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Item 6 of the provisional agenda

Information requested by EXCOM for the ECE review***Subprogramme 6 - Trade***Summary*

This document and its annexes have been prepared in response to the request from the Executive Committee of UNECE as specified in the paper, "Modalities of the 2011-2012 review of the 2005 ECE Reform". The Committee on Trade is invited to endorse the document and its annexes.

A. Possibilities for streamlining and synergizing activities

1. Through its subprogramme on Trade, UNECE helps Member States improve the efficiency, transparency and predictability of international trade supply chains. It promotes and maintains standards, norms, recommendations and best practice tools, developed by the Committee on Trade's inter-governmental subsidiary bodies: United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT); Working Party on Agricultural Quality Standards (WP.7); and Working Party on Regulatory Cooperation and Standardization Policies (WP.6).
2. The subprogramme is demand-driven. It addresses the needs of member States as defined during the regular sessions of the Committee on Trade and its intergovernmental

* This document was submitted late due to delayed inputs.

subsidiary bodies; in requests for technical assistance; and in United Nations system global mandates.

3. The activities in the subprogramme are reviewed during the regular sessions of the Committee and its subsidiary bodies. This ensures that they respond to member States' needs, avoid duplication of effort and create synergies with similar activities by other development partners. The sessions are attended by representatives of UNECE member States, regional and international development partners, trade and enterprise support institutions, as well as by representatives of the business community. Extensive discussions take place on current and future work, including on the launching of new activities and the revision or discontinuation of others.

4. Whenever possible, streamlining and efficiency is ensured through coordinated interventions and joint activities with government agencies, international development organizations, donor agencies and private-sector institutions.¹ This approach enables the secretariat to achieve economies of scale and to respond in a flexible and effective manner to the emerging needs of member States. Recent examples include:

- The UNECE “Joint UN Regional Commissions’ Approach on Trade Facilitation” initiative, which brings together the five regional commissions
- The Joint UNECE and International Trade Centre (ITC) study on procedural and regulatory barriers to trade in Kazakhstan, where the ITC is interviewing exporters and importers and UNECE is interviewing trade service providers (such as transporters and customs brokers) as well as government agencies
- The SPECA² Aid-for-Trade (Aft) Implementation and Monitoring Council, SPECA Aft Council, established by UNECE and its development partners pursuant to a request from SPECA member countries. The Council serves as the follow-up mechanism to the (Aft) Roadmap for SPECA Ministerial Conference, held in Baku, in December 2010.³
- The joint UNECE / United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) support to the United Nations Network of Experts for Paperless Trade in Asia Pacific (UNNEXt)⁴
- Cooperation with the IECEx (International Electrotechnical Commission System for Certification to Standards Relating to Equipment for Use in Explosive Atmosphere) in the area of regulatory cooperation.

¹ For a detailed account of the Committee on Trade and its subsidiary bodies joint activities with other organizations, see “Cooperation with other organizations” (ECE/TRADE/C/2012/13), presented by the Committee during the Committee’s fifth session, in June 2012.

² SPECA (United Nations Special Programme for the Economies of Central Asia) is supported by UNECE and the United Nations Economic Commission for Asia and the Pacific (UNESCAP). SPECA member countries are: Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.

³ Information on the Baku Ministerial Conference is available on the UNECE website www.unece.org/trade/SPECA-AftBaku2010/welcome.html. Information on the follow-up process after Baku is available on the UNECE website: <http://www.unece.org/tradewelcome/aft-speca.html> which provides information on: the background; activities of United Nations agencies in the region; trade-related publications on the region; projects, and meetings and events in support of the Aft Roadmap for SPECA.

⁴ Initially funded by the United Nations Development Account (UNDA), this project includes among its participants the countries of Central Asia.

5. Synergies and streamlining are also sought with other programmes within the UNECE. For example:(a) the Committee's country studies on procedural and regulatory barriers to trade are carried out in close consultation with the subprogramme on Transport; and (b) the subprogramme contributed to the UNECE Rio+20 report on regional challenges in sustainable development by highlighting the potential role of standards and regulatory cooperation.

B. Ways of improving efficiency and methods of work

6. The establishment of recommendations for guiding UNECE's partnerships with the private sector, including transnational corporations and market support institutions (i.e. trade-promotion and enterprise-development agencies). Several areas that form the focus of the UNECE work are now ranking high on the private-sector's agenda, which is becoming increasingly geared to ensuring social responsibility. Examples of common areas of interest include trade facilitation, promoting green growth and contributing to job creation. While the UNECE involves the private sector in all its activities, there remains much room for expanding this cooperation to include joint activities in the areas of research and technical activities. The UNECE recommendations could provide guidance on such issues as financing arrangements, joint promotional campaigns, and the specific objectives that collaboration with the private sector should achieve. This could improve efficiency by reducing the need for each programme to consult on a case-by-case basis and would also document the "institutional memory" on these questions.

7. Reducing the number of face-to-face meetings: As a rule, the Bureau of the Committee and the bureaux of its subsidiary bodies already make extensive use of video and audio-conferencing and webinars for regular meetings, brainstorming sessions and training so as to minimize face-to-face meetings. Further cost savings could be achieved through developing the infrastructure for these webinars.

8. Holding meetings back-to-back with other forums and organizing joint events: As a rule, the Committee and its subsidiary bodies schedule meetings and events back-to-back with other international forums that target the same constituents, in order to reduce costs for member States and create synergies with other initiatives. Further efforts could be made to hold joint events with other development partners in order to pool resources, share expertise and enrich substantive discussions.

9. Continuous consultations with member States: UN/CEFACT has in place a system based on the designation of "permanent" heads of delegation, who receive information and participate in inter-sessional decision-making processes. This helps delegations reach unanimous decisions between sessions (if any country raises an objection then the decision must wait for an official session). It also allows work to progress more quickly between sessions and reduces the amount of time spent on routine approvals during the sessions. Use of this procedure could be extended to the Committee and its other subsidiary bodies.

10. Electronic publications: Publications by the Committee and its subsidiary bodies are produced in electronic format. Only a few are printed, depending upon user requirements and the purpose of the publication. This number could be reduced still further if it were possible to put in place a print-on-demand system.

C. Expected results and related activities that may need to be reoriented/refocused to better reflect priority demands of member States

11. The rise of secure trade as a key concern for countries across the globe requires re-orienting some parts of the Trade sub-programme's work towards developing norms, standards, recommendations and best-practice tools to help countries respond to these new security requirements in a way that is least burdensome for trade. In so doing, the Committee and its subsidiary bodies will need to work closely with the World Customs Organization, the World Trade Organization, the European Union and other relevant partners to avoid duplication of effort.

12. Continuous developments in information and communication technologies are generating new opportunities for increasing the efficiency and effectiveness of international supply chains, the share of which in total international trade (as measured by the percentage of imported content in exports) has almost doubled over the last 20 years (as demonstrated by WTO).⁵ Helping enterprises and governments to take full advantage of these changes and the new opportunities that they present will require an integrated approach and joint action with other international organizations. The Committee and its subsidiary bodies will be exploring new avenues and frameworks for joint action in this area. For example, implementing the UN/CEFACT electronic agricultural certificates (eCERT), designed to help small and medium-sized enterprise (SMEs) adopt innovative information and communication technologies along their value chains, will be carried out in close collaboration with the other regional commissions. Similarly, UN/CEFACT is working closely with the regional commissions to develop an interregional initiative to enable interoperability between Single Window facilities in different countries.

D. Possible optimization of the structure of the programme of work

13. Enter into partnerships with academia and research institutes. Academic researchers could contribute specific expert knowledge from their fields of studies, which may not be available within the secretariat. In addition, partnerships with research institutes would diversify and enlarge the subprogramme's outreach and enable it to undertake larger research projects and more training activities.

E. Areas identified for enhancement or abolishment, if any

14. The subprogramme is structured around the Committee on Trade and its three inter-governmental subsidiary bodies.

15. As the sub-programme is already working under limited resources, any cut in the regular budget resources would undermine its ability to deliver on its mandate. For example, a 10 per cent budget cut scenario would:

- Undermine the secretariat's ability to maintain UN/CEFACT directories and electronic libraries (UN/EDIFACT, UN/LOCODE, UN CCL)
- Undermine the secretariat's ability to service the Bureau of UN/CEFACT and its Forums

⁵ See, for example, WTO/IDE-JETRO (2011) "Trade patterns and global value chains in East Asia : From trade in goods to trade in tasks", Geneva, Switzerland: WTO.

- Reduce capacity-building activities in transition economies
- Require a heavy reduction in the number of electronic and paper publications as well as capacity-building for all work under the Trade subprogramme
- Oblige the secretariat to cancel one of the following programmes given that cuts in Professional staffing supporting these three areas would, in effect, mean closing the programme completely as the remaining resources (1 or less professional posts in each area) would not allow the secretariat to continue work at an acceptable quality level:
 - Committee on Trade
 - Agricultural quality standards
 - Regulatory cooperation and standardizations policies.

16. In contrast, an increase of 10 per cent in regular resources would allow any two (but not all) of the following:

- Increased support to capacity-building in transition economies in one of the following areas: trade facilitation and e-business; regulatory cooperation and standardization policies; or agricultural quality standards. However, it should be noted that due to UNECE's limited travel and consultancy budgets, the initial, primary responsibility of this staff member would be fund raising in order to ensure sufficient extrabudgetary funding for the consultancies, travel and other expenses required for the professional delivery of activities in the field.
- A significant expansion in the preparation of training materials and explanatory brochures for agricultural quality standards
- The provision of direct support to member States, and particularly transition economies, for developing electronic messages to support e-Government implementation using UN/CEFACT and related standards
- Development of implementation guidelines for UN/CEFACT standards
- Increased support for implementation of regulatory cooperation and standardization policy Recommendations, including through the development of implementation guidelines, development of educational materials and support for additional regulatory harmonization projects.

F. Any other comments

None

Annex 2

Information requested by EXCOM for the ECE review

To be submitted by the secretariat in consultation with Committee on Trade

Subprogramme 6 - Trade

Note: the first two rows have been added to reflect the goals and deliverables identified in the Chair's draft strategy

<i>New or emerging issues / activities</i>	<i>Expected future results</i>	<i>Indicator of achievement</i>	<i>Priority (H, M or L)</i>
The need for greater engagement by policymakers, particularly from transition economies, in initiatives for reducing regulatory and procedural barriers to trade in order to support ECE's regional and global integration efforts.	Increased integration, into national and regional trade development plans, of UNECE's practical recommendations, norms, standards and guidelines in the areas of: trade facilitation; electronic business; regulatory cooperation; and agricultural quality standards. Increased coordination and implementation of joint initiatives among UNECE member states	- Number of national trade development action-plans and activities incorporating UNECE recommendations, norms, standards and guidelines. - Number of regional integration initiatives using UNECE recommendations, norms, standards and guidelines. - Number of joint initiatives and/or coordinated efforts to reduce regulatory and procedural barriers to trade.	
Growing demand, particularly from transition economies, for action-oriented recommendations that support the flow of trade along key trade corridors in the region	Better procedural and regulatory frameworks for supporting the flow of goods along key transnational trade corridors in the region	- Number of action plans targeting regulatory and procedural barriers to trade along key transnational trade corridors in the region	
Both a greater demand for increased coordination among donors and implementing agencies in the trade area, but also a greater willingness among organizations to undertake joint planning and implementation activities. Given the technical expertise of UNECE, but its limited technical assistance budget, such a	Increased coordination and joint activities under various "umbrellas" including: Aid-for-Trade; the UN-CEB Inter-Agency Cluster on Trade and Productive Capacity; UN Development projects; etc.	- Number of joint and/or coordinated activities.	

<i>New or emerging issues / activities</i>	<i>Expected future results</i>	<i>Indicator of achievement</i>	<i>Priority (H, M or L)</i>
trend could help increase the impact of UNECE's work.			
Increased demand for technical cooperation to build capacity, legal and technical infrastructure in areas within the subsidiary bodies' mandates	<p>Increased implementation of norms, standards and recommendations developed under the Trade subprogramme</p> <p>Better legal infrastructures for the harmonized use, application and control of standards and recommendations</p> <p>Improved technical infrastructures enabling operators to comply with internationally agreed requirements and recommendations</p> <p>Better trained policymakers and experts</p>	<ul style="list-style-type: none"> - Downloads of norms, standards and recommendations - Reported implementations - Number of adopted legal texts based on UNECE (or harmonized UN-) standards - Number of trained policymakers and experts - Number of capacity-building activities and technical-assistance projects requested by members States. 	
Recognition of UNECE standards, regulations, recommendations and explanatory material as tools for promoting sustainable development world wide	<p>Increased awareness of and participation by standards-setting and conformity assessment bodies as well as market surveillance authorities in UNECE activities</p>	<ul style="list-style-type: none"> - Approval of a shared regulatory framework in sectors of importance for sustainable development - Participation of key stakeholders in the initiatives underway 	
Closer collaboration, in the area of agricultural quality standards, with Codex and OECD and the development of mutual recognition of outputs (standards and explanatory material).	<p>Harmonized UNECE/Codex/OECD standards supported by jointly developed explanatory material and capacity-building activities.</p>	<ul style="list-style-type: none"> - An agreement by Codex to the concept of harmonized UN-wide standards - An agreement by OECD on a jointly agreed list of explanatory brochures for development - Agreement on a common structure and content guideline for harmonized UN-wide standards and for explanatory brochures 	
Increased demand for a compendium, of shared best practices to manage man-made and natural risks through the use of standards, including traceability	<p>Full participation of all the stakeholders in a regulatory system (including standards-setting bodies, regulatory authorities, conformity assessment and market surveillance authorities) in the activities of the WP.6 Group</p>	<p>Development of specific recommendations on how to use risk-management tools by all stakeholders in the regulatory system</p>	

<i>New or emerging issues / activities</i>	<i>Expected future results</i>	<i>Indicator of achievement</i>	<i>Priority (H, M or L)</i>
standards, and regulatory tools	of Experts on Risk Management in Regulatory Systems		
Finalization of the restructuring of the extensive work loads and projects in the area of trade facilitation and e-business to increase efficiency, openness and transparency in the development of standards	Greater efficiency in the development of standards (especially for trade facilitation and electronic business); reduced layers of management; and greater focus on project delivery.	Reduced time from project initiation to completion	
A possible review of the roles and responsibilities of international organizations in the development of international standards and best practices for the automation of procedures and electronic data exchange in international trade owing to its increased diversity over recent years. UNECE's response in providing solutions for member countries will need to take into account this changing environment.	Would depend upon the results of such a review	Would depend upon the results of such a review	