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ECONOMIC COMMISSION FOR EUROPE

Committee For Trade, Industry And
Enterprise Development
Seventh session, 13 and 16 May 2003

REPORT OF THE SEVENTH SESSION

HIGHLIGHTS

At its seventh session, the Committee for Trade, Industry and Enterprise Development:

Approved new procedures for the approval of its reports and for the organization of the Committee sessions (paragraphs 9, 13, 16 and annexes I and II).

Approved the expansion of its Multiplier Point Network to include the entire region and to better serve large transition-economy countries such as Ukraine and the Russian Federation (paragraph 22).

Approved the change of name for WP.7 from the “Working Party on Standardization of Perishable Produce and Quality Development” to the “Working Party on Agricultural Quality Standards” (paragraph 40).

Approved a new ad hoc team of experts on market surveillance under WP.6 to assist Governments in the development of effective systems for controlling the conformance of products in the marketplace to applicable standards and regulations (paragraph 51).

Endorsed the development under WP.6 of an additional pilot project for the implementation of the International Model for Regulatory Harmonization in the area of earth-moving equipment (paragraph 53).

Approved the holding of an extraordinary Plenary by UN/CEFACT in the autumn of 2003, if necessary (paragraph 61).

Endorsed the decision to issue a joint publication with the Inland Transport Committee on “Trade and Transport Facilitation Instruments and Recommendations” (paragraph 66).

Approved a proposal for revising the format of the programme of work and related procedures (paragraph 70).

Approved its programme of work for 2003-2005 (paragraph 71 and annex III).

Agreed to hold a Forum in conjunction with its 2004 session on the challenges that the region will face in the areas of trade, industry and enterprise following the enlargement of the European Union, and especially those challenges facing the “new neighbours”. (paragraphs 97 and 99).

NOTE: Copies of all documents referenced in this report can be found at the following Internet address:

<http://www.unece.org/trade>

1. The Committee for Trade, Industry and Enterprise Development held its seventh session on 13 and 16 May 2003, including a joint session with the Centre for Trade Facilitation and Electronic Business (UN/CEFACT) on the afternoon of 13 May. In conjunction, the Committee also organized with UN/CEFACT the "Second International Forum on Trade Facilitation: Sharing the Gains of Globalization in the New Security Environment" on 14 and 15 May.
2. Representatives of the following countries participated: Albania, Armenia, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Canada, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Iceland, Ireland, Hungary, Kazakhstan, Kyrgyzstan, Lithuania, Netherlands, Norway, Poland, Republic of Moldova, Romania, Russian Federation, Serbia and Montenegro, Slovenia, Slovakia, Spain, Sweden, Switzerland, The former Yugoslav Republic of Macedonia, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, United States of America, and Uzbekistan.
3. Representatives of the European Community also participated.
4. In attendance were representatives from the following United Nations organizations and specialized agencies: United Nations Economic and Social Commission for Western Asia (ESCWA), United Nations Economic Commission for Africa (ECA), International Trade Centre (ITC), United Nations Conference on Trade and Development (UNCTAD) and World Bank.
5. Also in attendance were the following inter-governmental organizations: Bank for International Settlements (BIS), Trade and Transport Facilitation in Southeast Europe Program (TTFSE) and World Trade Organization (WTO).
6. The following non-governmental organizations were represented: European Organization for Nuclear Research (CERN), International Association of Ports and Harbours (IAPH), International MultiModal Transport Association (IMMTA), International Organization for Standardization (ISO)
7. Representatives of the following countries participated under Article 11 of the terms of reference of the Economic Commission for Europe: Angola, Australia, Burkina Faso, China, Egypt, Iran (Islamic Republic of), Jamaica, Japan, Kenya, Malaysia, Nigeria, Paraguay, Republic of Korea, Tunisia and United Republic of Tanzania.
8. The following organizations participated at the invitation of the secretariat: Armenian-European Policy and Legal Advice Centre, Asia Pacific Council for Trade Facilitation and E-business (AFACT), Association: Est rencontre Ouest, Consultant & Partners C.V., Electronic Commerce Promotion Council of Japan, FreightDesk Technologies Inc., Global e-Business Advisory Council, Grand-Media Ltd., Hellenic Federation of Shipagents and Brokers, International AntiCounterfeiting Coalition Inc., Independent Consumers' Union, Institute for Information Industry, Irish National Committee of the International Chamber of Commerce, Office of the Mauritius Chamber of Commerce and Industry, Moldovan Association for Supply Management, National Center for Marketing and Price Study (Belarus), Nigerian Committee on Trade Procedures, NorStella, Organisation for the Advancement of Structured Information Standards (OASIS), Transcore Corporation / Innovative Trade Network Group, and the Women Manager's

Association of the Republic of Moldova.

Item 1 – Adoption of the agenda

Documentation:

ECE/TRADE/305/Rev.1

Provisional agenda for the seventh session of the Committee for Trade, Industry and Enterprise Development

Decisions taken

9. The Committee agreed upon a new procedure for the adoption of its report, as found in annex I.
10. The Committee adopted the provisional agenda, with a minor change in the sequence of items discussed.

Item 2 – Election of Officers

11. It was confirmed that the current Committee Chair and Vice-Chairs would remain in office for another year, these being: Mr. A. Safarik-Pstrosz (Czech Republic) as Chair and Ms. A. Öktem (Turkey), Mr. R. van Kuik (Netherlands) and Mr. T. Toichubaev (Kyrgyzstan) as Vice-Chairs.

Item 3 – Matters arising from the fifty-eighth session of the Economic Commission for Europe

Documentation:

TRADE/2003/1

Matters arising from the 57th session of the United Nations General Assembly of particular relevance to the Committee for Trade, Industry and Enterprise Development

TRADE/2003/1/Add.1

Matters arising from the 58th session of the United Nations Economic Commission for Europe

TRADE/2003/2

Report on strengthening the organization of the Committee for Trade, Industry and Enterprise Development

12. The Director of the Trade Development and Timber Division introduced this agenda item and highlighted the issues discussed at the March 2003 session of the Commission that were of direct relevance to the work of the Committee. These fell under two headings: “Strengthening the Organization”, and “Major Policy Directions and Activities”. Under the first heading, there was an emphasis on the need to make the UNECE and, inter alia, the work of the Committee more effective. Under the second heading, the Committee would need to contribute to UNECE initiatives to support the countries not currently acceding to the European Union to become better integrated into the regional and global economy. She also highlighted the need to continue mainstreaming the three dimensions of sustainable development (economic, environmental and social) into the programme of work of the Committee.

13. The Chairman then introduced the proposal from the Bureau, contained in TRADE/2003/2, for the organization of the Committee's sessions. Under this proposal, the Committee would look in depth at the work of one of the two sub-programmes under its responsibility on a rotational basis. The annual Committee Forum would be organized under the sub-programme being considered. In addition, the Committee would meet during the same week as one or more of the subsidiary bodies belonging to the sub-programme in question. At the request of the representative of Greece, speaking on behalf of the European Union, some clarifications were made regarding the proposal and were incorporated in the text.

Decisions taken

14. The Committee noted documents TRADE/2003/1 and TRADE/2003/1/Add.1.

15. The Committee has requested that the Bureau review the implications of sustainable development for the programme of work and report on this to the next session.

16. The Committee approved the proposal in TRADE/2003/2 for the organization of the Committee sessions, with changes, as indicated in annex II.

Item 4 – Review of recent and prospective trade trends, policies and problems

Documentation:

ECE/TRADE/NONE/2003//2

Chapter 6 of the Economic Survey of Europe (ECE/EAD/2003/2)

ECE/TRADE/NONE/2003/3

Results from the Workshop on Trade, Business and Investment in a Wider Europe

17. The Chief of the Economic Analysis Division presented an analysis of the implications of EU enlargement. He believed that enlargement would generally be beneficial for non-candidate countries because it would spur growth in the acceding EU countries– which are among the most important markets for non-candidate countries – and because new opportunities for exports would arise when acceding countries adopted the EU tariffs, which were, on average, lower than currently existing ones. This would probably offset the primary negative effect, which he identified as being a reduction in the so-called “suitcase trade” affecting primarily border regions. He also estimated that the impact on FDI into non-candidate countries would be negligible because local factors were more important in the investment decision-making process.

18. The Director of the Trade Development and Timber Division then reported on the results of the Workshop on “Trade, Business and Investment in a Wider Europe” that had been held under the auspices of the Committee on 7 April 2003. The Workshop had provided significant input to the programme of work in this area, had been well attended and evaluated favorably by participants.

Decisions taken

19. The Committee noted document TRADE/NONE/2003/2 and the presentation from the Economic Analysis Division on the impact of EU enlargement and its relevance to the Committee's future work.

20. The Committee noted document TRADE/NONE/2003/3 and requested that the secretariat publish the proceedings from the Committee's 7 April 2003 Workshop on Trade, Business and Investment in a Wider Europe.

Item 5 – Trade promotion activities

Documentation:

TRADE/2003/3	Trade promotion activities
TRADE/2003/3/Add.1	Report on the activities of the Multiplier Point Network
ECE/TRADE/284	CD-ROM, Best practice for international business from the Committee for Trade, Industry and Enterprise Development

21. The secretariat presented its principal trade promotion activities: the CD-ROM publication of a compendium of the Committee's norms, recommendations and publications; the Internet publication of a Trade Promotion Directory containing key contact information for trade-related organizations in UNECE member States; and the development and maintenance of the "Multiplier Point Network", which promotes the Committee's work among potential users in the private and public sectors at a national level.

Decisions taken

22. The Committee requested the secretariat to continue its work on the Trade Promotion Directory and the Multiplier Point Network. It also requested that the Multiplier Point Network be further extended to cover a greater geographic area, especially in large countries such as the Russian Federation and Ukraine. In addition, and to the extent that resources can be made available to do so, the Committee expressed a wish to see relevant organizations throughout the rest of the UNECE region added to the network, so that these organizations can share their experiences and assist other members of the network.

23. The Committee noted documents TRADE/2003/3, TRADE/2003/3/Add.1 and ECE/TRADE/284.

REPORTS FROM SUBSIDIARY BODIES

Item 6 – Legal and commercial practice

Documentation:

TRADE/2003/4

Recent developments under the Working Party on International Legal and Commercial Practice (WP.5)

24. On behalf of the Bureau of the Working Party on International Legal and Commercial Practice (WP.5), Mr. Timothy Trainer (United States), Chair of the WP.5 Advisory Group on the Protection and Implementation of Intellectual Property Rights for Investment, presented the latest developments in the Working Party's activities. A task force of WP.5 members is developing a strategy document for the Working Party's activities in legal and commercial practices in the post-enlargement Europe. This document, after consultation with relevant delegations including the EU, will be presented to the next WP.5 session from 17 to 19 November 2003. That session of the Working Party will focus on the PPP Alliance's work in improving transparency and accountability in competitive tenders. While the workload of the Organization for Security and Cooperation in Europe (OSCE) did not allow the organization in 2003 of a second Villars conference on the economic aspects of conflict prevention, there is a clear interest on the part of the OSCE secretariat to organise such a meeting in the future.

25. During the past year, the Advisory Group had expanded some of its seminars to also look at the issue of valuation (in addition to enforcement), which is of particular interest to Governments with regard to privatisation.

26. The Russian Federation urged the secretariat to organize, as soon as possible, a meeting of the Private Public Partnership (PPP) Alliance, giving sufficient advance notice to delegates so that they might be able to attend.

27. The delegation from the European Community suggested that WP.5 might play a useful role in supporting the convergence between States' regulatory and market institution mechanisms in appropriate areas. This would be more satisfactory than helping CIS States with convergence with EU laws as the EC already has technical assistance programmes in place for this purpose. They noted that Villars II would not go ahead as originally envisaged, but urged the UNECE to make an effort to persuade the OSCE to hold Villars II early in 2004 in Vienna.

Further information about the Working Party on International Legal and Commercial Practice can be found on the Internet at: <http://www.unece.org/ie/Wp5/Welcome.html>

Decisions taken

28. The Committee noted document TRADE/2003/4 for information.

Item 7 – Industry and enterprise development

Documentation:

TRADE/2003/5	Summary of the major results of the 4 th session of the UNECE Working Party on Industry and Enterprise Development (WP.8), 13-14 February 2003
TRADE/WP.8/2003/11	Report of the 4 th session of the Working Party on Industry and Enterprise Development (WP.8)

29. The Chair of the Working Party on Industry and Enterprise Development, Ms. Judith Habuda (Hungary), presented the work accomplished since the fourth session of WP. 8 and invited the Committee to discuss ways and means of enhancing the scope of the UNECE's activities relating to the knowledge economy. She indicated that the Working Party was preparing an in-depth review of its programme of work with the objective of identifying areas of interest to the majority of member States. It is in this context that the perspectives of the UNECE's work on the knowledge economy, including the feasibility of establishing a new working party on knowledge economy, would be assessed.

30. The delegation of the European Community emphasized that the future directions of the UNECE's work on the knowledge economy, including the feasibility of establishing a new working party on the knowledge economy, should be carefully studied by the Committee's Bureau and discussed at the next session of Working Party 8. [See also paragraph 79]

Further information about the Working Party on Industrial Restructuring and Enterprise Development can be found on the Internet at: <http://www.unece.org/ie/wp8/main.htm>

Decisions taken

31. The Committee endorsed the report (TRADE/WP.8/2003/11) of the fourth session of the Working Party on Industry and Enterprise Development.

32. The Committee noted document TRADE/2003/5 for information.

Item 8 – Agricultural quality standards

Documentation:

TRADE/2003/6	Recent developments under the Working Party on Perishable Produce and Quality Development (WP.7)
TRADE/WP.7/2002/9	Report of the 58 th session of the Working Party Agricultural Quality Standards (WP.7)

33. In the absence of the Chairman of the Working Party, Mr. David Priester (United States), who could not attend the session, the Secretary of the Working Party presented documents TRADE/WP.7/2002/9 and TRADE/2003/6, in which the Working Party asked the Committee to approve the decision to change its name

from “Working Party on Perishable Produce and Quality Development” to “Working Party on Agricultural Quality Standards”.

34. At the last Committee session, some delegations had raised the issue of cooperation with the OECD Scheme for the Application of International Standards for Fruit and Vegetables and the secretariat was pleased to report that this cooperation continued to function very well. He assured the Committee that within the existing resources of both the UNECE and the OECD, everything was being done to ensure a speedy completion of the standards and their explanatory brochures. Further ideas for closer cooperation would be discussed between the secretariats and in the relevant Specialized Sections in the near future.

35. He said that the secretariat was currently more involved in capacity-building work, such as training courses. Upcoming activities in this area included the organization of two events in Moscow, co-organized with the Russian Federation (one on implementation of the UNECE bovine standard and one on the draft UNECE standard for chicken meat), from 22-26 September 2003. A request had also been received from Lithuania for a training course on implementation of the UNECE bovine standard. Cooperation had also been initiated with the other United Nations regional commissions and EAN International, as well as with the Black Sea Economic Cooperation Organization (BSEC).

36. The delegation of the European Community noted what had been said by the secretariat regarding cooperation with the OECD. Both the delegations of the European Community and the Russian Federation stressed the importance of this work and called for resources in this work area to be increased

37. The Chairman noted that the Bureau of the Committee was open to discussing well-documented requests for additional resources in order to determine what follow-up, if any, could be undertaken.

Further information about the Working Party on Agricultural Quality Standards can be found on the Internet at: <http://www.unece.org/trade/agr/welcome.htm>

Decisions taken

38. The Committee endorsed the report (TRADE/WP.7/2002/9) of the fifty-eighth session of the Working Party on Perishable Produce and Quality Development.

39. The Committee noted document TRADE/2003/6 for information.

40. The Committee approved the change of name from the “Working Party on Standardization of Perishable Produce and Quality Development” to the “Working Party on Agricultural Quality Standards”.

JOINT COMMITTEE AND UN/CEFACT SESSION (ITEMS 9-16)

Item 9 – Opening Statement by the Executive Secretary of UNECE to the Joint CTIED and UN/CEFACT session

41. In her introductory statement, the Executive Secretary of UNECE praised the work of the Committee and, in particular, its efforts at improving efficiency and effectiveness, including through the organization of the joint session with UN/CEFACT. She also referred to the work that had been developed under the auspices of the Committee with the aim of preventing the development of new barriers and divides within the European region.

42. She commended the work of the Committee in the areas of standardization, especially as regards trade facilitation, e-business and agricultural quality standards. She especially stressed the importance of the UNECE in continuing to provide an environment for the development of e-business standards that is neutral, open and provides free public access.

43. The Executive Secretary referred to the work on Youth Entrepreneurship – and in particular the Forum on Youth that had been held in August 2002 - as a concrete contribution to the realization of the goals of the Millennium Declaration and to the alleviation of poverty. Also contributing to this goal, in Legal and Commercial Practice, a project was being launched to help rural workers in the CIS turn their newly acquired property rights into sources of revenue.

44. She concluded by stating that the Committee had an important role to play in integrating all UNECE member States into the global and world economy, and in the support of further sustainable economic integration and growth within the entire region.

Item 10 – Technical harmonization and standardization policies

Documentation:

TRADE/2003/7	Working Party on Technical Harmonization and Standardization Policies (WP.6):
	Summary of the main activities and developments
TRADE/2003/7/Add.1	Telecom industry and market surveillance initiatives of the UNECE Working Party on Technical Harmonization and Standardization Policies
TRADE/WP.6/2002/17	Report of the 12 th session of the Working Party on Technical Harmonization and Standardization Policies

45. The Vice-Chair of the Working Party on Technical Harmonization and Standardization Policies (WP.6), Mr. Dusan Podhorsky (Slovakia), reported on the latest developments under this Working Party. In particular, he reported on the results of its 2002 International Forum on Market Surveillance. Coming out of this Forum was a proposal to further explore the elaboration of best principles/practices for controlling the conformance

of products in the marketplace to applicable standards and regulations and to establish a new ad hoc group of experts to provide advice to Governments in this area.

46. The WP.6 Chair, Mr. Christer Arvius (Sweden), presented WP.6 activities on regulatory matters, namely the sectoral pilot projects under the International Model for Technical Harmonization (UNECE recommendation "L" on standardization policy). These included the "Industry Telecom Initiative" which has resulted in proposals for regulatory convergence in the telecoms sector that would be discussed at a meeting with public authorities from 27 to 28 May 2003 in Geneva.

47. The "START" team, which has been entrusted by WP.6 to assist interested parties with sectoral initiatives, had also received a request to assess the feasibility of initiating a project in the sector of earth-moving machinery.

48. The Committee was informed of the Working Party's cooperation with sub-regional organizations in the UNECE region and, in particular, with the Central European Free Trade Agreement (CEFTA) and the Commonwealth of Independent States (CIS). A special information session on WP.6 projects will be organized during the 2003 annual meeting of the CIS Interstate Council for Standardization, Certification and Metrology (20-22 May in Armenia).

49. In the context of finding solutions to enhance the participation in UNECE events of countries in transition and, particularly, for those experiencing financial difficulties in sending their experts to Geneva, WP.6 reported on its initiative to have representatives from CIS groupings actively participate in WP.6 projects (for example, there is a liaison person for the CIS on the "START" Team). This practice provides the possibility for countries in the region to save time and resources and, at the same time, to have their views expressed on matters of interest to them.

50. Cross-sectoral cooperation between WP.6 and other UNECE intergovernmental bodies was also reported on, including the joint work on quality management with WP.8 and the proposed work with the Timber Committee on the environmental aspects of certification, the harmonization of building codes and on conformity assessment.

Further information about the Working Party on Technical Harmonization and Standardization Policies can be found on the Internet at: http://www.unece.org/trade/tips/wp6/wp6_h.htm

Decisions taken

51. The Committee approved the Working Party's decision to establish a new ad hoc team of experts on market surveillance to assist Governments in the development of effective systems for controlling the conformance of products in the marketplace to applicable standards and regulations.

52. The Committee endorsed the decision of the WP.6 Bureau to revise its terms of reference to address sustainability and cross-sectoral issues.

53. The Committee also endorsed the decision of the WP.6 “START” Team to continue its work on the development of the Telecom Initiative and to begin a new pilot project for the implementation of the International Model for Regulatory Harmonization in the area of earth-moving equipment.

54. The Committee endorsed the report (TRADE/WP.6/2002/17) of the twelfth session of the Working Party on Technical Harmonization and Standardization Policies (WP.6).

55. The Committee noted documents TRADE/2003/7 and TRADE/2003/7/Add.1 for information.

Item 11 - Trade facilitation

Documentation:

TRADE/2003/8

Recent developments under the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

TRADE/CEFACT/2002/41

Report of the 8th session of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

56. The Chair of the Committee invited the Chair of UN/CEFACT, Mr. Christian Frühwald (Germany), to take the presidency for this agenda item that was part of the joint Committee and UN/CEFACT Plenary session.

57. The UN/CEFACT Chairman highlighted the discussions from the UN/CEFACT session of 12-13 May that had concentrated on the legal issues surrounding the acquisition of additional support for the Centre’s work, particularly in the area of electronic business standards. Following an exchange of information between the UN/CEFACT Steering Group and the United Nations Office for Legal Affairs (OLA), a response had been received from the OLA the previous week. The advice received covered intellectual property rights, the core functions that would need to be performed by the secretariat and those functions that could be outsourced to an external support service provider. The OLA had suggested several options for how these services could be provided.

58. The UN/CEFACT Chairman also suggested holding an extraordinary Plenary session of UN/CEFACT later in 2003 to finalize a proposal for moving forward on this issue. The proposal would be developed by the CEFACT Steering Group based on the advice from the OLA, as well as on guidance received from member States.

59. In view of the important decisions to be made during the next 12 months, UN/CEFACT had decided to extend the terms of office of the current Steering Group by one year in order to allow the management in place to conclude the process of reorganization started in 2002.

60. In addition, during the past year, UN/CEFACT had held two Forums for its working groups under its new structure, one in Geneva at the Palais des Nations in September 2002 and the other in San Diego, United States of America in March 2003. Work completed during the past year included an update of Recommendation 28 (Codes for Types of Means of Transport), and new items such as a trading partner

agreement prepared by the Legal Group. The Plenary had also endorsed ebXML (electronic business eXtended Markup Language) specifications and requested that the CSG begin preparing a recommendation on the use of ebXML.

Further information about the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) can be found on the Internet at: <http://www.unece.org/cefact/>

Decisions taken

61. The Committee approved the request of UN/CEFACT to hold an extraordinary plenary session in the autumn of 2003, if necessary, in order to make critical decisions about how to obtain the necessary resources for its work, handle intellectual property right issues and, in the light of these decisions, move its work forward.

62. The Committee endorsed the report (TRADE/CEFACT/2002/41 and TRADE/CEFACT/2002/41/Add.1) of the eighth session of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT).

63. The Committee noted document TRADE/2003/8 for information.

Item 12 – Activities of the Commission’s other principal subsidiary bodies

Documentation:

TRADE/2003/9

Transport and trade:

Activities of the UNECE Inland Transport Committee of interest to the Committee for Trade, Industry and Enterprise Development

64. The secretariat presented its report on the activities of UNECE’s Inland Transport Committee of interest to the Committee for Trade, Industry and Enterprise Development. While cooperation between the two Committees already exists in some common areas of interest, other areas represent opportunities for further collaboration.

Decisions taken

65. The Committee noted document TRADE/2003/9.

66. The Committee endorsed the decision to issue a joint publication with the Inland Transport Committee on “Trade and Transport Facilitation Instruments and Recommendations”.

67. The Committee requested its Bureau to review document TRADE/2003/9 in detail with the objective of identifying potential areas for joint action and to return with recommendations to the next session of the Committee.

Item 13 – Programme of work and priorities

Documentation:

TRADE/2003/10	Documentation and the programme of work: Report of decisions taken by Bureau of the Committee for Trade, Industry and Enterprise Development
TRADE/2003/11	Draft programme of work, 2003-2005: Strategic directions
TRADE/2003/11/Add.1	Draft programme of work, 2003-2005: Work items
TRADE/2003/12	Review of programme of work implementation for 2002
ECE/TRADE/NONE/2003/19	Work programme matrix

68. The Chairman of the Committee introduced document TRADE/2003/10, which had been prepared by the Bureau for the Committee's approval. The document contained proposals for revising the format of the programme of work and related procedures. The Chairman expressed his appreciation for the programme of work documentation for this session, which was more user-friendly and transparent now that a common format had been implemented by the two Divisions servicing the Committee.

69. The Chairman then introduced the draft programme of work for the biennium, which was split into two documents: TRADE/2003/11, with the strategic directions, and TRADE/2003/11/Add.1, with the descriptions of specific work items. Some delegations expressed reservations concerning the wording of the document paragraphs 74, 75 and 78, which were subsequently revised.

Decisions taken

70. The Committee approved the Bureau's proposal for revising the format of the programme of work and related procedures (TRADE/2003/10).

71. The Committee approved its draft programme of work as found in documents TRADE/2003/11 and TRADE/2003/11/Add.1 together with the changes found in annex III and any other work items that had been approved during this session.

72. The Committee noted document TRADE/2003/12 for information.

Item 14 – Capacity building and implementation activities

Documentation:

TRADE/2003/14	Capacity-building and technical cooperation in support of the programme of work
TRADE/2003/20	Report on the Interregional Seminar “Capacity building in trade facilitation and electronic business in the Mediterranean” (E-Med Business), 29-31 January 2003

73. The secretariat presented the report on capacity-building and implementation, providing additional information on two projects.

74. It was noted that the many outputs generated by the extrabudgetary activity, 'Capacity Building to improve trade finance and investment prospects for the Russian timber sector' could be applied in other sectors and implemented in other parts of the region covered by the UNECE, subject to funding by the member States. Of particular importance is the work being done in the field of sustainable development and trade in biomass for energy production.

75. The delegation of the Netherlands also mentioned the important bilateral customs cooperation project between their country and the Russian Federation that had been generated by the project.

76. A report was also received from the Interregional project for capacity building in trade facilitation and electronic business in the Mediterranean. In January 2003 a successful seminar had been held resulting in the action plan and timetable found in document TRADE/2003/20. Training tools for capacity-building for governments and SMEs were also being developed as part of this project. Further information on this project can be found on the Internet at: <http://www.unemed.org>

Decisions taken

77. The Committee noted documents TRADE/2003/14 and TRADE/2003/20 for information.

Item 15 – Cross-sectoral activities in sustainable development, gender mainstreaming and ICT for development

Documentation:

TRADE/2003/15	Cross-sectoral activities in sustainable development, gender mainstreaming and ICT for development and the World Summit on the Information Society (WSIS)
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78. The Secretary to the Committee introduced document TRADE/2003/15 calling the attention of delegations specifically to paragraphs 45-54, concerning the contribution of the Trade Development and Timber Division to the automation of the TIR Carnet.

79. The delegation of Lithuania put forward the proposal that a Working Party on the Knowledge Economy be established under the auspices of the Committee. The proposed Working Party would both fit the UNECE mission and would also be particularly relevant for countries with economies in transition, especially in relation to ICT. The Chairman responded that the establishment of a new Working Party had important financial implications and such a proposal would need to be well-prepared and discussed by the Bureau, before being discussed by the Committee. [see also paragraph 30]

Decisions taken

80. The Committee noted document TRADE/2003/15 for information

Item 16 – Cooperation with other organizations in support of the programme of work

Documentation:

TRADE/2003/16

Cooperation with other international organizations

81. The secretariat presented this document describing new developments in UNECE's cooperation with other organizations. Of particular note were, a Memorandum of Understanding between the UNECE and the International Chamber of Commerce (ICC) which had as its basis the long-standing cooperation between the two organizations in the area of trade facilitation and outlines new mechanisms for consultation, cooperation and the exchange of information to link the relevant bodies of the ICC with UN/CEFACT, the Working Party on Legal and Commercial Practice (WP.5) and the Working Party on Industry and Enterprise Development (WP.8).

82. In response to an enquiry from the delegation of Greece, it was pointed out that the Trade Development and Timber Division of UNECE and the WTO cooperate extensively. In particular, WTO helped organize the International Forum on Trade Facilitation in 2002 and 2003, and the UNECE is involved in many activities with the WTO secretariat related to trade in goods, technical barriers to trade, and trade and the environment.

83. Additional cooperation activities between UNECE and other organizations are described in the chart contained in document TRADE/2003/16. Several delegations congratulated the secretariat on the initiative taken to present this important information in a well-organized framework.

Decisions taken

84. The Committee noted document TRADE/2003/16 for information.

POLICY SEGMENT

Item 17 – Policy segment: “Strategies to enhance trade facilitation implementation in UNECE member States

Documentation:

TRADE/2003/17	Strategies to enhance trade facilitation implementation in UNECE member States
TRADE/CEFACT/2003/12	Questionnaire 2003 on UNECE – UN/CEFACT trade facilitation recommendations
ECE/TRADE/NONE/2003/18	Transport and trade facilitation issues in the CIS-7, Kazakhstan and Turkmenistan

85. Following the International Forum on Trade Facilitation on 14 and 15 May, the Committee for Trade, Industry and Enterprise Development organized a Policy Segment to consider national strategies for trade facilitation implementation in UNECE member States. Mr. Alexander Safarik-Pstrosz, Chairman of FITPRO and Chair of the Committee also chaired the Policy Segment and provided information about the experience of the joint UNECE and Czech Republic project to assist CIS countries in developing national trade facilitation organizations and policy.

86. The Round Table included presentations from: Ms Aida Sofic, Head of Department for Cooperation with the European Union, Ministry of Foreign Trade and Economic Relations (Bosnia and Herzegovina); Ms. Pranvera Kastrati, Executive Secretary of ALBAPRO, Ministry of Economic Cooperation and Trade, (Albania); Mr Gerald Ollivier, World Bank Regional Trade Facilitation Coordinator for Bosnia and Herzegovina, Bulgaria, Croatia, and Serbia and Montenegro, and Mr. Heinz Schatzman, UNECE Regional Advisor for Trade Facilitation. Presentations covered current approaches to trade facilitation implementation in member States, including examples of successes and obstacles experienced, approaches to overcoming these obstacles, and considerations for future plans and priorities in this area.

87. The debate which followed the presentations highlighted the importance of a strategic approach to trade facilitation implementation, including careful needs assessment, the full participation of government and the private sector, the development of a clear implementation plan, and the important role of trade facilitation bodies as a focal point for trade facilitation policy development and implementation. The need for carefully planned and coordinated capacity development for trade facilitation in some transition economies was also emphasized, as well as the need for the UNECE to give this issue high priority.

Decisions taken

88. The Committee noted the presentations given under this item.

89. The Committee requested that the Bureau and the secretariat continue to incorporate support for the national and regional implementation of trade facilitation into the activities under the work programme wherever this is possible.

90. The Committee noted the background documents for the policy segment (TRADE/2003/17, TRADE/CEFACT/2003/12 and ECE/TRADE/NONE/2003/18).

INTERNATIONAL FORUM ON TRADE FACILITATION

Item 18 – Conclusions from the Chair and follow-up

Documentation:

TRADE/2003/19	Second International Forum on Trade Facilitation: Sharing the gains of globalization in the new security environment, 14-15 May 2003
TRADE/2003/21	Income distribution impact of trade facilitation in development countries (Background document for the International Forum on Trade Facilitation)
TRADE/2003/22	Proposal for standards development in support of trade facilitation and security: a collaborative approach
ECE/TRADE/324	The Single Window Concept
ECE/TRADE/299	Trade Facilitation: the Challenges for Growth and Development

91. The delegation of Switzerland introduced the “Chairman’s Conclusions” from the Forum.

92. The delegation of United Nations Economic and Social Commission for Western Asia (ESCWA) expressed reservations on the Chairman’s Conclusions, which they felt did not accurately reflect the proceedings. Specifically, they believed that the reservations of some developing countries on the involvement of the WTO in the discussions on trade facilitation were not sufficiently well represented.

Decisions taken

93. The delegation of Switzerland introduced the “Chairman’s Conclusions” from the Forum and the Committee then noted this document as being an overview of the discussions (the document is available from the secretariat and on the Committee’s WWW site). The Committee then asked the Bureau and the secretariat to follow up on any items in the “conclusions” if necessary.

94. The Committee requested that the secretariat include the “Chairman’s Conclusions” in the proceedings of the Forum and that these proceedings be published as soon as possible.

95. The Committee noted the background documents for the Forum (TRADE/2003/19, TRADE/2003/21 and TRADE/2003/22).

OTHER BUSINESS

Item 19 – Other business

Dates of the next session

96. The Committee agreed to hold its eighth session from 10 to 14 May 2004.

Topics for 2004 Forum and Policy Segment

Documentation:

TRADE/2003/24

Proposed topic for the 2004 Forum of the Committee for Trade, Industry and Enterprise Development (CTIED):

Promoting Trade, Industry and Enterprise in a Wider Europe

TRADE/2003/24/Add.1

Committee for Trade, Industry and Enterprise Development, 8th session:

Proposal for the 2004 Policy Segment

97. The Chair presented documents TRADE/2003/24 and TRADE/2003/24/Add.1. The first document proposed that the general theme of the 2004 Forum should look at the challenges that the region will face in the areas of trade, industry and enterprise following the enlargement of the European Union, and especially those challenges facing the “new neighbours”. The second document proposed that the theme of the 2004 Policy Segment be: facilitating trade and enterprise development across the future borders of Europe and how the UNECE could contribute to improving communications and cooperation between countries of the region.

98. The delegation of the European Community agreed with the general themes proposed, but requested that the extended Bureau of the Committee refine the actual titles, after having had a closer look at the content as well.

Decisions taken

99. The Committee approved the proposals for the overall themes for the 2004 Forum and the 2004 policy segment as found in documents TRADE/2003/24 and TRADE/2003/24/Add.1.

100. The Committee requested that the Bureau finalize the titles, content and detailed programmes for the Forum and Policy Segment for November 2003.

101. In the light of the problems in receiving pre-session documentation, which require decisions, in a timely fashion, and the in-session translations within 24 hours, the Committee has decided to request to the Executive Secretary to ask UNOG to give priority to investigating how this situation might be improved.

Item 20 - Adoption of the report

102. The Committee confirmed its decision to approve the report of the seventh session under the revised procedures agreed under agenda item 1.

Annex I

CTIED Report Approval Process

1. The Committee's Bureau requested the secretariat to review best practice within the UNECE as far as report approval is concerned. In particular, the Bureau was interested in looking at how other UNECE subsidiary bodies were approving their reports given that the Committee currently dedicates a half a day (of the maximum of 2 days allowed for its official session) to approving the report. In addition, the Bureau was concerned about maintaining the multi-lingual versions of its reports and decisions, as Conference Room Services in Geneva has begun to enforce a rule that requires all texts for "in-session" translation to be submitted at least 24 hours in advance.
2. Having looked at these issues, the Bureau would like to recommend the following procedures for approval of the annual reports of the Committee for Trade, Industry and Enterprise Development. The Bureau has also confirmed that these procedures are acceptable within the rules and procedures of the UNECE.
 - A. During the annual session of the Committee, rather than approving the entire report of the session, as is currently the practice, only the decisions taken during the session will be approved (*not* the report). The procedure will be to project the decisions on a screen in one of the three official UNECE languages, to read them (with simultaneous interpretation into the other two languages) and to **agree** them at the end of each agenda point. Then, to ensure correct translations of the decisions, the CTIED will appoint rapporteurs for each of the official languages to verify, after the session, that the translations of the approved decisions correspond to the meaning of the original text.
 - B. Before the end of the final day of the session, all decisions made prior to the mid-day pause will be made available to delegations in the three official languages of the UNECE.
 - C. Not later than five working days after the session the secretariat will distribute the draft final report to all heads of delegation.
 - D. Heads of delegation will have one month to send in their comments to the secretariat. Note: If the report records the position of a particular delegation, only that delegation can suggest modifications to that part of the text. No changes will be allowed to the decisions agreed during the CTIED session
 - E. If any substantive objections are raised that cannot be resolved between the party objecting and the secretariat, the Bureau will make the final decision as to what should be in the report.
 - F. After 15 days from the deadline for delegations' comments the report will be sent for translation and publication. However, before the official report is released, the rapporteurs will be given at least two weeks to review their respective translations of the report in order to ensure that it conforms to the agreed original version.

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Annex II
Proposal for the Restructuring of Committee Sessions

- i. The Committee will undertake an in-depth review of the programmes of work of the two sub-programmes under its responsibility on a rotational basis, that is to say, one year the Trade Development subprogramme and next year the Industrial Restructuring and Enterprise Development subprogramme [Note: reports from the other subprogramme would still be considered and discussed, but not to the same level of detail].
- ii. The Committee Forum for the year in question will be organized under the sub-programme under consideration, on a topic in its programme of work.
- iii. In addition, one or more of the subsidiary bodies belonging to the subprogramme in question will meet during the same week as the Committee. To increase the sharing of information and the mutual understanding of one another's work, a half-day joint session will be held between the Committee and the subsidiary body (or bodies) meeting during the same week. For example, in a year when Trade Development is discussed, the CTIED would meet jointly with one or more of the three subsidiary bodies supporting this sub-programme.

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Annex III

DOCUMENT TRADE/2003/11/Add.1 (Draft programme of work 2003-2005)

Replacement text for paragraph 74, 75 and 78

Work item 3.3.1: Economic integration in the UNECE region

- (74) The Trade Development and Timber Division as the UNECE Focal Point for EU matters and EU liaison will provide support for work on the implications for the UNECE of economic integration in the region. Brief studies will provide analyses of the potential impact of the greater integration of States not acceding to the EU, into the European and global economy and the opportunity for using UNECE instruments to facilitate this process, particularly in the field of trade and transport.
- (75) The UNECE has supported European economic cooperation for more than 50 years, through targeted activities, including issues related to European integration. UNECE instruments have proved important in facilitating trade, transit and customs matters as well as in promoting common legal instruments for transport and cross-border co-operation. Among those countries not acceding to the EU, the active use of these instruments and UNECE experience and expertise could greatly facilitate their further integration into the European and global economy. UNECE instruments provide the basis for EU activities and legislation in a number of areas. In order to strengthen trade, business and investment in the UNECE region, there will be a need for countries not acceding to the EU to adopt and implement legislation that is compatible with and converges on international legislation, norms and standards, including those of the EU. The EU provides technical and financial assistance for this purpose. The UNECE should make available its instruments to support the process of convergence.
- (78) UNECE will intensify its cooperation in the regions of southeast Europe, eastern Europe, the Caucasus and central Asia that are still in transition. It will offer its norms and standards to facilitate and promote the integration of these regions into the European and global economy, including through intra-regional and regional cooperation in a multilateral environment.

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