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Keynote address

by

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Excellencies, ladies and gentlemen,

I am the Executive Secretary of one of the 5 Regional Commissions of the UN, the UN Economic Commission for Europe (UNECE). Thank you for the opportunity to join your deliberations here today. It is indeed an honor.

I would like to share with you a perspective from our region that is relevant to your discussion on expanding trade between Europe and Africa.

Trade facilitation and e-business is an area where UNECE has worked for decades, in successful collaboration with other partners such as UNCTAD and the International Trade Center. UNECE's bread and butter is the development of **regulatory frameworks, standards and norms that facilitate, simplify and harmonize cross-border interaction in many domains**. We found this approach beneficial also in trade facilitation, increasingly so in the era of digitalization.

The private sector is a key actor in the global supply chain. Practically all information used in the supply chain comes from a private commercial process. And today, this is increasingly handled by electronic messages.

Digital commerce is an important driver of innovation, competitiveness and growth.

Global business-to-consumer e-trade accounted for an estimated \$1.2 trillion in 2013, and the value of global business-to-business e-trade exceeded \$15 trillion.¹ E-commerce has facilitated transparency, reliability and speed through procedures such as shipment tracking, buy, ship and pay and other measures linked to the supply chain. In fact, as countries seek to modernize and integrate into global and regional supply chains, several trade facilitation measures are increasingly associated with cross border E-Commerce. Examples for such measures are the areas of transport documentation, clearance procedures, standards, security, product safety, and revenue collection.

Firms in developing country wishing to engage in digital trade, especially SMEs, face high transaction costs. This is because E-commerce involves a certain degree of risk and uncertainty: Buyers and sellers may operate in different jurisdictions, and there is a higher rate of one-off.

A key solution to decrease these risks and uncertainties is to ensure that all parties are using the same standards: standards for documentation, for the business processes, for the data which is exchanged electronically, for security... If businesses speak the same language on these nuts-and-bolts issues, it is much easier for them to engage in digital trade.

This harmonization and standardization has been a key focus of our work. UNECE, for instance, hosts the United Nations Centre for Trade Facilitation and eBusiness - UN/CEFACT for short. This body has been active for over 50 years and brings together 300

¹ Speech by WTO DG, 5th July 2016, available at :
https://www.wto.org/english/news_e/spra_e/spra132_e.htm

experts on the full range of issues affecting trade facilitation and electronic business across the transaction process. African experts also participate regularly in its work – for example Nigeria is on the Bureau of UN/CEFACT, and we have worked with Senegal, Ghana, Kenya and Morocco to establish Single Windows.

To go into a bit more detail on the Single Window, UN/CEFACT has developed the **base guidance on Single Window** which has been picked up by the World Trade Organization, the World Customs Organization and countries worldwide. Single Window can help private traders to streamline import/export and transit procedures, saving time and money. A recent example was in Thailand who invested USD 7.5 million in setting up a National Single Window based on UN/CEFACT Recommendations². Consequently, Thailand now saves USD 1.5 billion per year on logistics.

To give another example, UN/CEFACT has also developed an **electronic invoicing model** called the Cross Industry Invoice. This is an official, obligatory standard within the EU, also used in many other countries. This facilitates exchange and understanding of this information around the world.

Traceability is another topic which is more and more prominent in commercial exchanges.

- Traders want to know where their merchandise is;
- Governments want to ensure that regulations were correctly applied;
- Consumers want to know that production was socially and environmentally conscious...

With electronic data exchanges, this information can be exchanged more efficiently and quicker. UN/CEFACT has developed various standards to enable such traceability, including some, such as the UN/FLUX standard for sustainable fisheries exchanges, which have become obligatory within the EU and various countries worldwide.

The work of UN/CEFACT is open to all UN Member States, to governments and the private sector. In this way, it develops standards which are globally applicable and tries to take into account the needs of all.

As mentioned before, I am happy to note that a number of African countries participate in UN/CEFACT. I hope to see even stronger engagement from your region. UNECE stands ready to support an effective integration in the international trading system by African countries.

Before I conclude, I would also like to make a link between trade facilitation and its potential for addressing gender inequalities. Women's empowerment and gender equality are topics that are priorities for the UN Secretary-General. In fact, along with UNECE, all other four Regional Commissions are now also headed by women, and it is the first time in history that this has happened. Gender disparities reduce the gains that can be achieved in terms of

² Recommendations 33, 34, 35 and 36.

international trade opportunities, countries' competitiveness, and economic growth. Therefore it is important that we also address them in the field of trade. It has been estimated that the goods that female farmers produce have enormous potential for increased trade between African countries and with the global market.

To address the pervasive gender inequalities in trade facilitation, we need to be aware of multiple factors: inadequate access to education or information and communication technologies, policies that differentiate the rights of men and women, low prevalence in high-skilled jobs and decision-making bodies, routine discrimination when applying for finance or government support etc. Reducing inequalities requires education and capacity building, increased participation of women in trade policy mechanisms, increased representation in standards and certification bodies, and active engagement from politicians, managers, recruiters, money lenders, economic advisors, teachers and trainers, and the whole of society. Of course, this is a topic that is too large to go into detail here. However, I urge you to keep it in mind in your discussions and consider ways to mainstream gender into trade facilitation throughout this event.

Thank you.
