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Item 4 of the provisional agenda

Capacity-building and technical assistance activities

Report on capacity-building and technical assistance activities*

Submitted by the secretariat

Summary

This document provides an overview of capacity-building and technical assistance activities undertaken as part of the programme of work of the Trade subprogramme. It also includes the overview of the fundraising activities carried out by the Economic Commission for Europe (ECE) Economic Cooperation and Trade Division in 2023–2024, planned activities, including new requests for assistance received since the eighth session of the Steering Committee that are contingent on extrabudgetary funding.

The report takes into account the recommendations from the evaluation of the ECE subprogramme 4 (Economic Cooperation and Integration) and subprogramme 6 (Trade) by the United Nations Office of Internal Oversight Services conducted in 2022.

* This document has not been formally edited by ECE.

I. Introduction

1. The Economic Commission for Europe (ECE) Trade subprogramme supports trade and economic cooperation among ECE member States and facilitates their integration into global and regional value chains, drawing on the work of its intergovernmental bodies and expert groups. Through its normative and capacity-building activities, the subprogramme contributes to:

- A predictable, transparent and harmonized regulatory environment for international trade and business through strengthening the convergence of regulations, promoting international standards and developing best practices in areas of regulatory cooperation, conformity assessment and market surveillance.
- Sustainable trade in agricultural produce, integration into international supply chains and food loss reduction through the development of agricultural quality standards and related international best practice for implementation and use by regulatory authorities as well as the private sector.
- Simple, transparent and effective processes for global international trade through the development and maintenance of international trade facilitation instruments, including global standards and best practices for moving from paper-based to automated electronic environments and for harmonizing and simplifying business processes underpinning export and import activities.

2. ECE also provides policy analyses, advice and capacity-building in the framework of the Working Group on Trade under the United Nations Special Programme for the Economies of Central Asia (SPECA).

3. Technical assistance and capacity-building activities aim to support ECE member States in their efforts to implement ECE trade-related standards, recommendations and best practice guides. The activities also seek to support the removal of regulatory and procedural barriers to trade associated with capacity shortfalls and differences in administrative procedures, regulations and standardization policies. Activities also contribute to the cross-cutting topic of circular economy (sixty-ninth session of the Commission) and digital and green transformations (seventieth session of the Commission). Activities are demand-driven and delivered in close cooperation with development partners.

4. While certain intergovernmental meetings and development of good practices are funded by the United Nations' regular budget, most country and issue-specific policy analyses and the subsequent capacity-building support depend on the availability of extrabudgetary funding. This is particularly the case for the work undertaken in the context of the studies on regulatory and procedural barriers to trade (RPBT studies). These studies have been undertaken since 2012 for several countries, including Albania, Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, the Republic of Moldova, Serbia, Tajikistan, and Uzbekistan (ECE/CTCS/2023/5).

5. In many instances, the RPBT studies have supported economic and trade reforms during the accession process to the World Trade Organisation (WTO). RPBT studies might also have a thematic or sectoral focus (e.g. to support COVID-19 recovery, the reduction of food waste-food loss). In 2023–2024, the secretariat prepared three studies focusing on specific sectors respectively for Armenia (fish products) (ECE/CTCS/2024/3); Kazakhstan (vegetable oil) (ECE/CTCS/2024/4); and Kyrgyzstan (dried apricots and prunes) (ECE/CTCS/2024/5) (see item 7 of the provisional agenda),

6. Over the past years, demand from member States for policy analysis and capacity-building on trade matters has been growing. This includes requests for traditional full-fledged RPBT studies covering various non-tariff measures and regulatory barriers, as well as sector-specific analyses. Furthermore, increasing requests from ECE member States were also made with regard to emerging cross-cutting topics, including the circular economy (sixty-ninth session of the Commission) and digital transformations (seventieth session of the Commission) (see table, below). To respond to these increasing capacity-building needs, the Steering Committee at its eighth session, adopted two documents on the integration of circular economy and digital economy considerations into RPBT studies (ECE/CTCS/2023/6 and

ECE/CTCS/2023/7) and requested the secretariat to support the implementation and use of these approaches through demand-driven studies. The Steering Committee also called on donors and development partners to consider providing funding to offer demand-driven policy analyses and advisory services to support capacity-building in these areas.

7. In addition to conducting RPBT studies, the secretariat has supported the follow-up capacity-building in response to action-oriented recommendations made under the studies. In many instances, these follow-up activities have been conducted jointly with the United Nations Conference on Trade and Development (UNCTAD).¹ Requests for follow-up work reflect the success of ECE's earlier work and its positive impact on the member States in integrating into global and regional value chains. The table below summarizes activities undertaken since the last session.

8. The response to increasing capacity-building demands depends on extrabudgetary sources. In the past, the secretariat has raised some extrabudgetary funding, but more will be needed to meet demands in a timely and effective manner. The annex of this document contains an updated summary of recent fundraising efforts to meet funding needs. Delegations to the Steering Committee are invited to consider making funding pledges in line with available ECE instruments for resource mobilization.

Capacity-building and technical assistance activities since the previous session of the Steering Committee

<i>Project fund (RB/XB)</i>	<i>Beneficiary countries</i>	<i>Main activities (June 2023–March 2024)</i>
<i>Regular Budget (RB) and Regular Programme of Technical Cooperation (RPTC)</i>		
ECE Regular Budget, Sect.20	ECE member States	As part of the ECE Regular Budget, ECE Economic Cooperation and Trade Division (ECTD) held the following activities during the reporting period: 1) Round table on sustainable food systems – digitalization and food loss and waste reduction (14 November 2023, Geneva and online); ² 2) Seed potato rapporteur's meeting, including field and laboratory visits (10–12 October 2023, Brest, France); ³ 3) Seminar on Sustainable Meat and Livestock (29 August 2023, online). ⁴
ECE Regular Budget, Sect.23, Regional Programme on Technical Cooperation (RPTC)	Republic of Moldova	At the request of the Government of the Republic of Moldova at the seventh session of the Steering Committee to receive technical assistance on transport facilitation, including the need to create a Single Window in the context of the implementation of the WTO Trade Facilitation Agreement (TFA), a gap-fit analysis was prepared (ECE/CTCS/2023/4, ECE/TRADE/477) and launched on 14 December 2023 in Chisinau.

¹ The Report of the seventh session of the Steering Committee, available at https://unece.org/sites/default/files/2023-01/ECE_CTCS_2022_2E.pdf.

² For more information, see: <https://unece.org/trade/events/roundtable-sustainable-food-systems-digitalization-and-food-loss-and-waste-reduction>.

³ For more information, see: <https://unece.org/info/events/event/383555>.

⁴ For more information, see: <https://unece.org/info/events/event/372208>.

	Turkmenistan	At the request of the Government of Turkmenistan, on 14 June 2023, the secretariat organized a training on regulatory and procedural barrier to trade as part of accession to WTO in cooperation with the Government and supported by the Office of the UN Resident Coordinator. ⁵
	Kazakhstan	At the request of the Government of Kazakhstan, on 8 June 2023, the secretariat organized a roundtable discussion with support of the United Nations Resident Coordinator Office in Kazakhstan and Qaztrade Center for Trade Policy Development to help enhance export competitiveness of Kazakhstan. ⁶ The event was organized back-to-back with the Astana International Forum, where the secretariat convened a high-level side event “Unlocking the buckle of sustainable trade: the role of digitalization”.
<i>United Nations Development Account (UNDA), Regular Budget, Sect.35</i>		
UNDA fourteenth tranche “Blockchains for facilitating trade and enhancing competitiveness” (2023–2025)	Uzbekistan	This project is jointly implemented by the five UN Regional Commissions and UNCTAD. It aims to strengthen national innovation and technological capacities related to the use of blockchain technology in customs and trade operations in five selected developing countries, to boost trade and enhance competitiveness in support of sustainable development. The focus country for the ECE region is Uzbekistan, whereby ECE is partnering with the United Nations Development Programme (UNDP) to conduct regulatory analysis, develop policy recommendations, and conduct training activities for national trade actors.
UNDA thirteenth tranche “Accelerating the Transition towards a Circular Economy in the UNECE region” (2021–2024)	17 ECE programme countries	ECE implements a 4-year project to build capacities of member States to shape policies for the circular economy transition. Under the project in 2023–2024, ECE engaged with a wide range of stakeholders in the series of official side events to the seventieth session of the Commission in April 2023. The first in-person Circular STEP Regional Policy Dialogue was hosted by the Ministry of Environmental Protection of the Republic of Serbia, in Belgrade, Serbia (18–19 October 2023). The meeting gathered Government representatives from Western Balkan, Eastern Europe, Southern Caucasus, and Central Asia. The event offered opportunities for sharing experiences and peer learning and showcased

⁵ For more information, see: <https://unece.org/sustainable-development/news/unece-trains-turkmenistans-government-officials-regulatory-and>.

⁶ See <https://unece.org/media/news/379612>.

ECE knowledge pieces to support this transition.

During this reporting period, ECE held consultations with Governments of Belarus, Republic of Moldova, North Macedonia and Tajikistan with a view to shaping policy advice and capacity-building activities scheduled for delivery during 2024.

UNDA thirteenth tranche joint transport and trade project on “Sustainable mobility and smart connectivity (trade and transport nexus) in Central Asia, the Caucasus and Western Balkans” (2021–2024)

17 ECE programme countries

As part of this project, the secretariat updated the United Nations Trade Facilitation Implementation Guide and presented it during the UN/CEFACT session on 9–10 November 2023.

Extra budgetary (XB)

XB project “Fostering resilient, diversified and sustainable value chains in the Eurasian region after COVID-19”

Selected countries in the Eurasian region

Three national studies focusing on specific sectors were prepared by the secretariat with support of national consultants in 2023 and 2024: Armenia (fish products) (ECE/CTCS/20232024/3); Kazakhstan (vegetable oil) (ECE/CTCS/2024/4); and Kyrgyzstan (dried apricots and prunes) (ECE/CTCS/2024/5). The studies were discussed at the regional event in Bishkek, Kyrgyzstan on 5-6 March 2024. Summary papers will be presented to the Steering Committee (see Item 7 of the provisional agenda).

XB project “Enhancing transparency and traceability of sustainable value chains in the garment and footwear industry”

Global action including ECE member States

During 2019-2024, this project developed Policy Recommendations, Implementation Guidelines, Information Exchange Standards, and a call to action, adopted by ECE member States in 2021, in consultation with a multi-stakeholder policy dialogue platform (+ 200 experts). The call to action gathered more than 100 pledges to advance traceability and transparency along value chains in the garment and footwear sectors, from more than 350 industry actors across 28 countries. These pledges involve measurable actions with specific key performance indicators (KPIs) to advancing traceability and transparency in the garment and footwear industry⁷. A joint study by ECE and the Economic Commission for Latin America and the Caribbean (ECLAC) was conducted regarding the excess of used clothing in Chile, with a focus on Europe as an origin and Chile as a destination. The

⁷ The blockchain system developed for the traceability of origin and environmental, social and governance (ESG) performance supports 18 use cases covering the full value chain (cotton, leather, wool) across 22 countries involving 85 companies, that benefitted from about 98 training sessions. Six multi-stakeholder policy dialogues were held for more than 600 experts from 37 countries in four world regions (Central Asia, Europe, Latin America, Northern Africa) in cooperation with other international stakeholders.

		Executive Summary ²⁴ was presented to the UN/CEFACT Plenary for information and the full study will be available in 2024.
XB project “Strengthening the capacity of Central Asian countries to implement trade facilitation measures and better integrate into the international rules-based trading system”	SPECA countries	Series of online events to support the implementation of the SPECA Trade Facilitation Strategy, each focused on a concrete element of the roadmap for the implementation of the strategy.
XB project “Enhancing the implementation of the 2030 Agenda for Sustainable Development through strategic cooperation among the SPECA countries”	SPECA countries	The SPECA events in 2023, including a session of the SPECA Working Group on Trade, Economic Forum on trade, transport and Energy Connectivity, a session of the SPECA Governing Council and a SPECA Presidential Summit took place with the partial support from this project.
XB project “Strengthen the capacity of Azerbaijan to reduce regulatory and procedural barriers to trade”	Azerbaijan	The project outline was prepared by the secretariat for discussion by the Steering Committee (ECE/CTCS/2024/6, provisional agenda item 10).
XB project “Reducing uses and releases of chemical concern, including Persistent Organic Pollutants (POPs), in the textiles sector, through traceability and transparency value chains”	ECE member States and selected broader United Nations member states	This project, funded by the Global Environmental Facility, and jointly implemented with the United Nations Environment Programme, aims to reduce the use and release of chemicals of concern, including POPs, in the textiles sector in the ECE region and beyond. The project will implement a series of pilots with industry actors, supported by coaching activities.
XB project “Removing regulatory and procedural barriers to trade in Turkmenistan”	Turkmenistan	The project outline was prepared by the secretariat and will be presented to the Steering Committee at its ninth session (ECE/CTCS/2024/7, provisional agenda item 10).

Annex

Summary of recent fundraising activities and funding gaps

1. The ECE ECTD identified and liaised with several potential donors, developed tailored concept notes for its capacity-building activities and organized several fundraising missions. Among others, the ECTD has liaised with the Asian Development Bank (ADB), the European Bank on Reconstruction and Development (EBRD), the European Commission, Germany, Italy, Swedish International Development Cooperation Agency (SIDA), Azerbaijan, the United States Agency for International Development (USAID), the World Bank Group, the Islamic Development Bank, the Islamic Centre for Development of Trade, the International Trade Centre (ITC), Türkiye and the Organisation of Turkic States.
2. These efforts are also in line with the recommendations from the evaluation of the ECE subprogrammes 4 (Economic Cooperation and Integration) and subprogramme 6 (Trade) by the United Nations Office of Internal Oversight Services conducted in 2022 as part of the United Nations secretariat's regular program periodically evaluating selected aspects of its operations. The recommendations, among others, underscored the importance of the Division-specific action plan for resource mobilization.
3. During the outreach stage, the secretariat worked closely with the Permanent Missions in Geneva, as well as the United Nations Resident Coordinator Offices (UN RCOs) and the UNDP country offices. The role of the UN RCOs has been particularly instrumental during the fundraising missions. For example, in the case of Turkmenistan, with assistance from the RCO in Ashgabat, the ECE secretariat met several development partners in the country to explore synergies for cooperation and mobilise funds, especially during missions in November 2022¹ and June 2023.² As a result, the ECE secretariat mobilized funding to undertake capacity-building with the generous support of the Islamic Development Bank and the Islamic Center for the Development of Trade (see table above).
4. Table A.I summarizes pending requests for capacity-building that are subject to extra-budgetary funding. While this table is aligned with the general objectives under the Resources Mobilization plan of the ECE Annual Report on Technical Cooperation Activities 2022,³ it focuses on country-specific requests, including those expressed at the Steering Committee sessions in 2022 and 2023. Requests at the ninth session of the Steering Committee will be included in this table with the objective to mobilise funds for demand-driven capacity-building activities.
5. Delegations to the Steering Committee are invited to consider making funding pledges in light with available ECE's instruments for resource mobilization.

¹ See <https://unece.org/media/Trade/news/386628>.

² See <https://unece.org/sustainable-development/news/unece-trains-turkmenistans-government-officials-regulatory-and>

³ See https://unece.org/sites/default/files/2023-06/Item%203_Technical%20cooperation%20annual%20report%202022_2023_27_0.pdf.

Table A. I.

Planned activities, implementation subject to the availability of XB funds

<i>Member State</i>	<i>Capacity-building needs</i>	<i>Progress</i>	<i>Suggested activities, subject to funding</i>	<i>Estimated funding needs (thousands of USD)</i>
1. Azerbaijan	<p>ECE assessment of regulatory and procedural barriers to trade and transit, along existing trade corridors, taking into consideration the digitalization dimension (seventh session of the Steering Committee).</p> <p>Support with facilitating trade and strengthening green and digital transformation, including in the context of the WTO accession process (eighth session of the Steering Committee).</p>	<p>The ECE secretariat has developed a concept note for the ECE RPBT study focusing on digital trade, which takes into consideration the novel approaches with regard to integrating digital economy considerations into RPBT studies (ECE/CTCS/2023/7).</p> <p>The secretariat mobilized resources from the Government of Azerbaijan for an initial scoping chapter of the RPBT study as part of the XB project “Strengthen the capacity of Azerbaijan to reduce regulatory and procedural barriers to trade” (ECE/CTCS/2024/6). The RPBT study will be undertaken contingent on the availability of additional funding.</p>	Study with a focus on digital trade.	100
2. Kyrgyzstan	Assistance with regard to training Kyrgyz farmers and potential exporters through the Kyrgyz Export Academy in line with a roadmap to enhance agricultural exports with concrete action-oriented recommendations (seventh and eighth sessions of the Steering Committee).	As part of the regional event under the extra-budgetary project on “Fostering resilient, diversified and sustainable value chains in the Eurasian region after COVID-19”, the secretariat organised a training to Kyrgyzstan on “Enhancing export competitiveness in the agricultural sector in Kyrgyzstan”. ⁴ During this training, it was reiterated that specific follow-up trainings with farmers and exporters will be extremely beneficial to	<p>Development of a roadmap to enhance agricultural exports.</p> <p>Organization of training to agricultural exporters.</p>	50 50

⁴ See <https://unece.org/media/news/388901>

<i>Member State</i>	<i>Capacity-building needs</i>	<i>Progress</i>	<i>Suggested activities, subject to funding</i>	<i>Estimated funding needs (thousands of USD)</i>
3. Republic of Moldova	Capacity-building in the areas of Information and Communications Technology, digitalization and trade. Other areas include supply chains, sustainability and traceability issues including in agriculture, and circular economy with a focus particularly on MSMEs sector (seventh session and eighth sessions of the Steering Committee).	<p>enhance export opportunities of the country.</p> <p>In November 2022 – March 2023 ECE conducted the RPBT study with a focus on trade facilitation dimension (see table 1).</p> <p>In December 2023, the secretariat delivered the training to communicate the main findings and recommendations of the RPBT study.⁵</p>	Support with the implementation of recommendations under the RPBT study on trade facilitation (table 1).	100
4. Turkmenistan	RPBT study in the context of the initiation of the WTO accession process (seventh session of the Steering Committee).	The new XB project “Removing regulatory and procedural barriers to trade in Turkmenistan” was launched in 2024. The project outline will be discussed at the ninth session of the Steering Committee (ECE/CTCS/2024/7). The RPBT study will address a wide range of economic and legal areas related to the country’s trade regime, with a particular focus on non-tariff measures.	RPBT study covering the cross-cutting topics on circularity and digitalization and related capacity-building activities.	250
5. Uzbekistan	Jointly with UNCTAD, review the existing Single Window for non-tariff measures and propose measures for further improvement of the system in Uzbekistan;	Assistance envisioned will follow up on the recommendations arising from the RPBT study in Uzbekistan.	<p>Support with the incorporation of non-tariff measures into the UNCTAD TRAINS database.</p> <p>Study focusing on circular economy.</p> <p>Study focusing on digital trade.</p>	<p>100</p> <p>100</p> <p>100</p>

⁵ See <https://unece.org/media/Trade/news/386628>.

<i>Member State</i>	<i>Capacity-building needs</i>	<i>Progress</i>	<i>Suggested activities, subject to funding</i>	<i>Estimated funding needs (thousands of USD)</i>
	Explore the possibilities on the circular economy initiatives, digitalization, innovation and green technology (seventh session of the Steering Committee).			
