

# Meeting of the UNECE Group of Experts on Risk Management in Regulatory Systems

16 March 2023

# Introduction of participants and today's agenda

Mr. Valentin Nikonov

# Previous webinar – 19 January

Time	Agenda item	Moderator/Speakers
11:00 – 11:05	Decisions made at previous webinars and today's agenda	Mr. Valentin Nikonov
11:05-11:20	GRM at the WP.6 Annual Session and plans for 2023. Proposed working procedures for WP.6	Mr. Stephan Naundorf/Lance Thompson
11:20 – 11:40	Presentation made at the Panel Session “Digital, green transformations and quality infrastructure”	Mr. Donald Macrae
11:40-11:45	Questions/discussion	Mr. Stephan Naundorf /Participants
11:45 – 12:05	Presentation made at the Panel Session “Digital, green transformations in other areas that can impact quality infrastructure”	Ms. Jamila Mendoza
12:05 – 12:10	Questions/discussion	Mr. Stephan Naundorf /Participants
12:10 – 12:20	Update on the Artificial Intelligence Project Proposal	Mr. Markus Krebsz
12:20 – 12:30	Risk management in the context of SDG 14: update (TBC)	Mr. Roland Cormier
12:30-12:40	Project Proposal “Integrated risk management in Single Window systems”	Mr. Lance Thompson
12:40-12:45	Update on the work of the ISO 262 Technical Committee ‘Risk management’	Mr. Valentin Nikonov/Participants
12:45-13:00	Floor open for presentation by members/Reserve	Mr. Stephan Naundorf /Participants

# Today's agenda

Time	Agenda item	Moderator/Speakers
11:00 – 11:05	Decisions made at previous webinars and today's agenda	Mr. Valentin Nikonov
11:05-11:20	Preparation of the GRM Annual Session	Mr. Donald Macrae
11:20 – 11:35	Update on the Artificial Intelligence Project	Mr. Markus Krebsz
11:35-11:40	Questions/discussion	Acting Chair/Participants
11:40 – 11:55	Update on the Project “Integrated risk management in Single Window systems”	Mr. Valentin Nikonov/Participants
11:55 – 12:00	Questions/discussion	Acting Chair/Participants
12:00 – 12:15	The cybersecurity regulatory framework and compliance in digital green transformations	Ms. Jamila Mendoza
12:15 - 12:20	Questions/discussion	Acting Chair/Participants
12:20 – 12:25	UNECE WP.6 Webinar “Market surveillance role in combatting counterfeit products”: update	Mr. Tauno Kangur
12:25 – 12:40	Regulation and Trade in the Global Risk Report 2023	Mr. Valentin Nikonov
12:40 - 12:45	Update on the work of the ISO 262 Technical Committee ‘Risk management’	Mr. Valentin Nikonov/Participants
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# GRM Annual Session 2023: preparation

Mr. Donald Macrae

**22 May from 14:00: Conference: Back to basics of Quality infrastructure**

This half day conference aims to review the key aspects of quality infrastructure to help guide the work of the experts of WP.6. It also aims to explain to member States and international organizations the basic principles of quality infrastructure.

**23 May from 10:00: Annual meeting of the Ad-Hoc Team of Specialists (START) and its initiatives**

This annual meeting shall take stock of the progress and impact of each of the initiatives since the inception of the START and assess if the Team of Specialists should be renewed for a further two-year mandate.

**24 May from 11:00: Annual meeting of the Team of Specialists on Gender-Responsive Standards (GRS)**

The Team of Specialists on Gender-Responsive Standards (GRS) aims at providing a practical way forward for standards bodies wishing to take a step towards gender equality through the standards they develop and their standards development process. During this meeting, we will take stock of work achieved and future activities as well as provide updates and share experience of work on gender-responsive standards, inclusivity in standards development and related gender action plans.

**25 May from 10:00: Annual meeting of the Group of Experts on Risk Management in Regulatory Systems (GRM)**

The Group of Experts on Risk Management in Regulatory Systems (GRM) aims to contribute to the safeguard against hazards that stem from the quality of products and services – or lack thereof – that have the potential to cause harm or damage the health and safety of consumers and the environment. During this meeting, we will take stock of work achieved and future activities and feature a panel discussion on a topic related to risk management in regulatory

**26 May from 11:00 to 13:00: Annual meeting of the Advisory Group on Market Surveillance (MARS)**

The Advisory Group on Market Surveillance (MARS) is a unique forum where market surveillance agencies and conformity assessment bodies can exchange on best practices and improved coordination internationally. During this meeting, we will take stock of work achieved and future activities and feature a panel discussion on exchanges of best practices in market surveillance.

**26 May from 14:00 to 17:00: Annual meeting of Academia Experts Focal Point Network of Education on Standardization**

The initiative on education of standardization aims to support efforts by schools, universities, vocational training institutions and other training and research establishments to integrate standards and standards-related issues in their curricula. During this meeting, we will further enhance the focal point network of academia experts and exchange experiences on best practices in education on standardization.

25 May 2023 11:00 - 17:00

Risk management is essential for the key areas of work of WP.6:

- Risk management principles constitute an important building block of the international trade system and lie at the basis of several WTO Agreements. Efficient application of risk management by regulatory authorities is crucial for facilitating trade and removing technical barriers.
- Ensuring health and safety of consumers requires building risk-based regulatory frameworks, which would bring risks to a tolerable level by devising and implementing regulatory requirements that are proportionate to risks they were set out to address.
- Achieving Sustainable Development Goals and implementing the principles of Circular Economy require regulations that would minimize effects of uncertainty on objectives.

All experts are welcome to join these meetings. The UNECE WP.6 particularly encourages women experts to consider joining these work flows.

During this meeting, the GRM will assess the progress of its activities in the 2023 Programme of Work and decide on the priorities for the coming period. It will report on projects, publications and other activities that have been accomplished since the June 2022 annual meeting. The meeting will be followed by a high-level panel on a them related to risk management.

This meeting is taking place as part of the WP.6 Second Forum. Find out about the other meetings [at this webpage](#).

## Agenda

- 11:00 - 12:30: Administrative (examining PoW 2023, achievements, what needs further work, PoW 2023, preparing report for the WP.6 Annual session)
- 13:30 - 17:00: Panel discussion on a topic related to risk management in regulatory systems

# Plans for 2023

Risk management aims to safeguard against hazards that stem from the quality of products and services – or lack thereof – that have the potential to cause harm or damage the health and safety of consumers and the environment.

Standards and technical regulations are – among other things – risk mitigation tools and they should be proportionate to risks they were set out to address.

Development and enforcement of regulations require application of the state-of-the-art risk management tools.

Taken collectively, regulations make products safe, make organizations' processes stable and ensure consumers are better protected from hazards. The Group of Experts on Risk Management in Regulatory Systems (GRM) is the focal point within WP.6 for this work.

# Plans for 2023

In the area of risk management, WP.6 plans to conduct the following activities:

- (a) Develop training materials and guidance documents on the implementation of the suite of risk management recommendations
- (b) Conduct a survey on the application of crisis management principles described in *Recommendation P on Risk Management in Regulatory Systems* during the COVID-19 crisis
- (c) Develop best practice on applying integrated risk management within the Single Window (in cooperation with the United Nations Centre for Trade Facilitation and Electronic Business – UN/CEFACT)
- (d) Enhance cooperation through the secretariat of WP.6 with customs agencies, national trade facilitation bodies, and international organizations working in the field, with an objective to improve risk management procedures and harmonization and to contribute to the risk management activities of other international organizations
- (e) Establish and strengthen through the secretariat of WP.6 liaison with other risk management organizations



# Update on the Artificial Intelligence Project Proposal

Mr. Markus Krebsz

Update on the project  
"Integrated Risk Management in  
Single Window Systems"

Mr. Valentin Nikonov

# Objectives of the project


- Developing a White Paper guideline to describe the best practices of coordinated risk management among multiple government agencies through a Single Window
  - A practical example of applying the principles of WP.6 GRM Recommendation V (and preceding recommendations)
  - To the principles of the UN/CEFACT developed Recommendation 33 (and subsequent SW recommendations).
- Planned to be developed in close collaboration with the experts of the UN/CEFACT Single Window domain

# Project Launch Meeting

- 6 March 2023
- Georgia, Singapore

# WP.6 Recommendation V and ITC/UNECE Guide

UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE



**Recommendations  
on Regulatory Cooperation  
and Standardization Policies**

**V Addressing Product Non-Compliance Risks in International Trade**

The Working Party on Regulatory Cooperation and Standardization Policies,

**Taking into account** the wide range of risks present within an international trade system,

**Noting** that efficient and proportionate management of customs risks as well as risks of product non-compliance with technical regulations and standards associated with incoming shipments is a prerequisite to optimizing border compliance time and costs for importers and for avoiding unnecessary trade disruptions,

**Stressing** the importance of import compliance as a key component of market surveillance and enforcement framework, and its higher efficiency compared to post-market control in providing safety of consumers, society and environment, as well as for achieving fair market competition,

**Noting** that import compliance inspections performed by regulators responsible for compliance with technical regulations and standards have a strong impact and often hamper trade facilitation,

**Highlighting** that management of product non-compliance risk is of particular importance for setting priorities in market surveillance and import compliance with the purpose of removing dangerous and non-compliant products from the market, as described in Recommendation 5,

**Reminding** that market surveillance is a necessary component of any regulatory system and that building risk-based regulatory systems that would be proportionate to risks that are relevant to the Sustainable Development Goals (SDGs) and targets is essential for sustainable development, as described in Recommendation 1,

**With the objective** of further assisting regulatory authorities in achieving the objectives of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA), Technical Barriers to Trade (TBT) and sanitary and phytosanitary measures (SPS) Agreements, as well as in implementing the integration principles described in the World Customs Organization's Risk Management Compendium,

**Noting** that the efficiency of risk management application at the border depends on

- individual risk management capacity of each regulatory agency involved in border control in management of non-compliance risks, ensuring correct evaluation of consequences and of the probability of non-compliance associated with each incoming shipment;
- integration of risk management systems of border control agencies, essential for ensuring involvement of all regulatory agencies in risk management in a cost-effective way,



Managing Risk for Safe,  
Efficient Trade

GUIDE FOR BORDER REGULATORS



International  
Trade  
Centre

In collaboration with  
 **UNECE**

# Optimizing border compliance time and costs while maintaining regulatory requirements

## Integrated risk management strategy

- All non-compliance risks within one system
- Overall border compliance time and costs as metrics

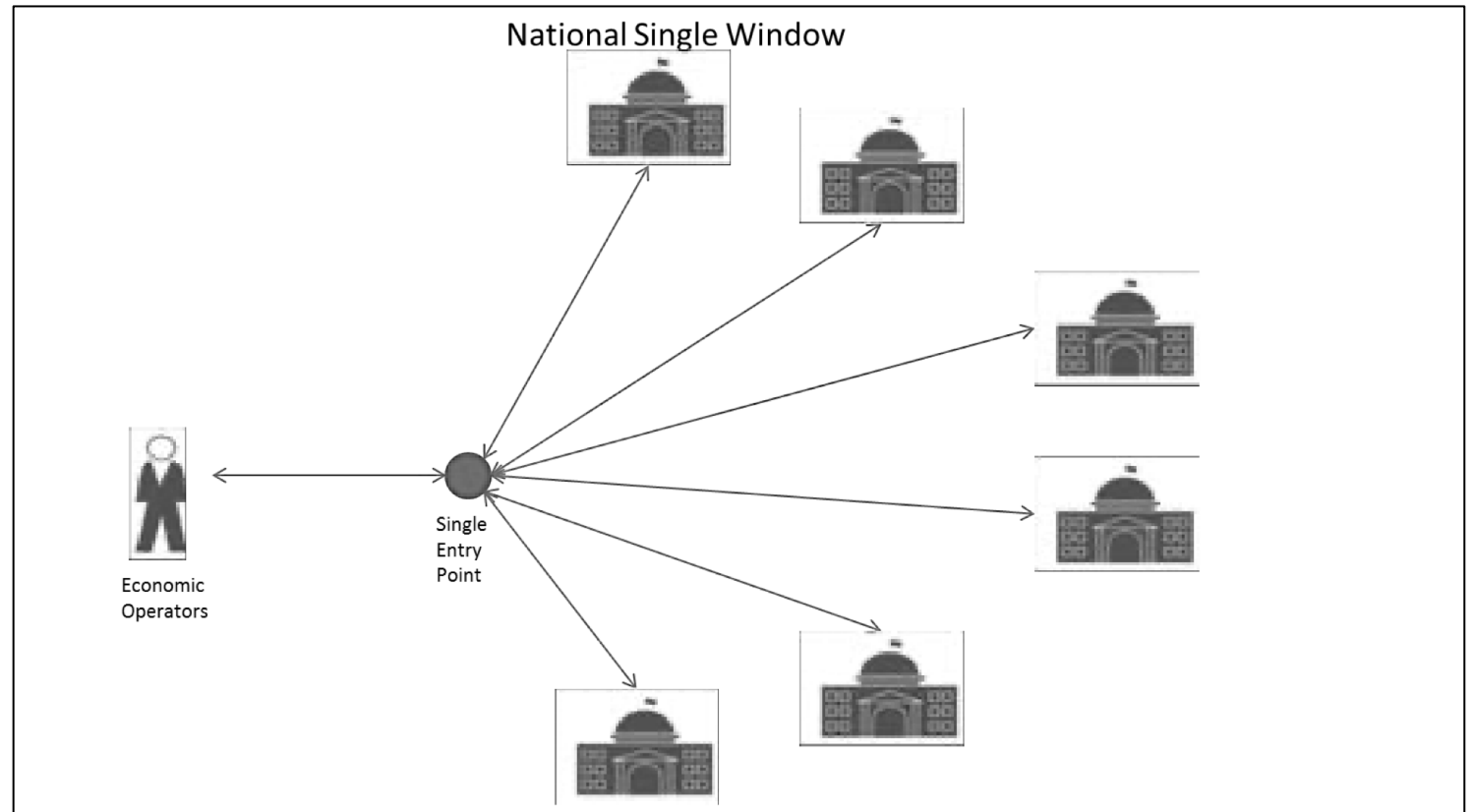
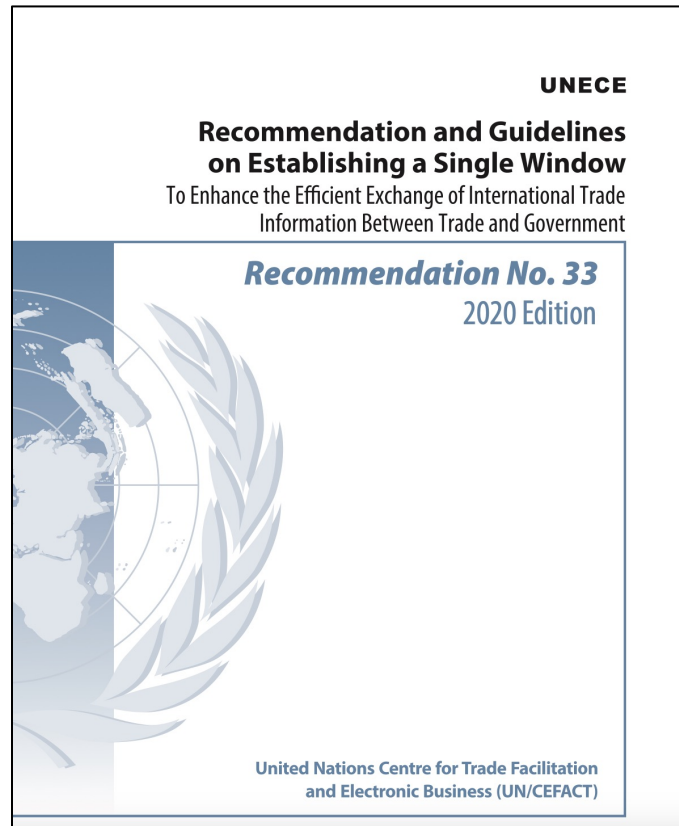
## Harmonized – cross agency – criteria for evaluating different non-compliance risks

- Common denominator for very different risks
- Based on regulatory objectives linked to SDGs

## Strengthening the role of import compliance in market surveillance

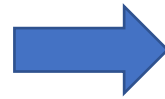
- Building individual risk management capacity of each border control agency:
  - Approches of Recommendation S
  - Annex I: a reference model for targeting non-compliance at the border
- Integrating risk management systems of product regulators and the Customs:
  - Methodology
  - Data
  - IT resources
  - Risk management expertise
  - Applying compliance rules at the border
  - Annex II: a reference model of an integrated system
- Both Annexes reference the UNECE/ITC Guide

# UN/CEFACT Recommendation 33: Establishing a Single Window



# Single Window and risk management

Companies involved in international trade must prepare and submit large volumes of information and documents to governmental authorities to comply with import, export and transit-related regulatory requirements.



Single Window federating all relevant government administrations whereby all trade related information and/or documents need only be submitted once at a single entry point.

- Greater harmonization and sharing of the relevant data across governmental systems, bringing meaningful gains to all parties involved in cross-border trade.
- Expedite and simplify information flows between the private sector and the public sector
- For Governments it can bring better risk management, improved levels of security and increased revenue yields with enhanced trader compliance.



# Single Window definition and key elements

- A Single Window is defined as a facility providing trade facilitation that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfil all import, export, and transit-related regulatory requirements. Individual data elements should only be submitted once electronically.
- Key elements:
  - Parties involved in trade and transport (both from the public and private sector)
  - Standardized information and documents (use of internationally recognized standards for Single Window implementation is key for coordination between stakeholders and between countries)
  - Single entry point (an entry point means the facility where all data concerning a transaction should be submitted electronically; an economic operator should only need to submit their data to one such entry point for their transaction)
  - Fulfilling regulatory requirements (which implies that a Single Window fulfils a government function and as such, it has received a relevant mandate from the Government to perform these actions); and
  - Single submission of individual data elements (individual data elements which have been submitted should not need to be submitted again; this does not mean that all individual data elements<sup>5</sup> must be sent at the same time in a single submission, data can be sent progressively)

# Single Window and risk management

- A Single Window can provide a wide variety of services and facilities depending on its design and coverage. These can include services in the sphere of:
  - customs and tax services;
  - tariff and non-tariff regulatory compliance (including duty/fee calculations and their e-payment or remittance control);
  - technical regulatory compliance;
  - application of sanitary, veterinary and sanitary-phytosanitary quarantine measures;
  - safety/security;
  - management of quota levels;
  - intellectual property rights;
  - submission of supporting documentation, among others.
- Risk management techniques for control and enforcement purposes can also be enhanced through a Single Window facility that collects the data in a systematic way. The coordination resulting in part from the Single Window can reduce the proportion of physical inspections to a small percentage of total consignments—thus providing efficiency, economy and time savings to traders and government authorities. This can be further enhanced if a centralized risk management system is put in place.

# Proposed project plan

- Developing a questionnaire on applying the principles of WP.6 Rec V in a Single Window
- Identifying relevant stakeholders:
  - "Trade facilitation bodies, customs, product regulators"
  - In a number of countries
- Bureau approval
- Conducting interviews
- Processing data and identifying challenges/best practice
- Drafting a guidance document

# The cybersecurity regulatory framework and compliance in digital green transformations

Ms. Jamila Mendoza

# Regulation and Trade in the Global Risk Report 2023

Mr. Valentin Nikonov



FIGURE E

**Global risks ranked by severity**

*\*Please estimate the likely impact (severity) of the following risks over a 2-year and 10-year period\**



Source: World Economic Forum Global Risks Perception Survey 2022-2023.

Risk categories: Economic (blue), Environmental (green), Geopolitical (orange), Societal (red), Technological (purple).

# Regulation in the report

- **Anti-trust regulation** in the context of digital power concentration
- **A lot about environmental regulation:** “overexploitation and pollution – the tragedy of the global commons – has expanded, but continues to go unpunished or undiscovered, and existing agreements and regulations are regularly breached or not enforced”
- **GDPR:** digital rights
- Security concerns posed by sensitive data and its potential abuse are well-recognized by governments. Countries have adopted more widespread data localization policies, tightened regulation of research collaborations
- **Regulation of new weapons technologies** to control proliferation and usage (can only be achieved through transnational cooperation)

# Update on the work of the ISO 262 Technical Committee 'Risk Management'

Mr. Valentin Nikonov



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Next webinar – Annual  
Session – 25 May 2023

Floor open for presentations  
by members