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**ECONOMIC COMMISSION FOR EUROPE**

COMMITTEE FOR TRADE, INDUSTRY AND  
ENTERPRISE DEVELOPMENT  
Fifth session, 13-15 June 2001  
Item 17 of the provisional agenda

**DRAFT PROGRAMME OF WORK, 2001-2002**

Note by the secretariat

This draft programme of work has been submitted for approval. It was prepared by the secretariat and approved by the Bureau for submission to the Committee.

A set of priorities for the Committee's main areas of work is approved every two years. The current set was approved at the Committee's June 2000 session and can be found in the report (ECE/TRADE/262).

This programme of work takes into account the deliberations of the Committee at its fourth session, and the decisions taken by the Commission at its session in 2000. The discussion will also take into consideration any relevant recommendations resulting from the fifty-fifth session of the Commission in May 2001.

More detailed information regarding the ongoing work under the Committee can be found on its Internet website: <http://www.unece.org/trade>

## **I. THE COMMITTEE: ITS FUNCTION AND GENERAL RESPONSIBILITIES**

### **A. Introduction**

1. The 1997 Plan of Action, which implemented the reform of the United Nations Economic Commission for Europe (UN/ECE), transformed the Committee on the Development of Trade into the Committee for Trade, Industry and Enterprise Development. This “new” Committee was given enlarged, as well as new, responsibilities which are now under a single UN/ECE Sub-Programme designated as: *Trade, Industry and Enterprise Development*.

2. Within the UN/ECE, the primary responsibility for supporting the Committee and its programme of work lies with the Trade Division. However, in the areas of SME development, and international legal and commercial practice, substantive support is provided by the Coordinating Unit for Operational Activities.

3. The Committee works with a diverse group of trade-related subsidiary bodies in order to set strategic policy and directions. It must coordinate their work, develop new activities, and identify areas of joint interest where synergies may be found through the exchange of expertise and joint activities.

4. The following are the subsidiary bodies which currently report to the Committee:

- United Nations Centre for the Trade Facilitation and Electronic Business (UN/CEFACT)
- Working Party on International Legal and Commercial Practice (WP.5)
- Working Party on Technical Harmonization and Standardization Policies (WP.6)
- Working Party on the Standardization of Perishable Produce and Quality Development (WP.7)
- Working Party on Industry and Enterprise Development (WP.8)

5. The Committee also ensures that it, and its subsidiary bodies, support the UN/ECE’s objective of “facilitating and strengthening the involvement of all member countries in harmonious economic relations”. In particular, this means contributing to the improved integration of all member States into the global and European economies and working to prevent the development of new barriers to trade in the region. Within the United Nations system, the Committee is also responsible for ensuring regional input to work on global issues of a cross-sectoral and trade-related nature.

### **B. Strategic management of the work programme**

6. The Committee is responsible for ensuring that the work of its subsidiary bodies takes best advantage of the resources available and supports UN/ECE objectives. This implies:

- Identifying new policy areas where the Committee’s subsidiary bodies should undertake supportive work;
- Identifying those areas where joint efforts between subsidiary bodies would create

synergies, higher quality and more relevant outputs;

- Ensuring that work is fully coordinated both between subsidiary bodies and with other international organizations;
- Ensuring, where appropriate, the adequate involvement of the private sector and non-governmental organizations.

### **C. Regional input to United Nations work on cross-sectoral and trade related issues**

1. Description: The UN/ECE's 1997 Plan of Action, endorsed by the United Nations Economic and Social Council, has identified four concerns which should permeate all areas of the UN/ECE's work:

- Special concern for the economies in transition;
- Mainstreaming of the gender perspective;
- Outlook for sustainable development;
- Involvement of the business community.

Therefore, to the greatest extent possible, all subsidiary bodies should incorporate these areas into their work programmes. This also requires regular reporting on the work done.

1. As a matter of policy, therefore, the Committee needs to ensure that the work of its subsidiary bodies, as well as its own work, takes into account the above cross-sectoral issues whenever it is possible to do so.

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2. The activities under each programme element are described below. In order to assist in the coordination of the work programme, the secretariat has organized the sequence of programme elements in order to more easily distinguish those elements which are under the direct responsibility of the Committee from those which are under the responsibility of the subsidiary bodies.

## **II. PROGRAMME ELEMENTS UNDER THE COMMITTEE'S DIRECT RESPONSIBILITY**

### **A. Analysis of recent and prospective trade and investment trends, policies and problems**

3. Description: The Committee shall contribute to policies regarding trade facilitation, technical harmonization, standards in trade and the development of trade and investment in the UN/ECE region by:

- Strategically reviewing selected issues;
- Developing information useful to policy makers and the business community;
- Promoting the exchange of such information and experiences;
- Building public/private partnerships.

The Committee will also consider and, where agreed, endorse selected topics for seminars, workshops and publications to be carried out under its auspices.

1. For the Committee's annual sessions, the Bureau, in cooperation with the secretariat, will define specific subjects for discussion under the general theme decided upon by the Committee. The secretariat will then prepare discussion papers and arrange a round table or forum on these subjects in consultation with the Bureau. The secretariat will coordinate with other international organizations as appropriate. It may also prepare special studies and notes on other subjects selected by the Committee, giving special attention to the conditions for expanding the trade of transition economies.

2. Work accomplished: During the first half of 2001, the secretariat published the proceedings of the forum organized for the fourth session of the Committee: "E-Commerce for Transition Economies in the Digital Age" (ECE/TRADE/268). A Forum on "Trading into the Future: e-Services for Trade, Investment and Enterprise" has been organized immediately prior to the fifth session. In addition, a policy Round Table on services in transition economies has been organized at the beginning of the fifth session and a background document (TRADE/2001/1 and TRADE/2001/1/Add.1) has been prepared for this Round Table.

3. Special activities to be undertaken:

- The background study for the Forum, on "Services in Transition Economies", will be published;
- The proceedings of the Forum "Trading into the Future: e-Services for Trade, Investment and Enterprise" will be edited and published;
- A Round Table and/or Forum on a theme to be selected by the Committee will be organized for the sixth session of the Committee.

## **B. Information and capacity building**

1. Description: The Committee works continuously to develop improved methods for disseminating its work to the private and public sectors, particularly in the countries in transition. In particular, the Committee will develop and maintain a network of national contact points, with the objective of encouraging these organizations to promote the use of UN/ECE guidelines, norms, standards and recommendations among interested private-sector participants and trade-policy officials.

2. The Committee will also develop and maintain information on its work on the Internet World Wide Web, with cross-reference "links" to the most relevant related work of other organizations.

3. With the support of extrabudgetary funding, the Committee will contribute to improved trade performance by designing programmes for capacity and trade-contact building which draw upon all the work undertaken under the Committee, i.e. trade facilitation, enterprise development, trade finance,

investment promotion and agricultural standards. Emphasis will be placed on extending UN/ECE guidelines, norms, standards and recommendations for the benefit of economies in transition. In addition, specific materials, seminars and workshops will be developed for, and in cooperation with, national contact points.

4. Work accomplished: A draft agreement between national contact points and the UN/ECE Trade Division has been developed and approved by the legal office in Geneva and the publication sales service. An initial list of potential national contact points has been established and invitations to participate have been sent to an initial “pilot project” group of organizations. In addition, extrabudgetary funding to support this project has been obtained in the form of a Junior Professional Officer financed by the “Agence

5. Staff training was continued and steps were taken to improve the Trade Division’s Internet web sites and particularly those related to cooperation with the other United Nations regional commissions and the Committee’s forums and sessions.

6. At the request of the Russian Federation, the secretariat continues to implement an extrabudgetary activity entitled “Capacity Building to Improve Trade Finance and Investment Prospects for the Russian Timber Sector”. The aim of this activity is to strengthen the trade performance of the Russian forest sector by extending, within it, the use of UN/ECE norms, standards and recommendations to support sustainable development. During the last year, a number of workshops, seminars and conferences were held (see TRADE/2001/10 for a list), and activities were expanded to cover the development of “Improved Trade

7. Special activities to be undertaken: Further work needs to be done to identify existing organizations and organizational networks that could serve as the basis of the above-mentioned network of national contact points. A “catalogue” of Committee-related publications and documents for promotion by national contact points will be developed and distributed. An Internet site providing information about the national contact point programme will also be developed.

8. Further improvements will be made to the Trade Division’s Internet web sites and, in particular, work will be undertaken to align these web sites with the guidelines for all UN/ECE web sites that are currently being developed.

9. Work on the extrabudgetary activity entitled “Capacity Building to Improve Trade Finance and Investment Prospects for the Russian Timber Sector” shall continue and will include:

- One to two expert meetings on improved customs and trade procedures for timber ports in St. Petersburg
- Workshops on sustainable development and certification of the timber trade. These workshops take place four times a year, three times in the Russian Federation and once in a

participating UN/ECE member State, in 2001 this will be the Netherlands.

- Four expert meetings on logistics in the Russian Federation and in the Netherlands. These meetings will focus on improving trade logistics for the sustainable use of biomass and on timber port logistics.

1. A Trade, Industry and Enterprise Development Directory will be developed, maintained and published. A detailed description of this project can be found in TRADE/2000/14/Add.1.

### **C. International commercial arbitration and mediation**

2. Introduction: The Arbitration Advisory Group fulfils an important function within the Committee for Trade, Industry and Enterprise Development's environment. Its principal function is to improve the commercial dispute resolution mechanisms in the Member States. This contributes directly to creating a framework conducive to investment and the development of trade, industry and enterprise.

3. The Bureau of the Committee proposes that the Arbitration Advisory Group report directly to the Committee.<sup>1</sup> In this context, the Committee is also invited to renew the mandate of the Arbitration Advisory Group as found in Annex to this document and as reflected in this section of the work programme.

4. Description: The Arbitration Advisory Group works to assist Member States in improving the quality and effectiveness of available commercial dispute resolution mechanisms. Because national court systems often do not provide prospective foreign investors with sufficient confidence, arbitration and mediation provide useful alternatives and are an important means for improving the investment environment. In addition, commercial arbitration offers the only internationally enforceable alternative to national court systems. Arbitration and mediation are also important for domestic enterprise development, (as shown by many years of experience in western Europe and North America) because of their ability to preserve confidentiality, speed up the process and reduce costs.

5. For the above reasons, the UN/ECE is interested in international commercial arbitration, as a supporting factor to the growth of trade, industry and enterprise in its region, and as the organization responsible for supporting the 1961 Convention on International Commercial Arbitration.

6. Work accomplished: During 2000, the UN/ECE Advisory Group on International Commercial Arbitration held two meetings as part of its review of the 1961 European Convention on International Commercial Arbitration. The recommendations and results from these meetings can be found in document TRADE/2000/16.

7. Support was also provided to the Southeast European Cooperative Initiative (SECI) Arbitration Group in the form of advice with regard to its participating organizations, terms of reference, programme of work

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<sup>1</sup> The Group was previously structured to report to the Working Party on International Legal and Commercial Practice; however, the Working Party is now much more oriented towards operational activities.

and training programmes.

8. Special activities to be undertaken: The Advisory Group has proposed that it undertake the following tasks during the coming year:

- To organize a formal, preparatory meeting, with nominated country representatives, to finalize the text and final act for the optional protocol revising the 1961 European Convention on International Commercial Arbitration.
- To present the final text, coming out of the above preparatory meeting to the Committee Bureau, in order for them to request the Economic Commission to call a meeting of plenipotentiaries for approval of the text.
- A survey of practical problems in international arbitration in the UN/ECE region to be taken among arbitration professionals, in particular lawyers and arbitrators.

### **III. PROGRAMME ELEMENTS UNDER THE DIRECT RESPONSIBILITY OF THE COMMITTEE'S SUBSIDIARY BODIES**

#### **A. Trade Facilitation**

1. Description: This work is carried out by the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT). By identifying and defining simple, transparent, and effective processes for global commerce, the Centre develops solutions to support the efficient exchange of products and relevant services across global markets by enterprise of all sizes. These are based on best practices in trade facilitation and electronic business and on internationally agreed information and communication technologies and standards.

2. UN/CEFACT comprises a Plenary, which meets annually; a Steering Group; six working groups; and one ad hoc group. Each group has its individual work programme and implementation plan. The work covers the following areas:

- Business process analysis
- Codes
- UN/EDIFACT (United Nations Electronic Data Interchange for Administration, Commerce and Transport)
- International trade procedures
- Related legal issues
- Techniques and methodologies
- Promotion of UN/CEFACT's work.

1. On an ongoing basis, UN/CEFACT:

- Analyses business processes to identify constraints to more effective processes, and develops (in the context of UN/CEFACT) value chain analyses;
- Facilitates international trade transactions through the development of proposals and recommendations for:
  - rationalized and simplified trade procedures and related information flows;
  - UN Layout Key trade documents suitable for reproduction and transmission from electronic and manual systems;
  - code sets and code structures to support business processes and procedures and, in particular, code lists for Recommendation No. 16, UN/LOCODE;
- Develops and maintains UN/EDIFACT as a key component of electronic business and as a key element in integrating electronic business with internal corporate systems and data; including the constant development and implementation of new working tools;
- Evaluates different technologies and works towards developing the future generation of electronic business messages;
- Identifies and evaluates legal constraints that affect procedures and practices in international administrative, commercial and transport transactions. Proposes and recommends practical solutions to these legal constraints, when appropriate in cooperation with organizations such as the International Chamber of Commerce (ICC) and the United Nations Commission on International Trade Law (UNCITRAL);
- Develops practical legal guidelines and recommendations to assist in advancing electronic business and commerce. Cooperates with the legal work of other international bodies on electronic business and commerce;
- Works and cooperates to ensure effective implementation of the Memorandum of Understanding on International Standardization with the International Organization for Standardization (ISO), the International Electro-technical Commission (IEC), the International Telecommunication Union (ITU) and the participating international user groups;
- Strengthens cooperation and information exchange between the United Nations



regional commissions, as well as with other United Nations agencies, especially the United Nations Conference on Trade and Development (UNCTAD).

1. Work accomplished: Several new and revised trade facilitation Recommendations were submitted for approval to the March 2001 UN/CEFACT Plenary: a Recommendation on *E-Commerce Self-Regulatory Instruments* (Codes of Conduct); an addendum and an informative annex to Recommendation 1 *The UN Lay Out Key for Trade Documents*; a newly revised Recommendation No. 18. *Facilitation Measures Related to International Trade Procedures*; revised Recommendations 19 and 20, *Codes for Modes of Transport* and *Codes for Units of Measurement used in International Trade*; and a new Recommendation No. 28, *Codes for Types of Means of Transport*. In addition, a new, revised Compendium on Trade Facilitation Recommendations has been issued. Two new UN/EDIFACT directories have been published as well as a new version of the Code List for Recommendation No. 16: *UN/LOCODE (United Nations Location Code)*. The Memorandum of Understanding between UN/ECE, ISO, IEC and ITU continues to be of significant value to UN/CEFACT and, as a result of the ongoing cooperation between the four organizations, in November 2000 a seminar (Business Object Summit- BOS) was organized on the coordination of standards for electronic data interchange.
2. In order to benefit from the Internet World Wide Web XML (Extended Markup Language) protocol, UN/CEFACT launched an initiative, in cooperation with the Organization for the Advancement of Structured Information Standards (OASIS), to research and identify the technical basis upon which the global implementation of XML could be standardized. This initiative is known as the electronic business XML (ebXML) initiative. In February 2001, the ebXML Technical Architecture Specification was approved. Serving as a roadmap to ebXML, the Technical Architecture Specification provides the foundation for all further ebXML specifications.
3. Special activities to be undertaken: UN/CEFACT will continue to develop a single technical framework to support the interoperability of XML-based electronic business and, in particular, to explore the possibility of developing semantic content in support of the ebXML Technical Architecture Specification. Recommendations 8 (Unique Identification Code Methodology ) and 12 ( Measures to Facilitate Maritime Transport Documents Procedures) will be reviewed and, if appropriate, revised. In liaison with the International Trade Procedures Working Group (ITPWG), the secretariat will study the feasibility of aligned electronic trade documents in order to implement the UN Layout Key and facilitate the use of UN/EDIFACT. This study (UnexDoc) will give specific consideration to the requirements of SMEs, transition and developing economies and will include recent developments in the area of Internet World Wide Web and XML technologies.
4. Further, the secretariat will explore the possibility of organizing a high-level meeting on trade facilitation in conjunction with the Committee for Trade, Industry and Enterprise Development, and in cooperation with other United Nations and international bodies.

## **B. Standardization of Perishable Produce and Quality Development**

5. Description: The Working Party on the Standardization of Perishable Produce and Quality Development prepares and revises standards, recommendations and interpretative brochures for controlling the commercial quality and marketing of selected perishable produce moving in international trade between and to UN/ECE member countries. Its work is organized into five specialized sections:

- Coordination of standardization of fresh fruit and vegetables
- Dry and dried produce (fruit)
- Meat
- Seed potatoes
- Early and ware potatoes.

1. The Working Party organizes workshops in the form of informal meetings of rapporteurs working on developing or revising particular standards (seed potatoes, meat, etc.) and on harmonizing standards and control procedures in countries in transition. The Working Party maintains close cooperation with the Food and Agriculture Organization of the United Nations (FAO) and the Organisation for Economic Co-operation and Development (OECD).

2. Work accomplished: Provisions for miniature produce were developed. Several standards were revised and adopted: Beans, Citrus Fruit, Cultivated Mushrooms, Peas, Table Grapes, Melons, Aubergines, Headed Cabbages, Cauliflowers, Fennels, Seed Potatoes, Sweet Peppers, Courgettes, and Tomatoes. The recommendations for apples and pears, inshell hazelnuts and hazelnut kernels were adopted as revised standards. A new standard for bovine carcasses and cuts was adopted. A recommendation for the revision of the standards on avocados and plums was adopted for a two-year trial period. General information on the Working Party and its specialized sections and all UN/ECE standards for perishable produce have been published on the Internet. Information about meetings on the Internet is also updated regularly. A meeting on seed potatoes was organized in Moscow from 23 to 27 October 2000.

3. Special activities to be undertaken include:

- Drawing up new standards, as requested by countries, on: pineapples, and ovine meat;
- Reviewing standards, as requested by countries, for: Apples and Pears (with a view to splitting this into two standards), Annonas, Lettuce, Peppers, Avocados - maturity requirements, Peaches and Nectarines - maturity requirements, Kiwifruit, Citrus Fruit - maturity requirements, Table Grapes - maturity requirements, Pistachio Nuts, Almonds, Seed Potatoes and Poultry Meat;
- Revising of the standard layout for dry and dried produce;
- Continuously updating the Internet homepage containing information on the work of the Working Party, its specialized sections and the standards;

- Reviewing the working procedures of the Working Party and its specialized sections;
- Interpreting the provisions concerning quality tolerances in the standards for fresh fruit and vegetables;
- Examining the modalities and procedures for the possible future task of preparing further explanatory material to UN/ECE standards;
- Organizing workshops on harmonizing standards and control procedures for perishable produce in countries in economic transition;
- Investigating quality assurance systems for perishable produce.

### **C. Technical Harmonization and Standardization Policies**

#### 1. Description: The Working Party on Technical Harmonization and Standardization Policies:

- Reviews developments in the field of standardization at international, regional and national levels;
- Issues recommendations related to technical harmonization and standardization;
- Organizes meetings and workshops.

#### 1. These activities are aimed at promoting industrial and enterprise development and trade by:

- Encouraging the international harmonization of standards and technical regulations;
- Removing or gradually reducing technical barriers to trade;
- Promoting scientific and technological cooperation through policies for standardization and related activities.

The Working Party cooperates and exchanges information with international and regional standardization organizations, particularly, the International Standard Organization (ISO).

1. Work accomplished: The tenth session of the Working Party (6-8 November 2000) commemorated the thirtieth anniversary of the beginning of UN/ECE activities related to standardization policies and technical harmonization matters (the first Meeting of Government Officials Responsible for Standardization was held in January 1970).

2. An international Workshop on, "The Role of International Standards and Technical Regulations in International Trade", was organized in conjunction with the tenth session. The Workshop brought together representatives of international and regional standardizing organizations, national standards bodies, national regulatory authorities and business people from UN/ECE member States. Participants in the

Workshop called for further dialogue on international regulatory cooperation and on promoting, whenever possible, regulatory convergence.

3. The Working Party considered the work of the ad hoc Team of Specialists on STandardization And Regulatory Techniques (“START” Team) and the first draft of an “International Model for Technical Harmonization” and agreed to continue its work in this area.

4. The Working Party also decided to establish an ad hoc team of specialists on metrology to develop projects in this area.

5. Special activities to be undertaken:

- To continue preparing the text for an “International Model for technical harmonization” in cooperation with interested Governments, international and regional organizations and private-sector associations.
- To explore possibilities for joint action with interested international organizations aimed at strengthening the role of international standards and promoting international regulatory cooperation;
- To start the work of a new ad hoc team of specialists on metrology to pursue the preparation of guidelines on methodologies for measuring procedures;
- To continue cooperation on cross-sectoral standardization related issues, in particular, the project for a “quality mark for meat” with WP.7 on the Standardization of Perishable Produce and Quality Development and the expert meeting mentioned below;
- To prepare a UN/ECE expert meeting on best practices for quality assurance for SMEs;
- To finalize the fifth revised version of the Standardization List;
- To hold workshops and seminars at the request of UN/ECE member States.

#### **D. Industry and Enterprise Development**

1. The Working Party on Industry and Enterprise Development (WP.8) promotes industrial restructuring, entrepreneurship and sustainable development (from a business perspective) in the UN/ECE region and its programme of work is organized accordingly.

2. Under all three headings the programme focuses on: (a) understanding and promoting best practices,

(b) developing guidelines for capacity building and networking that provide added value by promoting international cooperation between the public and private sectors and (c) drafting recommendations for government action in order to create a more conducive environment for investment and economic growth.

### **1. Industrial restructuring**

3. Description: Through this part of its work, the Working Party will assist member States, and transition economies in particular, to address the problems of restructuring heavy or traditional industries.

4. In particular, it will address relevant questions related to: overmanning, needs in trade and employment, and the competitiveness of products arising from changes in production structures and in markets. For example, over time specific activities will focus on: employment in spin-off companies; training and retraining; tools for financing the social consequences that arise from restructuring heavy industries; questions related to the effects on competitiveness of new distributions of financing, labour, raw materials and technological resources; and the ecological aspects of restructuring industries.

5. The Working Party will also collect and disseminate best practices and information on different instruments for regional economic development, such as industrial clusters and supply chains as part of the restructuring of industries.
6. Work accomplished: A great deal of the initial work related to organizing in February 2002 the round table on single industry towns regions and towns and overmanning has already been done, including the identification of speakers, the request for papers and the review of initial written submissions.
7. Special activities to be undertaken: Initially, activities will be grouped under the following projects:

*Social and economic aspects of restructuring heavy industries*

This activity will be launched in a seminar and/or a round table preceding the third session of the Working Party in February 2002. The seminar will address the different aspects of industrial restructuring, in particular in single industry regions and towns, including problems related to overmanning. It will also discuss the successes and failures of regional development programmes in addressing the consequences of restructuring industries in member States. The Seminar's recommendations will be addressed in subsequent programme components.

*Best practice in industrial clustering and the development of supply chains to enhance the creation of spin-off enterprises*

Initial activities will include three components, in the context of which the lead countries, in liaison among themselves, and the secretariat will develop the concrete activities.

- Regional potential for industrial development, with Lithuania as the lead country
- Increased competitiveness through enhanced subregional clustering, with Latvia as the lead country
- Supply chains to help medium-sized enterprises in transition economies to qualify as subcontractors and suppliers for multinational and foreign enterprises, with Hungary as the lead country

## **2. Entrepreneurship**

1. The Working Party on Industry and Enterprise Development aims to promote best practices in member States in: SME development; entrepreneurship and entrepreneurial development; access to finance; the creation of an enabling environment for entrepreneurship and enterprise development; and the enhancement of public-private partnerships. This work is undertaken in cooperation with the Black Sea Economic Cooperation (BSEC), the Central European Initiative (CEI), the Commonwealth of Independent States (CIS), Southeast European Cooperative Initiative (SECI) and other regional and subregional organizations,

as appropriate. For reporting purposes, the work on entrepreneurship has been divided into a number of thematic areas as described below.

**(a) Business incubation**

2. Description: The Team of Specialists on Business Incubation promotes and disseminates best practice in business incubation in the UN/ECE region. The Team includes some 150 business incubation experts from 36 countries and is supported by the UN/ECE Industry and Enterprise Development Section, the Regional Adviser on Small and Medium-sized Enterprises and the Science Park and Innovation Centre Expert Group (SPICE).

3. Work accomplished: Based on the information collected by the Team of Specialists, the UN/ECE published "*Guidelines on Best Practice in Business Incubation*" in May 2000 (ECE/TRADE/253). This publication is the first in a series on "*Best Practice in Enterprise Development*" in English and Russian. The Guidelines cover the basic conditions and framework required for establishing business incubators in a number of countries in central and eastern Europe and the Commonwealth of Independent States, such as basic principles, financing, services available and choice of tenants.

4. Special activities to be undertaken: An update of the above publication will be prepared in order to include those member countries which were not able to participate in the first edition and to allow for the updating of existing contributions. The revised version will be published in English and Russian and also will be made available on the UN/ECE website.

**(b) Business advisory, counselling and information services**

5. Description: The Team of Specialists on Business Advisory, Counselling and Information Services will follow up on the recommendations that were formulated by the UN/ECE Meeting of Experts on Business Advisory, Counselling and Information Services. In particular, the Team will work on a publication on this topic for the UN/ECE series on best practice in enterprise development.

6. The Team will also contribute, as appropriate, to the work of the secretariat on dissemination centres / multiplier points for the dissemination of guidelines, reports and other relevant materials related to industrial restructuring and enterprise development.

7. Work accomplished: A Meeting of Experts on Best Practice in Business Advisory, Counselling and Information Services was organized, as well as a second country review on SME policies, "Best Practice in the Development of Entrepreneurship and SMEs in Countries in Transition: the Hungarian Experience". Pilot centres for the dissemination of information on enterprise development were established in the Russian Federation and Slovenia.

8. Special activities to be undertaken: The Team will collect best practice in business advisory,

counselling and information services and conduct country surveys for publication in the series on “Best Practice Guidelines”. A third country review on SME policies will be organized covering a transition economy. A Meeting of Experts on Best Practices in the Creation of Quality Systems for Enhancing the Competitiveness of SMEs also will be organized.

(c) **Internet enterprise development**

9. Description: The Team of Specialists on Internet Enterprise Development promotes and disseminates best practice related to the use of the Internet as a broad-based tool for enterprise development.

10. Work accomplished: The first survey in the UN/ECE Series on Best Practices in Internet Development "Survey of Internet Infrastructure Development" was issued. A series of UN/ECE regional conferences on Digital Economy and Internet Enterprise Development in Transition Economies was initiated and the first conference was organized in Romania in October 2000.

11. Special activities to be undertaken:

- Initial work will be undertaken in order to develop and begin a pilot project for examining the feasibility and efficiency of alternative Internet connection systems and their cost-effectiveness for enterprise and entrepreneurship development in transition economies. At the invitation of the Ministry of Entrepreneurship and Investment of Belarus, the pilot project will consider the case the “Teleinternet project”, the Belarusian interactive television system which aims to produce a client-server platform solution for enterprises by combining existing television network and Internet technologies.
- In support of the pilot project, “e-Macedonia for All”, to be implemented in the Former Yugoslav Republic of Macedonia, a series of pilot project elements will be developed in close cooperation with the European Union and the relevant international organizations. These project elements will include universal Internet access, e-Government initiative and the e-Payment systems development in the country.
- In further support of the above project, *a fact-finding survey* will be undertaken in the Former Yugoslav Republic of Macedonia focusing on an inventory of activities already under way or planned, and related recommendations.
- A series of regional conferences will be organized on the “*Digital Economy and Internet Enterprise Development in Transition Economies*” in collaboration with Governments in the region. These are planned to include:
  - “*The Digital Economy and Internet Enterprise Development in the Former Yugoslav Republic of Macedonia and South Europe*”
  - “*The Digital Economy and Internet Enterprise Development in Georgia*”



*and the Black Sea Region”*

- *“The Digital Economy and Internet Enterprise Development in the Russian Federation and the CIS”*

**(d) Trade and enterprise finance**

1. Description: The objective of this part of the work programme is to identify obstacles to trade and enterprise financing in transition economies and propose recommendations to overcome those obstacles, with particular attention to the situation in the Commonwealth of Independent States. Special emphasis is placed on: the problems encountered by SMEs; the development of practical solutions to existing problems, including new schemes for export financing; and the development of recommendations to relevant governmental bodies.
2. Work undertaken: The proceedings from the trade finance workshop on, “Eliminating Obstacles to Efficient Trade Finance in Transition Economies: Practical Aspects”, organized in May 2000 in Riga, Latvia were finalized and published (ECE/TRADE/267)
3. Special activities to be undertaken: A workshop on, “The Practical Aspects of Trade and Enterprise Finance in CIS Countries with Special Reference to Problems Encountered by Small and Medium-sized Enterprises”, will be organized in Minsk at the invitation of the Ministry of Entrepreneurship and Investment of Belarus. Proceedings from the workshop will then be published.

**(e) Women’s entrepreneurship**

4. Description: Work is needed to promote women’s self-employment and entrepreneurship. Women face many barriers to starting their own businesses. Many of these barriers are gender specific, such as an unfavourable social climate, lack of networks, and inadequate access to credit and training. The situation of women entrepreneurship in transition countries requires special attention against the background of deep cuts in women’s jobs and the rise of female unemployment. Activities shall be undertaken with the goal of creating an enabling environment for women’s entrepreneurship as well as improvements in the social and business environment for them, especially in transition countries, by encouraging a regional discussion on best practices, developing the exchange of experiences (including via the Internet), providing policy advice and organizing workshops and seminars.
5. Work undertaken: This is a new activity proposed by the Working Party on Industry and Enterprise Development. Promotion of women’s entrepreneurship is part of the agreed conclusions on women and economy from the 2000 UN/ECE Regional Meeting on the implementation of the Beijing Platform for Action.
6. The UN/ECE has organized a round table on women’s entrepreneurship during the third Central European Initiative Summit in Budapest (November 2000).

7. Special activities to be undertaken: Activities during the coming year will focus on the: (a) introduction of a gender perspective in all major UN/ECE activities related to the development of SMEs and entrepreneurship, (b) organization of training workshops at sub-regional and regional levels; and (c) networking activities, including establishment of a UN/ECE regional network to support women's entrepreneurship that gathers women entrepreneurs, experts and policy makers at all levels. These activities will benefit from the work of UN/ECE regional advisory services in the area of gender, entrepreneurship and SME development.

**(f) Entrepreneurship in poverty alleviation**

8. Description: The Team of Specialists on Entrepreneurship and Poverty promotes entrepreneurial activities among the poor with support from the public and private sectors. The objective is to develop effective and efficient instruments to alleviate poverty and social inequalities by widening the set of income-generating opportunities for the poor. Activities to support this objective include:

- raising awareness of the importance of a multi-dimensional approach to promoting entrepreneurship for poverty alleviation;
- reviewing the impact on the poor of norms and regulations governing business;
- identifying policy instruments, best practices that are most effective and efficient in reducing poverty and social inequalities through entrepreneurship;
- identifying technologies, organizational forms and support services that could reduce costs of starting-up and sustaining SMEs, created by the poor;
- suggesting specific programmes and approaches to encourage entrepreneurship among specific groups of the poor, as well as in poverty-stricken regions;
- identifying possible areas of public-private partnership which could benefit the poor.

1. Work undertaken: This is a new activity proposed by the Working Party on Industry and Enterprise Development to support the call, emanating from the United Nations Millennium Summit, for a joint concerted effort to combat poverty and social inequalities.

2. Special activities to be undertaken: A series of workshops will be launched to study the impact on the poor of norms and regulations governing business activities in order to identify those policy instruments that are most effective and efficient in reducing poverty and social inequalities. One or more seminars will also be organized to raise awareness of the importance of different approaches to promoting entrepreneurship for poverty alleviation

(g) **Business synergy network**

3. Description: With Latvia as the lead country, the synergy network will prepare activities related to cross-border synergies to enhance competitiveness through the sharing of: experiences, best practice, guidelines, and recommendations on industrial and enterprise cooperation.
4. Work undertaken: This is a new activity proposed by the Working Party on Industry and Enterprise Development and will be further developed during the coming year.
5. Special activities to be undertaken: The lead country will prepare a more detailed action plan and liaise with other member States to incorporate additional activities on regional aspects of industrial development, clustering and supply chains.

3. **Sustainable Development**

6. The aim of the work of the Working Party in this field is to support the sustainability of the industrial and enterprise sectors, particularly in transition economies and enhance their competitiveness. The current programme of work consists of the following activities:

(a) **Environmental problems affecting competitiveness: CHEMISEED**

7. Description: The Team of Specialists on CHEMISEED is responsible for the *Pilot Project Demonstrating the Environmental Cleanup of Sites Contaminated by Chemicals*. The Team of Specialists will also carry out some specific remaining tasks on environmental aspects of the chemical industry.
8. Work undertaken: The second edition of the *Compendium on Soil Clean-up Technologies and Soil Remediation Companies*, and the *Directory of Chemicals and Suppliers in Europe* were published. A new site from Poland was accepted into the first priority listing of contaminated sites for the Pilot Project, and the progress made at other sites was reviewed. The third seminar on soil decontamination was held in March 2001 in Paris, with 780 participants.
9. Special activities to be undertaken: The Team will contribute to a fourth seminar on Analysis, Methodology of Treatment and Remediation of Contaminated Soils and Groundwater to be held in 2003, similar to the one held in March 2001, providing resources can be made available. Specific remaining tasks on environmental aspects of the chemical industry will also be undertaken.

(b) **Trade in radioactive contaminated metal scrap**

10. Description: The Team of Specialists on Radioactive Contaminated Metal Scrap serves as a forum

where technically qualified partners of the steel industry, government representatives and qualified organizations consult each other in order to propose solutions acceptable at the international level for harmonizing the legislation, systems of measurement, and levels of investigation concerning radioactivity of metallurgical scrap and, if possible, to draw up codes of practice/conduct in this area.

11. Work accomplished: During the period October 1999 – February 2001 seven meetings took place in Geneva, Brussels and Vienna to develop and approve a proposal for Guidelines on the Management of Radiation Protection Aspects in the Recycling of Metallurgical Scrap. These Guidelines will be used by the industry to draw up codes of practice in the area (harmonised levels of investigation, measuring systems, etc.).

12. Special activities to be undertaken: The Team will finalize the Guidelines mentioned above, within its present one-year mandate, and will promote them.

#### **E. International Legal and Commercial Practice**

13. Description: This part of the Work Programme is implemented by the Working Party on International Legal and Commercial Practice (WP.5), which prepares guides and manuals for improving frameworks for investment and provides advice to individual Governments of the economies in transition on the improvement of the legal, regulatory and institutional environment conducive to foreign direct investment. The Working Party has established the following three expert advisory groups to provide technical assistance in specific areas:

- (a) the Build-Operate-Transfer (BOT) Group, which provides advice on attracting private investment into infrastructure services such energy, telecommunications, transport, water, waste disposal and environmental services;
- (b) the Advisory Group on the Protection and Implementation of Intellectual Property Rights (IPRs), which provides support to Governments for improving the enforcement and protection of intellectual property rights to attract investment in innovative, creative and high technology industries;
- (c) the Real Estate Advisory Group (REAG), which helps to attract investment in the financial services, mortgage banking, insurance and real estate brokerage industries.

1. Work undertaken: Guidelines on best practice for promoting public/private partnerships in energy, transport, telecommunications, water and waste disposal, housing and education were prepared and were launched at the UN/ECE Forum on Public Private Partnership for Infrastructure Development in December 2000. In addition, during that forum, the Public-Private Partnership Alliance was launched in order to attract more participants and funding to the work being undertaken by the BOT Group. A negotiating platform was also prepared that: outlines the main clauses in complex concession contracts, identifies the

public interest, and explains how Governments can protect their interests in negotiating with foreign and domestic private companies.

2. The IPR Advisory Group undertook three consultative visits: to Latvia and Lithuania (November 2000) and the Russian Federation (April 2001); it organized two training seminars for judges, prosecutors and customs in Estonia in October and November 2000 and one regional seminar for the judiciary and enforcement agencies from Bulgaria, Hungary and Romania in Sofia (April 2001); a round table meeting with Polish government representatives and representatives of local intellectual property rights holders was held in Warsaw in January 2001; and the Group organized a Symposium on the Internet and Intellectual Property Crime in London in March 2001.

3. The Real Estate Advisory Group undertook a survey of the real estate market development activities of international organizations in transition economies and, in May 2000, held a meeting with representatives of international organizations and NGOs on improving coordination in delivering technical assistance to improve the land markets in the transition economies. As a result of that meeting, an extensive Internet site with information about the work of all participating organizations was put in place. A seminar on real estate markets in transition economies was also organized during the Central European Initiative's annual meeting in November 2000.

4. Special activities to be undertaken: Two consultative visits by the IPR Advisory Group are planned to Ukraine (July 2001) and Poland (to be decided) and two training seminars for judges, prosecutors and customs from Baltic countries are envisaged for autumn 2001. Consultative missions by the Real Estate Advisory Group to, possibly, Romania, Slovakia, Poland and Croatia are planned for July/December 2001 and a REAG conference on valuation issues is planned for September 2001. The Public-Private Partnership Alliance will hold an International Legal Symposium on Public-Private Partnerships (PPPs) with the United Nations Commission on International Trade Law (UNCITRAL) in Slovenia in June 2001.

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**ANNEX**  
**Mandate**  
**for the continuing work of the**  
**Arbitration Advisory Group**

**Having fulfilled all the objectives and deliverables defined in its original mandate, but finding that there is still work to be completed with regard to the amendment of the 1961 Convention and the promotion of arbitration in the region, the Advisory Group would like to make the following proposal for the continuation of its work.**

**1. Objectives**

- (a) To finalize the text for presenting the agreed amendments to the 1961 Convention and to organize the necessary meeting of plenipotentiaries to approve them.
- (b) To promote arbitration and conciliation/mediation in the UN/ECE region, including promotion of the 1961 Convention and the attraction of new contracting states.
- (c) To develop guidelines and assistance for strengthening international commercial arbitration in the countries of the region.
- (d) To report on current problems in international arbitration and provide suggestions as to how those problems might be addressed.
- (e) To review on an ongoing basis arbitration developments in the United Nations Commission on International Trade Law (UNCITRAL) and other forums and to evaluate their impact on the region and the usefulness of developing regional agreements based on those developments (which might include, eventually, the development of optional protocols to the 1961 European Convention).

**2. Deliverables**

For 2001 and 2002:

- (a) A survey of practical problems in international arbitration undertaken among arbitration professionals, in particular lawyers and arbitrators, who work in transition economies.
- (b) An amended 1961 European Convention text, approved by the contracting States.

- (c) Reports on current problems in international arbitration with recommendations as to how those problems might be addressed. These recommendations should include suggestions as to which organizations would be responsible: UNCITRAL, the International Chamber of Commerce (ICC), the United Nations Economic Commission for Europe (UN/ECE), etc.) for the recommended actions in order for WP.5 to undertake liaison as appropriate.
- (d) Support to the Southeast European Cooperative Initiative (SECI) Arbitration Group, the exact form of which should be decided together with that Group, but which would probably include assistance with training.

### **3. Membership**

In order to fulfil its mandate, the Group needs members with wide experience in arbitration and, particularly, international commercial arbitration. Familiarity with bilateral and multilateral agreements and conventions, as well as national legislation in this area, would be helpful. Participation will be encouraged from: government, the private sector, authorities acting as appointing bodies for arbitrators, and other United Nations and international organizations active in this area (such as UNCITRAL and the ICC).

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