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SUPPORT OF TRADE FACILITATION MEASURES AND UN/EDIFACT IMPLEMENTATION IN SELECTED EASTERN EUROPEAN COUNTRIES

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Submitted by FITPRO, the Czech National Trade Facilitation Committee *

This document contains an interim report to the CEFACT Plenary on the activities of FITPRO. It is for information and noting.

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Introduction

1. The Government of the Czech Republic approved in 1997 an assistance project on trade facilitation measures and implementation of electronic data information technologies on the basis of UN/EDIFACT standard in selected Eastern European Countries. This project is carried out in co-operation with the UN/ECE and its Regional Advisor on Trade Facilitation.
2. Business plan for the realisation of the project in 1998 included the analytical work, preparation of universal guidelines for the establishment of national facilitation committees (PRO Committees) according to the UN/ECE Recommendation No. 4 and organisation of workshops in the Czech Republic, as well as in the selected countries.
3. The goals of these workshops were to put together people responsible and interested in trade facilitation matters in selected countries, to present international and national experience in trade facilitation organisation and to set up a base for establishment of a national trade facilitation body.

Selection

4. The countries selected for co-operation in the first phase of this project were Ukraine and Latvia. Both countries were part of the former Soviet Union and neither country has been an active participant in the work of UN/CEFACT (former WP.4 resp.). Most importantly, national organisations concerned with international trade issues in both countries agreed to work together in a PRO Committee framework.

Analysis

5. The analysis being carried out by the project team aimed to develop a description of the current situation in the relevant country regarding trade facilitation, EDI and UN/EDIFACT implementations, including the status and integration of the national trade facilitation organisation, or PRO committee¹ into the system of the state administration.
6. In Ukraine it was possible to build on the initial assistance provided by FINPRO in 1993-94, as part of an effort to support the development of a Kiev TradePoint during the early stages of UNCTAD's Trade Efficiency Initiative. At that time a national facilitation body was almost established, but it failed due to organisational changes. The FITPRO team has been in contact with individuals involved in the earlier effort who believe that conditions in the country for the development of a national PRO Committee are more favourable today.
7. The Latvian Chamber of Commerce and Industry has been promoting a number of trade facilitation tools and principles, drawing on support from other Chambers in Sweden, Germany, the International Chamber of Commerce and the European Commission's Phare programme. Currently EAN Latvia co-operates very closely with the Latvian Chamber and the first steps are being taken to introduce EANCOM to Latvia. In parallel the implementation of UNCTAD's ASYCUDA automated Customs system in the Latvian

¹ The term "PRO Committee" has come into common use in reference to national trade facilitation bodies, established on the basis of UN/ECE Trade Facilitation Recommendation No. 4.

Customs administration being introduced. The interest to establish a national Committee was expressed.

Missions and Workshops

8. An introductory workshop was held in Prague for a delegation of state administration and Chamber representatives from Ukraine in July 1998 as reported to UN/CEFACT by the Regional Advisor for Trade Facilitation in September 1998 (see TRADE/CEFACT/1998/CRP 32). This was followed up in November 1998 by a second workshop in Kiev concerning the specific activities of FITPRO and UN/CEFACT. During the second workshop, a decision was taken to establish PRO Committee in Ukraine and a formal agreement for continued co-operation was signed between the Ministry of Foreign Economic Relations and Trade of Ukraine and FITPRO, on behalf of the Ministry of Industry and Trade of the Czech Republic.

9. As far as Latvia is concerned, following an extended exchange of correspondence, the same Czech team of experts, who conducted the Kiev workshop, and the UN/ECE Regional Advisor travelled to Riga to discuss the possibilities for similar co-operation. Because of the experience already acquired in the Latvian Chamber of Commerce and Industry it was possible to reach immediate agreement on the desirability of creating PRO Committee in Latvia and it was agreed to continue working together.

Tangible Results

10. Apart from the establishment of these two national PRO Committees, under the framework of this technical assistance project, FITPRO has prepared a set of specific *Guidelines* for the establishment of a national facilitation body in English and Russian languages. These *Guidelines* are designed to complement UN/CEFACT's Trade Facilitation Recommendation No. 4, by providing specific information from FITPRO's practical experience.

11. The *Guidelines* include convenient summaries of the complete UN/CEFACT Recommendations, as well as brief descriptions of other key trade facilitation instruments (e.g. the International Chamber of Commerce's INCOTERMS). The summaries are accompanied by an explanation of the status of these international trade facilitation instruments in the Czech Republic.

12. Another conclusion from FITPRO's initial work with Ukraine and Latvia was to initiate *PROlink*, the first bilingual (English and Russian) network for experts in the field of trade facilitation. Building on the Internet communication capabilities already developed for the exchange of trade information, *PROlink* aims to strengthen the usefulness of the individual PRO Committees by enabling them to draw upon the experience and expertise of colleagues in other countries.

13. While drawing upon related developments in EUROPRO, SECIPRO, UNCTAD's TradePoint network and other initiatives with a trade facilitation component, such as the UN/ECE-ESCAP Special Programme for the Economies of Central Asia (SPECA), *PROlink* will focus on three key objectives:

- a. Reduction of the necessity to communicate only in English on trade facilitation issues;
 - b. Reduction of the need for incurring travel costs to participate in meetings by developing skills for computer-mediated communication, and
 - c. Increasing the visibility and viability of national PRO Committees by achieving better synergy among themselves.
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