Matters arising since the eighteenth session

Note by the secretariat

Summary

The secretariat, together with the Bureau, will report on matters arising since the eighteenth session from the June 2012 session of the Committee on Trade, the 2012-2013 sessions of the Executive Committee of UNECE (EXCOM), and the ECE Commission session of April 2013.

This document is for noting.
I. UNECE Executive Committee

A. Final report to the Executive Committee

1. The secretariat presented the final progress report on the implementation of the Executive Committee (EXCOM) recommendations concerning the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) to the fifty-sixth meeting of EXCOM, on 10 December 2012 (EXCOM informal document No. 2012/30). The report covered the period February 2009 to November 2012. The secretariat reported full implementation of all EXCOM recommendations, resulting in improved transparency, and enhanced engagement of transition economies in the work of UN/CEFACT.

2. EXCOM noted with satisfaction that its recommendations had been implemented. Representatives of member States thanked UN/CEFACT and the secretariat for the report and some made suggestions for further enhancing the work.

B. Review of the 2005 UNECE Reform

3. Over the period 2011 to 2013, EXCOM reviewed the implementation of the UNECE reform adopted in December 2005 to identify within each subprogramme:
   - Priority areas of current work and results achieved.
   - Possible new and emerging issues and expected results.
   - Possibilities for streamlining and synergizing activities within each of the expected results.
   - Ways of improving efficiency and methods of work.
   - Expected results and related activities that may need to be reoriented/refocused to better reflect priority demands of member States.
   - Possible optimization of the structure of the programme of work.
   - Ways of improving communication and public outreach.

4. EXCOM approved the “Draft outcome of the review of the 2005 ECE Reform” at its fifty-eighth meeting, on 4 February 2013 (EXCOM informal document No. 2013/5). This document was subsequently approved by the sixty-fifth session of the Economic Commission for Europe on 10 April 2013, as document E/ECE/1468.

5. Key points in the review document in relation to UN/CEFACT are quoted below:
   - The UNECE sub-programme on Trade undertakes value added standards-setting work through Working Party 6 (Regulatory cooperation) and Working Party 7 (Agricultural quality standards) and through UN/CEFACT which has a global participation and its own structure in which decision making is centred in the Bureau and Plenary (paragraph 17).
   - The sub-programme should continue implementing its standard setting mandates and strengthen its standard setting activities in Working Parties 6 and 7 under the
overall guidance of the Committee, and in UN/CEFACT under the overall guidance of the EXCOM1 (paragraph 18 (a)).

• Capacity building and technical assistance activities to help countries in the Region to implement standards developed under the subprogramme, may be decided by EXCOM, if they are financed from extra-budgetary resources, demand-driven, results-oriented, time limited and closely coordinated with other international actors, such as the WTO, UNCTAD and the ITC (paragraph 18 (a)).

• Standard setting bodies should improve communication and emphasize the practical and political importance of their technical outputs (e.g. in terms of facilitating trade, improving the quality of food, making harbours in the world work efficiently etc.) (paragraph 18 (b)).

• In the area of secretariat resources, the EXCOM review, “identified three posts presently allocated to the Global Trade Solutions Section of the Trade Division (i.e. the Section supporting UN/CEFACT), and used for capacity building activities (two P4 posts and one P2 post), and agreed that two of these could, after completion of their present activities and at the latest by January 2014, be transferred to the Transport Division, to be used primarily to service Working Party 29, whereas the remaining post should be reallocated internally in the Division to servicing the standard setting activities.” (paragraph 31 (b)).

• EXCOM also “Agreed to merge, by January 2014, the Divisions on Trade and on Economic Cooperation and Integration into one single Division on Trade and Economic Cooperation” (paragraph 31 (c)).

6. The EXCOM review of the 2005 Reform also set out Guidelines on procedures and practices for UNECE bodies as annex 3 to the document on the draft outcome of the Review. Specific points that are of relevance to UN/CEFACT include:

• It should be ensured, at all administrative levels of the secretariat and for all bodies of the Commission, that the work is carried out in a way that is member driven, participatory, consensus-oriented, transparent, responsive, effective, efficient, results oriented and accountable (Annex III, paragraph 1).

• The secretariat will continue to communicate with the member States in accordance with the official channels of communication. In cases where the secretariat communicates directly with national experts and counterparts, all correspondence will be copied to the Permanent Representations. Similarly, when the secretariat requires assistance in identifying national experts, it will communicate with the line ministries with a copy to the Permanent Representations (Annex III, paragraph 3).

• Candidates for the Bureaux of the Sectoral Committees and other subsidiary bodies shall be nominated by member States based on the person’s expertise, professionalism, and expected support from the membership. The candidatures for election should be made available to all member States well in advance of the elections and preferably agreed upon (Annex III, paragraph 7).

• The members of the Bureaux shall be elected by the respective body according to the relevant Rules of Procedure and following consultations among member States. Elected Bureaux members serve collectively in the interest of all member States (Annex III, paragraph 8).

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1 At the end of 2014 EXCOM may decide, after evaluation, whether it is desirable for UN/CEFACT to report to the Committee on Trade.
• The term of office should be up to two years. Bureau members including the Chair can be re-elected for an additional term (Annex III, paragraph 8).

• The key functions of the Bureaux are:
  • To monitor and ensure implementation of the programme of work and of past decisions and recommendations during intersessional periods (Annex III, paragraph 10 (a))
  • To ensure effective and transparent preparations of forthcoming sessions and, for that purpose, to collectively outreach and consult with all member States, and other stakeholders as appropriate (Annex III, paragraph 10 (b));
  • To ensure effective conduct of business during the sessions in full compliance with their respective Rules of Procedure, taking into account these guidelines, and to facilitate reaching agreement on decisions and recommendations (Annex III, paragraph 10 (c));

• In addition to these tasks, the Bureaux help the consensus building process by means of transparent and inclusive consultations on draft outcomes of the subsidiary bodies, including draft decisions, conclusions and recommendations that might be proposed by representatives of member States (Annex III, paragraph 11).

7. The secretariat is revising document “UN/CEFACT structure, mandate, terms of reference and procedures” (ECE/TRADE/C/CEFACT/2010/15/Rev.4) to bring it in line with the above guidelines. The revised version will be presented for intersessional approval after the nineteenth session.

C. Impact of reduced resources

8. The reallocation of UN/CEFACT secretariat resources will result in:
   (a) Reduced capacity of the secretariat to respond to requests from member States for assistance in awareness-raising and implementation of trade-facilitation and electronic-business instruments. This will include:
      • Reduced number of seminars on trade facilitation in areas such as document alignment, data harmonization, business process analysis, Single Window implementation, and trade facilitation analysis and planning;
      • Reduced participation in United Nations Development Account projects to support transition and developing countries in facilitating trade;
      • Reduced participation in the joint UNECE/UNESCAP programme to develop the United Nations Network of Experts in Trade Facilitation (UNNExT) – including the preparation of trade-facilitation user guides and support material;
   (b) Reduced UNECE support for the participation of transition economies in the work of UN/CEFACT;
   (c) Less support for maintenance and further development of the Trade Facilitation Implementation Guide.

II. Committee on Trade

9. The Committee on Trade held its fifth session in Geneva on 18 and 19 June 2012. According to the report of the meeting (ECE/TRADE/C/2012/16), the representative of the Russian Federation expressed his country’s appreciation for the work of WP.6, WP.7 and
UN/CEFACT and said that the subsidiary bodies could be assessed in terms of the extent to which their norms, standards and recommendations were being implemented by member States.

10. The representative of Azerbaijan said that capacity-building activities of UNECE were important for enabling the successful implementation of economic integration efforts in the UNECE region.

11. The Committee took note of the revised UN/CEFACT structure as reflected in document ECE/TRADE/C/CEFACT/2010/15/Rev.3. It also supported the proposal made by some member States to improve transparency and accountability in the activities under the subprogramme.

III. Capacity-building and support to transition economies

12. A comprehensive report on secretariat activities in capacity-building and support to transition economies from 2009 to 2012 to implement EXCOM recommendations was provided in the final progress report to EXCOM (informal document No. 2012/30) on 10 December 2012. Activities that have taken place in the meantime are detailed below.

A. Trade Facilitation Implementation Guide

13. The UNECE Trade Facilitation Implementation Guide (TFIG) is an online tool to help countries simplify and harmonize cross-border trade procedures and information flows. It is a two-phased project funded by the Swedish Development Cooperation Agency and carried out by UNECE, with support from UN/CEFACT.

Phase 1

14. Phase 1 focused on the development of the Guide and was concluded with the launch of the Guide in October 2012.

15. The Guide comprises details of key trade-facilitation-implementation processes, instruments and tools, links to external references and information sources, a resource library and various glossaries. It is accessible through the Internet (http://tfig.unece.org/) and provides users with different search possibilities – including navigation by topic, instrument, tool, and organization. It consists of over 500 interrelated pages. It is also available in an off-line mode to allow Internet independent usage.

16. A training manual complements the Guide. It provides methodologies and instructions that enable trainers to use the Guide in training courses on trade facilitation. It sets out learning objectives, the training methodology, presentations and exercises for each training session.

Phase 2

17. Phase 2 focusses on the dissemination and maintenance of the Guide and is ongoing through 2013, with seven capacity-building workshops scheduled in the five regions of the world. The workshops are being jointly organized and conducted with our international and regional partners for trade facilitation, including the other United Nations regional commissions, the United Nations Development Programme (UNDP), the United Nations Conference on Trade and Development (UNCTAD), the Inter-American Development Bank (IADB), and the International Islamic Trade Finance Corporation (IITFC). The schedule of the workshops is as follows:

- Europe – Turin, Italy, 12 to 14 February;
• East Africa – Kigali, Rwanda, 1 to 3 May (jointly organized with UNCTAD);
• Middle East – Aqaba Jordan, 13 to 15 May (jointly organized with UNESCWA);
• Central Asia – Bishkek, Kyrgyzstan, 10 to 13 June (jointly organized with UNDP);
• Latin America – Bogotá, Colombia, 23 to 25 September (jointly organized with UNECLAC and IADB);
• West Africa – Dakar, Senegal, 7 to 9 October (jointly organized with UNDP);
• South-East Asia – Bangkok, Thailand, 20 to 23 November (jointly organized with UNESCAP).

18. The two workshops already held in Europe and East Africa were attended by over 70 participants representing key national institutions for trade facilitation (Ministries of Trade/Transport/Finance/Economic Development and Customs) from 25 different countries.

19. The Guide is available in English and Russian and will be available in French by September 2013. It is also being translated into Spanish and Arabic by the Inter-American Development Bank and the International Islamic Trade Finance Corporation respectively. By the end of 2013, the Guide will be available in five of the official languages of the United Nations.

20. Since the Guide was published last year, more than 16,000 users have visited the website and accessed its contents.

B. Support to the Task Force on Greece

21. The secretariat continued to work with the European Commission Task Force on Greece (TFGR) to help the Government of Greece implement its comprehensive strategy and road map for trade facilitation, developed in 2012 with the support of the UNECE secretariat.

22. The road map2 contains a series of actions designed to identify and overcome regulatory and procedural bottlenecks and obstacles to Greek exports. It foresees far-reaching reforms in the fields of exports and customs formalities. The road map was formally presented to the Greek government on 1 November by the Greek Minister for Development and the Economy, Mr. Kostis Hatzidakis. Responsibility for implementation lies with the Greek authorities.

23. It is estimated that the proposed measures could reduce time to export by 50% and costs by 20% by the end of 2015, thus leading to a 10% increase in export value and 80,000 new jobs. Using the UNNExT Business Process Analysis Guide and methodologies, UNECE experts are assisting Greek authorities in a pilot project to analyse and simplify export process for specific agricultural products.

24. At the request of the Task Force, UNECE agreed to a joint extra budgetary project with the European Commission, approved by EXCOM in December 2012, to support the Government of Greece in implementing the road map. The project will run from early 2013 to mid-2015.

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C. Regional advisory services in 2013

25. The Regional Adviser continues to support the project on a “Local Single Window (Port Community System) for the Ports of the Odessa Region”. He organized two seminars in Odessa. These resulted in (a) the launch of a pilot project for a Single Window in the port of Odessa; (b) the establishment of an inter-agency, public-private working group, which has already held 8 meetings, mainly at the headquarters of Ukrainian Customs in Kiev, to oversee the development of the project; (c) draft work plan; and (d) a request to UNECE to organize an inter-agency meeting on the alignment of the CIM/SMGS railway consignment note with the international standards for data exchange.

26. The Regional Adviser also continued managing a Russian contribution project on trade facilitation and the Single Window for the three countries of the Customs Union: Belarus, Kazakhstan, and the Russian Federation.

27. The three deliverables of this project in 2013 are as follows: a general conference (Moscow, 23-24 April 2013, organized together with the Eurasian Economic Commission), a study on the use of international standards (including those of UN/CEFACT); and a seminar on developing an action plan.

28. The April conference provided up-to-date information on the implementation of international standards for data exchange and the Single Window. It provided a platform for discussion of what is hampering the implementation of trade facilitation measures and the Single Window concept in particular. It drew up recommendations for action by the Eurasian Economic Commission (EEC), its Member States and UNECE. Participants also decided on the next steps for the project in 2013, and to organize jointly with EEC the third Conference on Trade Facilitation in 2015.