urban ecosystems



Are seldom well integrated into wider biodiversity considerations in the region.

Coastal marine ecosystems





Risk being irreversibly damaged by human activities and global climate change. Some 45 per cent of assessed European fish stocks are outside safe biological limits.

POLICY RECOMMENDATIONS:

Give highest importance to the wise use and management of natural resources.

Introduce the valuation of natural capital and ecosystem services into national accounting systems.

Strengthen implementation of and synergies between existing ecosystems related conventions, policy instruments and programmes.



Governance for Sustainable Development

What is at stake?

Governance is about building institutional capacity and increasing awareness of and compliance with universal human rights standards and principles - particularly within state institutions, but also in the private and third (non-profit or voluntary) sectors. It is about creating effective relationships between central and local governments; between executives, legislatures and judiciaries; between States and markets; and between States and citizens. It is about ensuring equal participation of citizens, both women and men, in democratic political processes, built on evidence and respect for human rights, promoting youth and child participation and about equal access to services. It is about ensuring that all individuals in society can fully enjoy their human rights particularly the most marginalized, including minorities, as well as refugee and migrant communities.

The 2030 Agenda with the new Sustainable Development Goals that universally apply to all, sees countries commit to mobilize efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind. The 2030 Agenda recognizes that democracy, good governance and the rule of law, as well as an enabling environment at the national and international levels, are essential for sustainable development. At the core of the 2030 Agenda is the vision of universal respect for human rights and human dignity, the rule of law, justice, equality and non-discrimination; of respect for race, ethnicity and cultural diversity; and of equal opportunity permitting the full realization of human potential and contributing to shared prosperity. The ultimate aim is to achieve a just, equitable, tolerant, open and socially inclusive world in which the needs of the most vulnerable are met.

The success of the 2030 Agenda depends to a large extent on the coordination of implementation efforts through good governance. Action across sectors is, at its core, about better governance. This includes increased policy coherence, better conflict of interest management, and improved co-benefit analysis, planning and financing. In this way action across sectors promotes effective, accountable, and transparent institutions at all levels, as a foundation for achieving the desired outcomes of the SDGs.

Governance runs through the 2030 Agenda from universal access to public goods, health care and education, as well as safe places to live and decent work opportunities for all. Good governance, and effective and inclusive institutions that are accountable to citizens are key pillars of democracy. They are fundamental to ensuring that govenments deliver on critical functions: providing public goods such as social services, security, justice, health and education; spurring broad-based, inclusive economic growth by creating a positive investment climate for the private sector to thrive; and being responsive to citizen needs and demands.

The inclusion of a dedicated governance goal, SDG 16, in the 2030 Agenda is an unprecedented, global recognition of the importance of key elements of civil and political rights, justice, governance and peace in driving sustainable human development, filling the lacuna of the Millennium Development Goals, which did not explicitly include any governance related goals. Further, the MDGs were weak and inconsistent on human rights, inequality and the use of human rights-based approaches. The pursuit of the MDGs in isolation from human rights in some parts of the region resulted in unsatisfactory outcomes that often left the most vulnerable population groups falling further behind in various dimensions of human development.

Implementation of the 2030 Agenda and specifically SDG 16 provides opportunities for people to influence their lives and future through enlarging their choices and raising their capabilities to participate in decision-making and voice their concerns. Many of SDG 16's targets relate to core features of democratic governance

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that are necessary for fulfilment of all the SDGs and to address inequalities. Addressing fundamental inequalities is critical to leaving no one behind, including the most vulnerable groups such as, but not limited to, women, children, minorities and migrants. SDG 16 underpins the ability to achieve success in all the other Goals. Without a robust rule of law and strong democratic institutions, improvements in other areas of human development will be difficult to realize and sustain.

The story of the region

In the late 1980s and early 1990s, the region's post-communist polities (and Turkey, after 2001) sought to adopt or strengthen political institutions and practices associated with competitive electoral democracies. In the countries that joined the EU in 2004, 2007 and 2013, as well as in the South-East European countries/territories that continue to seek EU membership, this trend has been heavily influenced by the Copenhagen "democracy" criteria for EU accession. More recently, countries in the region, namely Georgia, Moldova and Ukraine² have also made commitments to implementing such reforms in line with EU norms. Respect for human rights, effective economic, social and environmental regulation, and the delivery of high-quality public services such as health and education are key components of this democratic governance model. Reforms of the political systems were seen as complementing economic reforms to build competitive market economies. For countries in the eastern part of the region that do not seek accession to the EU, however, the anchoring role of European norms and standards has necessarily been weaker.

With regard to economic governance, a number of external events have compounded the impact of the economic crisis and led to further slowing of economic growth across the region. This has impacted countries with high dependence on remittances from labour migrants and caused high unemployment, particularly among women and youth, and led to increases in outward migration. These trends have raised important governance questions, not least of which are the relationship between States and markets and the need for stronger social contracts in the region.

Governance and human rights protection in the region has also been impacted by the region's proximity to major conflicts (i.e. Syria, Iraq and Afghanistan), as many countries have prioritized maintaining effective border management, countering terrorism and the proliferation of arms and other instruments of war. The influx of refugees and migrants has tested the capacity of government administrations along the entire route to respond in line with human rights and humanitarian principles, safeguarding fundamental rights and ensuring protection for all.³ The radicalization of some citizens, particularly youth, and the rising phenomenon of foreign terrorist fighters returning from the conflicts, often alongside the rise of extremist groups, is another serious issue that has arisen in the region. It also points to some failures in the governance systems, especially with regards to inclusion and leaving no one behind.

Several countries in the region have been moving to restrict political freedom, including freedom of media, speech, and freedom of assembly, through laws to limit the space and funding for civil society and non-governmental organizations (NGOs). In a similar vein, legislation to restrict the rights of the Lesbian, Gay, Bisexual, Trans and Intersex (LGBTI) community are also being considered around the region. Civil society in the countries face many challenges including legislative and logistical barriers impeding their work, arbitrary measures, extra-legal harassment, intimidation and reprisals. Women human rights defenders are particularly at risk.

As the recent developments in the region have shown, these challenges remain substantial for a range of countries. However, they have loomed largest for the countries of the former Soviet Union and Yugoslavia; most of these newly independent States had little recent historical experience with independent statehood prior to the 1990s. The creation of national governance institutions, public administrations and civil services, ensuring the provision of basic services, protecting human rights, fighting corruption, managing common

² Since the change in government in February 2014 and the still on-going conflict in the eastern Donbass region

³ In 2015 alone, the so-called Western Balkans route witnessed 880,000 migrants and refugees passing through on the way to Europe, see EU leaders to declare Balkan migrant route closed, EU Observer, March 2016 (available at https://euobserver.com/migration/132569)

energy and water infrastructure systems that are shared with neighbouring countries, and designing and implementing effective national (and subnational) development strategies, in particular from a human rights perspective, have often proven to be daunting challenges. This has particularly been the case for the countries (and territories) that underwent military conflicts during the 1990s—some of them remaining unresolved today.

Nonetheless, there clearly has been important progress in reforming governance structures in the region in the last two decades. Electoral bodies, national human rights institutions and anti-corruption agencies have been created; public administrations have been modernized; administrative procedures have been streamlined; more effective social protection has been delivered; the responsibilities of national and sub-national governments have been clarified; and legal frameworks for civic engagement have been put in place. Change is also notable in the composition of leadership and governance bodies in most countries in the region, with a considerable increase of women in decision-making, particularly in parliaments. It is therefore essential to safeguard these achievements through the continuous investment in governance processes and institutional capacity, while focusing on the promotion of civic rights, education, the respect of human rights, diversity and equal access to services for all.

What needs to happen?

The entire 2030 Agenda, and Goal 16 in particular, embrace the core elements of a social contract between state and society strongly anchored in human rights, as they seek to ensure a match between people's – children, women and men – expectations of what the state and other actors deliver (the services contained in the goals, as well as safety, rule of law and a fair justice system, legal identity, access to information and opportunities for participation) and the institutional capacity available within the state and other actors to meet those expectations. This requires that governance institutions and stakeholders at all levels have the knowledge, tools and capacities to play their part in the implementation of Goal 16 and all the SDGs in an integrated and mutually reinforcing manner. The empowerment of citizens and institutions across all sectors is therefore key to building inclusive societies and should be the basis of efforts to strengthen good governance.

- Increase effectiveness and responsiveness of institutions. The effectiveness and responsiveness, including gender responsiveness, of institutions that are tasked with ensuring the rule of law, such as judiciaries, police and legal aid services will be crucial to creating the enabling environment for peaceful settlement of disputes, to countering crime and violence (particularly sexual and gender-based violence and violence against children), address discrimination and xenophobia and enabling equal access to justice for all. A strong focus should be placed on ensuring that institutions are gender responsive and empowered to devise and implement gender sensitive policies, therefore building the basis for inclusive and responsive decision-making at all levels.
- Place particular emphasis on addressing governance deficits, such as corruption, the informal/shadow economy, and control of key resources by political and business elites—which hinder sustainable development by squandering resources needed for development, eroding trust and reinforcing inequalities. Tackling persistent discrimination, particularly in laws and policies, including gender and other inequalities requires taking specific measures to ensure equal participation of women and other groups (youth, refugee and migrants, minorities, etc.) in all aspects of governance for sustainable development. This includes concerted efforts to ensure the participation of women in security and peace-building processes.
- Increase institutional capacity development for public service delivery. Localization of the SDGs is intended to help link global commitments to meaningful changes in people's lives and improve their interactions with government, and strengthen multi-level governance through contributing to building a strong, trust-based and subsidiary relationship between central, regional, urban/municipal and community governance levels. Institutional capacity development for public service delivery to improve local leadership, human resources, and the technical and management capacities of local governments, as well as increase public participation in decision-making, furthers these aims.

- Promoting a vibrant, diverse and independent media, widening democratic space for active civil society participation and monitoring, as well as addressing growing intimidation and reprisals against human rights defenders, can also support Governments to monitor progress and translate commitments into action. States' international legal obligations require them to create conditions that actively support the ability and capacity of persons, individually or collectively, to engage in civic activities. In order to fulfil their roles in society, there must be, inter alia, (1) a conducive political and public environment, which values and encourages civic contribution; (2) a supportive regulatory framework that is in line with international standards and grounded in international human rights law. Freedoms of expression, association, peaceful assembly and the right to participate in public affairs are central to having a robust civil society; (3) a free flow of information, including access to ideas, data, reports and information; (4) support and resources and (5) shared spaces for dialogue and collaboration.
- Strengthen civic education. Youth and adolescents in the region are an important constituency for improved governance, peace and sustainable solutions, and their energy, innovation, and optimism can be harnessed to these ends, if supportive environments and opportunities are put in place. The role of education and civic education is crucial in ensuring open societies, which in turn foster the condition to empower citizens and institutions to achieve the SDGs.
- Harnessing the power of technology can support the empowerment of all, including youth and vulnerable groups by helping open the space for civic engagement, evidence based policy making and access to knowledge and innovation.

Governance for Sustainable Development

KEY MESSAGES:

Achievements



Some electoral bodies, national human rights institutions and anti-corruption agencies have been created; public administrations modernized; administrative procedures have been streamlined; legal frameworks for civic engagement have been put in place. A considerable increase of women in decision-making.

Economic governance



A number of external events have compounded the impact of the economic crisis. These trends raised the questions about relationship between states and markets and the need for stronger social contracts in the region.

Governance and human rights





are impacted by the region's proximity to major conflicts (i.e. Syria, Iraq and Afghanistan). Many countries prioritized maintaining effective border management.

Radicalization



Radicalization of some citizens, particularly youth, and the rising phenomenon of foreign terrorist fighters returning from the conflicts, often alongside the rise of extremist groups, is another serious issue.

Political freedom





restricted in some countries, including freedom of media, speech, and freedom of assembly. Legislation to restrict the rights of LGBTI community is being considered. Civil society in the countries face many challenges including legislative and logistical barriers

POLICY RECOMMENDATIONS:

Increase effectiveness and responsiveness of institutions.

Place particular emphasis on addressing governance deficits.

Increase institutional capacity development for public service delivery.

Promote a vibrant, diverse and independent media.

Strengthen civic education.

Harness the power of technology.



Partnership Dimensions of the 2030 Agenda

What is at stake?

International development cooperation today takes place in an increasingly heterogeneous, fluid institutional context. The important roles of traditional OECD-DAC donors¹ are increasingly matched by those of non-DAC donors, such as Turkey and the Russian Federation, programme countries/territories engaging in South-South cooperation,² international NGOs and foundations, and private companies. The scale of official development assistance (ODA) is increasingly dwarfed by foreign investment and remittance flows, as well as by domestic finance for development. Traditional distinctions between development programming, humanitarian/emergency response, and security concerns, are blurring.

In such circumstances, effective development cooperation must more than ever be based on coordination and partnerships. The effective implementation of the 2030 Agenda requires partnerships and cooperation between central and local governments, the private sector, and civil society.

The universality of the 2030 Agenda implies that SDG implementation in the region could also benefit from "South-North knowledge sharing"—lessons learned in MDG implementation by some countries can be shared with other countries in the region. For example, challenges of adapting SDG targets and indicators, and selecting baselines and goals, were addressed by the region's programme countries/territories during MDG implementation. Given its experience in supporting MDG implementation in the region, and its position supporting SDG implementation, the UN system finds itself in a unique position to facilitate this knowledge sharing and creation of new partnerships.

The story of the region

This region is a particularly strong combination of traditional and emerging donors, as well as of middle-income countries/territories that continue to receive development assistance. The region's OECD-DAC countries accounted for three quarters of global ODA in 2015, including that from several of the new EU member states that have joined OECD-DAC since 2013 (Czech Republic, Slovak Republic, Poland).³ Other new EU member states (such as Croatia and Romania), as well as Azerbaijan, Kazakhstan, the Russian Federation and Turkey, are important non-DAC donors. While many traditional donors are reducing their allocations to the region (ODA provided to the region by OECD-DAC donors dropped from \$4.9 billion in 2008 to \$3.1 billion in 2013),⁴ these new donors represent a growing force in global development cooperation and often focus their assistance on countries/territories in the region. Meanwhile, the European Union, in addition to being the largest ODA provider in the region, continues to provide significant post-accession funding to new EU member states that, while not considered ODA, plays a critical role in addressing regional disparities and social exclusion in these countries.

OECD-DAC data indicate that total development assistance from the region's emerging donors more than doubled during 2011-2015—rising from \$2.2 billion to \$5.6 billion during this time. The majority of this comes from Turkey (\$3.9 billion in 2015) and the Russian Federation (close to \$1.2 billion in 2015). This has put the entire region firmly on the global development cooperation map. However, the region's growing significance in international development cooperation is about more than financial flows: recent experience in economic

¹ OECD-DAC donors in the region are Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Iceland, Italy, Luxembourg, The Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland and the United Kingdom.

² In the context of Europe and Central Asia, South-South refers to the exchange of knowledge, expertise and good practice amongst programme countries/territories.

³ UNDP calculations based on OECD-DAC data.

⁴ Ibid.

and social transitions, as well as in disaster risk reduction and a number of other technical areas, are also key assets. The region thus combines traditional North-South with significant elements of South-South cooperation. It provides large amounts of ODA (and other development finance) and hands-on development and transition experience.

What needs to happen?

SDG implementation in the region faces complex issues that require new solutions. Crafting effective responses to such challenges as inequalities and environmentally unsustainable development patterns will require more than aid and traditional knowledge exchange. New and more dynamic cooperation mechanisms are needed, particularly to ensure the adoption of environmentally sustainable development paths. In most cases, the answers will lie not in the amount of ODA transferred, but in the quality and inclusiveness of solutions offered, the relevance of the knowledge transferred and the breadth and depth of the partnerships forged. Intra-regional cooperation mechanisms, connecting various groupings and cooperation among civil society/academia, will be important tools.

"Co-creation"—moving away from passive donor-recipient relationships towards customized partnerships and exchange—should be a critical feature of the region's post-2015 development cooperation environment. Co-creation is critical to opening and consolidating partnerships at subnational/local levels—which are particularly important given the diversity and disparities within countries/territories. Co-creation also requires new compacts between states and civil societies, between public and private sectors, as well as between new and traditional donors. The ability to forge such alliances across borders, sectors, and development cooperation frameworks will be key to the region's prospects for SDG implementation. Development cooperation will therefore be as much about what is happening within between countries/territories (or groups of countries).

Six key "co-creative partnerships" will be particularly important for post-2015 development cooperation, on behalf of national SDG implementation, in the region and beyond:

- Broaden "policy coherence" (cross-border) partnerships. Prospects for overcoming the "middle-income country trap" and reducing inequalities and social exclusion depend on policy coherence across such areas as migration and trade across regional integration schemes. The policy coherence agenda should cover, for example, migration cooperation agreements between source and destination countries. It should focus on finding win-win trading relationships between the EU and Eurasian Economic Union⁵, as well as the integration of sub-regions such as Central Asia, into regional and global value chains. By contributing directly to income generation and livelihoods, social stability and reductions in smuggling and trafficking (e.g., when supported by aid for trade or border management programming), these partnerships may have a larger development impact than aid itself.
- Strengthen partnerships around key global and regional public goods. Co-production and co-financing of global public goods is another area in which regional cooperation can have a critical impact. The SDGs cannot be implemented via national policies and programming alone; for example in water and energy cooperation and in managing climate risks and disaster risk reduction, the region needs more effective multilateral and transboundary platforms. Likewise, creating platforms for South-South or horizontal cooperation through which countries/territories of the region can share good practices, expertise and knowledge when it comes to implementing SDGs in areas such as poverty reduction, education, better management of natural resources or gender equality, would add value both for the region and potentially globally. Its universal character means that the 2030 Agenda applies to the region's middle- and upper-income countries alike. Here, significant potential exists for innovative partnerships between national governments, international development banks, the UN, and specialized funds. For example, partnership with the Green Climate Fund can advance the tackling of key climate change adaptation and mitigation issues at scale, including on a regional basis.

- Foster partnerships between OECD-DAC and other donors. Whether in terms of transnational public goods or in assisting specific countries/territories and sub-regions, cooperation between OECD-DAC and other donors can produce results that are important in both quality and scale. The former's financial resources with the latter's knowledge and expertise as middle-income countries/territories that have recently been—or continue to be—recipients of development assistance can be a winning combination. Aside from pooling resources and promoting mutual learning, such partnerships can form a basis for innovative and more stable cooperation arrangements, contributing to regional stability and improving the quality of assistance provided. Such thematic and country-specific partnerships can help the evolving development cooperation architecture to better reflect non-DAC donors' unique perspectives, while also helping them to formulate more definitive and robust positioning.
- Promote innovative forms of development finance. Successful experiences already exist in this respect, for example, through a tax levied on air tickets and provided to UNITAID for activities contributing to health-related MDGs.⁶ Others are in the making, such as voluntary contributions based on profits made by companies on certain type of goods and services, voluntary contributions from consumers linked to the purchase of certain goods, and initiatives pooling private and public revenue streams for development activities. In addition, a dozen EU countries have agreed to establish a tax on financial transactions. Some of the region's lower middle-income countries have had good experiences in "crowding in" remittances to co-finance local development. As highlighted at the Addis Ababa Action Agenda of the international conference on Financing for Development in 2015, such instruments should not replace ODA, but rather supplement it. They should be consolidated, made predictable and stable over time, and expanded by involving the region's MICs—many of which could also benefit from reducing illicit financial flows and fossil fuel subsidies.
- Engage in a new generation of regional philanthropic partnerships. The region is seeing a boom in financing for philanthropic and development purposes—both in long-standing donors (e.g., German foundations) and in other countries (e.g. Russian Federation and Turkey). Key challenges for the future include: creating or strengthening cross-country linkages, sharing successful models and facilitating cross-border private development financing flows—ideally via partnerships between private foundations from donor countries with private- and third-sector actors in recipient countries.

These co-creative partnerships have critical roles to play in deepening development cooperation in the region, as well as influencing the global agenda. Accelerating their emergence can help the development community, government, civil society and private sector actors alike, to accelerate the national implementation of the SDGs in the Europe and Central Asia region.

⁶ UNITAID is engaged in finding new ways to prevent, treat and diagnose HIV/AIDS, tuberculosis and malaria more quickly, more cheaply and more effectively. More than half of its funding comes from a tax on airline tickets levied by 10 countries. The leap in fundraising has given the countries more resources to invest in health. (For further information see http://www.unitaid.eu/en/unitaidat10)

Partnership Dimensions of the 2030 Agenda

KEY MESSAGES:

Official development assistance:





A combination of traditional and emerging donors, as well as of middle-income countries (MICs)/ territories that continue to receive development assistance. The region thus combines traditional North-South with significant elements of South-South cooperation.

Declining support from OECD-DAC countries

4.8

2008

3.1

2013

ODA provided to the region by OECD-DAC donors dropped from \$4.9 billion in 2008 to \$3.1 billion in 2013. The European Union, in addition to being the largest ODA provider in the region, continues to provide significant post-accession funding to new EU member states.

Emerging donors





New EU member states (such as Croatia and Romania), as well as Azerbaijan, Kazakhstan, the Russian Federation and Turkey, are important non-DAC donors. Total development assistance from the region's emerging donors more than doubled during 2011-2015—rising from \$2.2 billion to \$5.6 billion during this time.

POLICY RECOMMENDATIONS:

Broaden "policy coherence" (crossborder) partnerships. Strengthen partnerships around key global and regional public goods. Foster partnerships between OECD-DAC and other donors. Promote innovative forms of development finance.

Engage in a new generation of regional philanthropic partnerships.

The Regional Advocacy Paper, coordinated by the Regional UN Development Group for Europe and Central Asia (ECA R-UNDG) and the Regional Coordination Mechanism (RCM), was jointly prepared by the regional UN system.
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Food and Agriculture Organization of the United Nations (FAO)

International Atomic Energy Agency (IAEA)

International Labour Organization (ILO)

International Organization for Migration (IOM)

International Telecommunication Union (ITU)

Joint United Nations Programme on HIV/AIDS (UNAIDS)

Office of the United Nations High Commissioner for Human Rights (OHCHR)

Office of the United Nations High Commissioner for Refugees (UNHCR)

United Nations Conference on Trade and Development (UNCTAD)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Economic Commission for Europe (UNECE)

United Nations Educational, Scientific and Cultural Organization (UNESCO)

United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)

United Nations Environment (UNEP)

United Nations Human Settlements Programme (UN Habitat)

United Nations Industrial Development Organization (UNIDO)

United Nations Office for Project Services (UNOPS)

United Nations Population Fund (UNFPA)

World Food Programme (WFP)

World Health Organization – Regional Office for Europe (WHO)