## Economic Cooperation and Trade Division UNECE

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UN Economic Commission for Europe Geneva | 2023



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# Who we are: UNECE's Economic Cooperation and Trade Division (ECTD) at a glance

Our vision: Harnessing the power of trade, innovation, investment and financing for SDGs

Established in 1947 by the United Nations Economic and Social Council (ECOSOC) and based in Geneva, Switzerland, the United Nations Economic Commission for Europe (UNECE) is one of the United Nation's five Regional Economic Commissions. UNECE has 56 member States in Europe, North America and Asia. UNECE promotes pan-European economic integration in line with the UN's Sustainable Development Goals (SDGs) and Agenda 2030.

One of UNECE's six divisions, the ECTD assists UNECE member States to better integrate into the world economy and to harness trade (including trade facilitation), innovation and infrastructure financing and investment for the sustainable development of the UNECE region.



#### Get engaged!

Join our expert, private sector, and government discussions! Check out our two event calendars <u>here</u>.

# Our normative machinery: A long tradition, fit for addressing today's challenges



Spotlight on Trade Facilitation Standards and Agricultural Quality Standards

Since the early 1950s, ECTD's normative machinery has empowered policymakers to use international standards in developing and implementing regulations in different areas of economic policy making including trade and trade facilitation, innovation, infrastructure financing and investment.

In 2022, the Division's intergovernmental machinery adopted eight agricultural quality standards, three standards or guidelines on public-private partnerships (PPPs), one revised recommendation, two guidelines on regulatory cooperation, and one recommendation on trade facilitation. Member States also took note of 20 new e-business standards and e-business requirements in the field of trade facilitation.

#### Simplifying trade procedures with UNECE's Trade Facilitation Standards

Today's global economy is characterized by highly complex supply chains that cross the planet. Recent crises, including the COVID-19 pandemic and the war in Ukraine, have heavily disrupted these value chains. Trade facilitation and electronic business efforts can play a key role in alleviating value chain disruptions.

The UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT), serviced by ECTD, acts as the focal point within the UN system for trade facilitation and electronic business standards. UN/CEFACT standards support sustainable and digital supply chain management, trade and logistics, cross-border management, agricultural value chains, and more. UN/CEFACT promotes the use of clear, structured semantics and coded information in data exchange. One example of this is through semantic interoperability, which allows users (e.g. companies) to benefit from the harmonization of processes.



- UNECE develops trade facilitation standards in collaboration with a community of over 1,600 experts participating in UN/CEFACT working groups.
- Over the past 40 years, UNECE has developed 47 policy recommendations and over 950 information exchange standards in the field of trade facilitation.



For instance, as an international standard to identify locations uniquely and unambiguously, the United Nations Code for Trade and Transport Locations (UN/LOCODE) is now regarded as a preferred option to identify ports in line with the FAO Agreement on Port State Measures (PSMA) - the first binding international agreement to specifically address illegal unreported and unregulated fishing.

In 2022, the UN/CEFACT Plenary approved the revised Recommendation No. 2: UNECE Layout Key, which encourages all stakeholders to use international standards, particularly UN/CEFACT semantic standards for e-business data exchange relevant to their operations. The Plenary also took note of over 20 new e-business standards and technical specifications, including a set of standards for the digitalization of multimodal trade and transport data exchanges.

#### ECTD and SDGs



#### Goal 16

• 16.6 Develop effective, accountable and transparent institutions at all levels



#### Goal 14

• 14.4 By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices...

### Shifting towards more Sustainable Food Systems with UNECE's 100+ Agricultural Quality Standards

Food is part of everyone's most fundamental needs. With the global food crisis being compounded by climate change, unsustainable resource use and the war in Ukraine, the sustainability of food systems is high on the international agenda. Agricultural quality standards play a key role in increasing resilience through enhanced trade in fruits and vegetables and beyond. Not only do they ensure that consumers can get high-quality products, but they are also critical for producers and sellers as they allow them to trade more easily.



UNECE hosts over 100 agricultural quality standards for fresh fruit and vegetables, dried fruit and nuts, meat, seed potatoes, cut flowers, eggs and egg products. Their common terminology and harmonized requirements help buyers and sellers understand the quality of the products being marketed, thus reducing transaction cost and risk, while also enabling price differentiation for higher quality produce. The standards are thus an important component of a broader system of quality assurance and control supporting international trade.

In 2022, UNECE's Working Party on Agricultural Quality Standards (WP.7) adopted eight agricultural quality standards (four new and four revised), following 18 new and revised standards in 2021. In addition, numerous explanatory posters, guidelines, and a sampling plan for tree nuts and dried produce were produced.



UNECE's Agricultural Standards are used by Governments, producers, traders, importers, and exporters alike, creating real world impact. For example, the EU has fully harmonised its specific marketing standards for 10 types of fruit and vegetables with UNECE standards, covering some 75% of the EU fruits and vegetable market. A recent joint OECD and UNECE study concluded that implementation of UNECE marketing standards and publication of OECD explanatory brochures are associated with substantial increases in international trade.

Linked to agricultural quality standards, UNECE is working to address food loss and waste in agricultural supply chains. This work includes:

- Code of Good Practice reducing food loss and ensuring optimum handling of fresh fruit and vegetables along the value chain (second edition 2020)
- UNECE Food Loss and Waste Measuring Methodology for Fresh Produce Supply Chains (2020)
- Online course on agricultural quality standards and food loss reduction in fresh produce supply chains (2022)

#### ECTD and SDGs



#### Goal 12

• 12.3 Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

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# Bringing our normative tools to life: Creating impact on the ground



Spotlight on Sustainability Pledge and PPP Evaluation Methodology

Once adopted by UNECE member States, standards, recommendations, and guidelines develop a "life of their own". At the same time, the UNECE secretariat works to scale-up the impact of our normative tools by engaging public and private stakeholders to increase the uptake and implementation of ECTD's normative tools.

#### Empowering citizens to make informed choices with UNECE's Sustainability Pledge

Consumers increasingly wish to make conscious purchasing choices, accounting for the social and environmental implications of the goods and services they buy. Improving transparency and traceability along supply chains is therefore becoming a priority for many consumer brands. Plagued by concerns about fast fashion and reputational risks regarding human rights violations and environmental externalities, the garment and footwear industry has been at the forefront of such developments.

In 2021, UNECE member States adopted the Sustainability Pledge, a comprehensive toolbox for environmental, social and governance (ESG) traceability and transparency in the garment and footwear sector. Produced with financial support from the European Union, the Sustainability Pledge consists of a UN/CEFACT Policy Recommendation (No. 46), information exchange standards, and implementation guidelines that help to verify sustainability claims for responsible consumption choices.

Companies, organizations, and governments rolling out such measures can showcase implementation by making a "pledge". We pilot-tested our tools by using blockchain technology to trace sustainability along the value chains of jeans, (T-)shirts, socks, shoes, pyjamas and bags. Over 70 partners have already joined the pilots, covering the full spectrum of value chains across 21 countries and 20 use cases involving brands, suppliers and manufacturers.

While so far the focus has been on the garment and footwear industry, member States have mandated UNECE to expand this work to other sectors, such as agri-food, extractives and critical raw materials. This has been accomplished through the UNECE Team of Specialists on Environmental, Social and Governance Traceability of Sustainable Value Chains in the Circular Economy (TOS-TSVCCE), established in 2021.



**Get engaged!** Make a pledge: <u>here</u>.



- The Sustainability Pledge attracted more than 100 pledges from more than 350 partners from 22 countries.
- The Sustainability Pledge blockchain pilot has over 70 partners, covering the full spectrum of value chains, across 21 countries.
- Sustainability Pledge trainings have reached out to more than 600 participants in four regions, from a total of 37 countries.





#### ECTD and SDGs



#### Goal 12

- 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle
- 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

## Ensuring infrastructure serves people and planet with UNECE's PPP Evaluation Methodology

Addressing the triple planetary crisis (climate disruption, pollution and nature loss) requires an innovative approach to infrastructure financing. We will not be able to close the infrastructure financing gap and achieve the SDGs by 2030 without the mobilization of billions of dollars, most of which will have to come from private finance. However, in the recent past, concerns mounted that "traditional" PPPs are not "fit for purpose" of the SDGs.

In 2015, UNECE pioneered the "PPPs for the SDGs" approach to ensure that PPPs and infrastructure projects contribute equally to the three sustainability pillars: social, economic, and environmental. This approach places a focus on the world's most vulnerable and integrates considerations of resilience, sustainability, and circularity into the development of PPP projects and project pipelines. In 2021, UNECE's Working Party on PPPs adopted the PPP Evaluation Methodology for the SDGs. The Evaluation Methodology ensures projects create not only "value for money" but also "value for people" and "value for the planet".



#### **Facts and Figures**

- The UNECE PPP Evaluation Methodology for the SDGs includes 22 criteria and 95 indicators. It was developed by over 100 international experts and has been tested on over 60 projects.
- Our compendium of case studies served as a blueprint for the UNECEwide compendium on 30 climate projects at prefinance stage for a total investment value of 20 billion US dollars.

In its self-assessment form, the Evaluation Methodology helps governments improve their project preparation process. In 2022, we built capacity to use our Evaluation Methodology in Armenia, Kyrgyzstan, Ukraine, and Uzbekistan. We also pilot-tested the Evaluation Methodology through more than 100 projects. The compendium of case studies prepared for the 6th UNECE International PPP Forum in Barcelona (May 2022) served as a blueprint for the UNECE-wide compendium on 30 climate projects at pre-finance stage for a total investment value of 20 billion US dollars. The compendium was presented at the UNECE Regional Forum on Climate Initiatives to Finance Climate Action and the SDGs ahead of The 2022 United Nations Climate Change Conference or Conference of the Parties of the UNFCCC, more commonly known as the COP27.



#### Get engaged!

Participate in a competition for the best PPP infrastructure projects that contribute to the circular economy agenda and the Sustainable Development Goals (SDGs) at the 7th UNECE International PPP Forum on 3-5 May 2023 in Athens, Greece.

#### ECTD and SDGs



#### Goal 17

• 17.17 Encourage and promote effective public, public-private, and civil society partnerships.



### Responding to member States' high-level decisions: Our cross-cutting priority topics



#### Spotlight on Circular Economy and Digital Transformations

Through the substantive emphasis given in their biannual Commission sessions, UNECE's main governing body convening at a high level every second year, UNECE's 56 member States direct the work of the secretariat towards cutting-edge and timely policy topics. ECTD works to implement the current cross-cutting priority themes.

- UNECE's 69th Commission session (April 2021), devoted to "Circular Economy and the Sustainable Use of Natural Resources"
- UNECE's 70th Commission session (April 2023), devoted to "Digital and Green Transformations"

#### Moving from a linear to a circular economy with UNECE's Circular STEP

The Circular Economy is a new and inclusive economic paradigm that aims to minimize pollution and waste, extend product lifecycles, and enable broad sharing of physical and natural assets. It strives for a competitive economy that creates green and decent jobs and keeps resource use within planetary boundaries. The transition to the circular economy is a complex, cross-cutting challenge requiring policy coordination across many portfolios and dimensions.

Innovation and investment are both essential for the circular economy transition. International trade can also support the transition, and trade-facilitation inspired information exchange models are emerging as a key pillar of more circular production and consumption patterns. Since April 2021, the normative machinery serviced by ECTD has produced a number of tools in support of the circular transition in the fields of trade and trade facilitation, innovation and investment:

- Guidelines on Public-Private Partnerships for the Sustainable Development Goals in Waste-to-Energy Projects for Non-Recyclable Waste: Pathways towards a Circular Economy (adopted by WP PPP, 2022)
- Guidelines on Promoting Circular Economy in Public-Private Partnerships for the United Nations Sustainable Development Goals (adopted by WP PPP, 2022)
- Code of Good Practice Reducing Food Loss and Ensuring Optimum Handling of Fresh Fruit and Vegetables along the Value Chain (adopted by WP.7 in its second expanded edition in 2021)
- The Sustainability Pledge, for Transparency and Traceability in the Garments and Footwear Sector (adopted by UN/CEFACT, 2021)

ECTD also supports member States in their circular transition through:

- Our multi-stakeholder engagement platform, the Circular STEP, which promotes knowledge sharing among UNECE's 56 member States, with a specific emphasis on the 17 programme countries with economies in transition
- Our four-year, multi-agency capacity-building project, which supports several programme countries (e.g. Serbia, Tajikistan) and is financed through the UN Development Account (UNDA)
- Our analytical papers, which discuss how the circular transition can be supported by trade, finance, innovation, institutional arrangements and more.



- Some 40 plus UNECE member States have adopted or are developing Circular Economy roadmaps or strategic documents referencing Circular Economy.
- In 2020, the European Union adopted the 2020 Circular Economic Action Plan (CEAP) as one of the main pillars of the European Green Deal.
- ECTD normative machinery adopted four tools to support the circular transition. By April 2023, ECTD's Circular Economy paper series will have launched six thematic studies.



#### ECTD and SDGs



#### Goal 12

• 12.1 Implement the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns, all countries taking action, with developed countries taking the lead...

## Digitalizing information exchange along multi-modal supply chains with UNECE semantic standards

Information and communication technologies (ICTs) have great potential to accelerate progress on the achievement of the 17 SDGs and to improve people's lives in fundamental ways. New technologies like 5G, Big Data, Internet of Things, and Artificial Intelligence, together with high-speed broadband connectivity, create new avenues for addressing global challenges in the fields of education, employment, health, agriculture, climate change, trade and more. At the same time, they also raise profound new challenges, in areas such as inequality, equity, privacy, governance, and many others.

In the field of trade, the pandemic, with its emphasis on reducing person-to-person contact, brought to light the need to digitalize information flows. However, while long acknowledged as holding enormous efficiency gains, efforts to digitalize information flow across supply chains remain fragmented.

UNECE, through its subsidiary body UN/CEFACT, offers a package of information exchange standards that help facilitate interoperability for the digital exchange of data between modes of transport, sectors, companies, agencies and countries. The use of UNECE's UN/CEFACT semantic standards as common foundation can enable the smooth exchange of data between different data sets. This is particularly pertinent, as the EU's eFTI Regulation (2020/1056) on Electronic Freight Transport Information (eFTI) envisages that transport information exchanges within EU member States should be electronic and multimodal.



#### **Facts and Figures**

- The EU's eFTI Regulation (2020/1056) on Electronic Freight Transport Information (eFTI), entered into force on 20 August 2022 and will apply from 21 August 2024 onwards.
- The UN/CEFACT semantic standards and Multimodal Transport Reference Data Model (MMT RDM) are seen as a foundation for interoperability for the roll out of the Regulation.
- The UN/CEFACT Recommendations 33, 34, 35, 36, and 37 on the Single Window for import and export clearance are seen as a key references for the development of the Regulation.

UNECE ECTD is currently pilot-testing a package of standards in support of efforts to digitalize information exchange in multi-modal trade supply chains with industry and other partners. Among others:

- The freight forwarding industry cooperated with UN/CEFACT experts to digitalize the FIATA Multimodal Bill of Lading, by aligning it to the UN/CEFACT Multimodal Transport Reference Data Model.
- Transport and logistics providers working to implement the EU's new eFTI regulation stand to benefit from UNECE semantic standards and Multimodal Transport Reference Data Model. While the eFTI Regulation covers the internal information exchange in the EU, it is highly relevant for countries aspiring accession to the EU, as well as countries in the European neighbourhood and Central Asia.
- With a view to boosting connectivity in Ukraine and in support of the Black-Sea Initiative we are analysing the feasibility for pilot-testing a data-pipeline using our UN/CEFACT tools and, focused on data and document exchange along supply chains, the export of grains and development of digital trade corridors via Ukraine.



### Advancing equality: Mainstreaming gender and SMEs



Spotlight on ECTD's work on gender and small and medium-sized enterprises

Leave no one behind stands as a fundamental principle of the Agenda 2030 and underlines UNECE's work. ECTD, in particular, has two work streams which focus on marginalised groups.

#### Supporting gender equality, including with the help of standards

Promoting gender equality is a prime objective of the UN. Women's economic empowerment and gender equality are fundamental to achieving a prosperous, inclusive and sustainable future for all. This also applies to UNECE, where countries have a long history of striving for gender equality. However, particularly given recent global challenges, the advancement of women remains slow and uneven across industries and occupations, and varies by country.

As one of its flagship products, ECTD supports gender equality through its work on standards, regulatory cooperation and standardization policies. Standards are a common language that shapes the products and services that surround us; they also help to facilitate trade. It is thus crucial to ensure that all human beings, especially women, are properly represented in the processes that develop the standards that affect them. In autumn 2022 member States approved the launch of a Team of Specialists on Gender-Responsive Standards, which shows significant progress since the launch of the WP.6 Gender-Responsive Standards Initiative in 2018.

In addition to pioneering gender-responsive standards, UNECE mainstreams gender equality in all of its work streams:



#### **Facts and Figures**

- The gender pay gap in the UNECE region ranges from less than 10 per cent in some South-East European countries to over 60 per cent in some countries of Central Asia and the Caucasus.
- The UNECE Gender-Responsive Standards Declaration has been signed by more than 80 signatories.
- In the UNECE region, the category of "Women in trade facilitation" has an implementation rate of less than 30 per cent (UNECE Regional TF Survey).
- ECTD Innovation for Sustainable Development Review (I4SDR) reports focus on improving genderdisaggregated statistics and increasing women's participation in the enterprise sector and in science, technology, and innovation. Our Innovation Policy Outlook (IPO) assessment includes analyses of progress made towards gender equality, including national strategies and action plans on gender equality and empowerment projects aimed at increasing women's labour force participation.
- The UNECE PPP Evaluation Methodology for the SDGs includes indicators to promote gender equality and women's empowerment in infrastructure through PPPs (e.g. by guarantying jobs and equal pay for equal work for women, and ensuring their inclusion at senior decision-making levels in PPPs). At the request of the member States, ECTD will develop a practical guide on Promoting Gender Equality and Women's Empowerment through PPPs for the SDGs.
- The UNECE regional report on Digital and Sustainable Trade Facilitation in 2021 included a section on women in trade facilitation which tracked women's membership in National Trade Facilitation Committees and similar bodies (the current implantation rate is less than 30 per cent). ECTD Trade Facilitation learning modules developed for Kyrgyzstan include sections on gender dimensions.
- In the June 2022 session of the SCTCS, experts and member States discussed the findings of studies analysing the impact of COVID-19 on female owned SMEs in Georgia and the Republic of Moldova.

#### ECTD and SDGs



#### Goal 5

- 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
- 5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels



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#### Supporting small and medium-sized enterprises

Small and medium-sized enterprises (SMEs) are a driving force for countries' economic development. This is particularly true for countries with economies in transition, where SMEs contribute significantly to job creation, including for women. MSMEs can also provide innovative solutions for new environmental, social and economic challenges, benefitting from the innovative and opportunity-seeking nature of entrepreneurship, flexibility and adaptability of smaller scale businesses to new contexts.

Nevertheless, SMEs face a number of challenges: cumbersome regulatory and institutional frameworks, challenges accessing and servicing domestic and foreign markets, lack of an innovation culture/system, shortcomings in access to finance and technology, and shortages in human capital (low skill levels, gender gap and financial illiteracy among SMEs entrepreneurs).

ECTD offers a number of tools that can support countries in harnessing the power of SMEs.

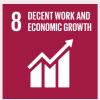
ECTD tools specifically targeted to SMEs include:

- Study series on COVID-19 impact for MSMEs, by request of Governments of Armenia, Belarus, Georgia, the Republic of Moldova and the Republic of Serbia (discussed at the SCTCS).
- White Paper on Integrated Services for MSMEs in International Trade (ISMIT), responding to SMEs' trade facilitation challenges, e.g. logistics data harmonization and data sharing/protection (discussed at UN/CEFACT Plenary).
- Two Handbooks for Innovative High-Growth Enterprises (IHGE), for the sub-regions of the Special Programme for SPECA and EESC (discussed at the CCPPPs).
- Two Handbooks on Business Incubators for Sustainable Development, one for SPECA and one for the IHGE subregion (discussed at CICPPP).
- Online training on the use of international standards to help MSMEs better recover from COVID-19.
- Webinar series on empowering MSMEs to harness opportunities from transitioning to sustainable trade and circular economy in the context of post-COVID-19 recovery in the UNECE region (spring 2022).



- Sustainability Pledge Enhancing Transparency and Traceability of Sustainable Value Chain in the Garment and Footwear Sector Challenges
- Report on Post-pandemic COVID-19 Economic Recovery: Harnessing E-commerce for UNECE Transition Economies
- Online training course on Agricultural Quality and Food Loss

#### ECTD and SDGs



#### Goal 8

• 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises....



#### Goal 9

• 9.3 Increase the access of small-scale industrial and other enterprises....to financial services, including affordable credit, and their integration into value chains and markets.





- In the EU, MSMEs account for 23 million companies and represent a high share of employment and value added across all economies.
- In most economies in transition, SMEs represent more than 90% of nonfinancial businesses.
- Measures in support of trade facilitation for SMEs have an average of 45% implementation rate in the UNECE region.



# Complementing our normative machinery: ECTD's capacity building and policy initiatives



#### Spotlight on ECTD's work on innovation and trade

As part of our technical assistance, ECTD supports member States through analytical reviews and good practice case studies that offer actionable policy recommendations. UNECE's Reviews inform policy dialogue, reform processes, joint initiatives, and donor programming. Following publication, UNECE typically supports countries through targeted capacity building, implementation of recommendations, keeping track of reform progress and re-evaluating priorities.

ECTD reviews and studies benefit from a synergistic feedback loop with our normative machinery. On the one hand, member States' sharing of experiences in implementing UNECE standards feeds into the review. And at the same time, analytical studies inform the process of developing new norms. In other words, ECTD converts its normative work into action and learns from the process by setting new standards.

#### Supporting innovation-led sustainable development: ECTD's I4SDR and IPO initiatives

Innovation, or the systematic experimentation with new ideas, is essential to meet today's challenges: transform our societies, reduce their environmental footprint, and create new points of competitive advantage. Through its flagship reviews, I4SDRs and IPOs, UNECE supports beneficiary countries in harnessing the power of innovation for the 2030 Agenda.

Our country-specific Innovation for Sustainable Development Reviews (I4SDRs) provide calibrated assessments and recommendations for policy and structural reform based on international good practices and a firm understanding of national and regional specificities. I4SDRs have been undertaken for: Uzbekistan (2022), Republic of Moldova (2022), Georgia (2021, 2019), Kyrgyzstan (2019), Tajikistan (2015), Belarus (2017, 2011), Ukraine (2013), and Kazakhstan (2012). Following publication, UNECE typically supports the country through follow-up capacity building and policy dialogue.

Our regional Innovation Policy Outlooks (IPO) assess and benchmark the scope, quality, and effectiveness of innovation policies, institutions and processes. The IPOs complement international composite indices, such as WIPO's Global Innovation Index (GII) and the WEF's Global Competitiveness Index (GCI), by looking more closely at the role that policies and institutions play in promoting innovation. Our IPOs also maximize synergies by taking a regional approach for countries with shared legacies: our first IPO supports countries in Eastern Europe and the South Caucasus (Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova, and Ukraine). The results of the IPO feed into policy dialogues held regularly with support of the UNECE.



- The first Sub-regional IPO of the Eastern Europe and South Caucasus region covered six countries.
- The IPO is composed of 50 indicators structured around three pillars: Innovation Governance, Innovation Policy Tools, and the Innovation Policy Process.
- Our I4SDR contributed to Uzbekistan's climbing up the World Intellectual Property Organization (WIPO) Global Innovating Index, turning the country into the leader in innovation in Central Asia.







#### Get engaged!

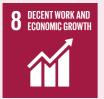
Multiple beneficiary countries in Central Asia and Western Balkans are eager to participate in a UNECE-led I4SDR or IPO. In your role as a donor, reach out to our innovation team to learn more about how you could help bring these projects to life: jakob.fexer@un.org

#### **ECTD** and **SDGs**



#### Goal 9

• 9.b Support domestic technology development, research and innovation... including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities



#### Goal 8

• 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

## Harnessing the power of trade: ECTD's Studies on Regulatory and Procedural Barriers to Trade (RPBT) and Trade Facilitation (TF) Readiness initiative

The 2030 Agenda recognizes international trade as an engine for inclusive economic growth and poverty reduction, and an important means to achieve SDGs. Many transition economies in the UNECE region are still not well integrated into global trade, and some remain in the process of accession to the World Trade Organisation (WTO). Thus, procompetitive trade reforms and market liberalisation remain among the top priorities for transition economies. Through its two Reviews - RPBT Studies and TF Readiness Assessments - UNECE supports beneficiary countries to harness the power of trade for the 2030 Agenda.

Our country-specific Studies on Regulatory and Procedural Barriers to Trade (RPBT) provide an in-depth analysis of the non-tariff measures governing trade in goods, and identify a country's needs to improve trade regime and customs regulations. They help countries in establishing the institutional and legislative framework for ensuring successful integration into global value chains. RPBT Studies have been conducted for Uzbekistan (2022), Serbia (2021), Armenia (2019), Georgia (2018), Republic of Moldova (2017), Albania (2016), Kyrgyzstan (2015), Tajikistan (2014), Kazakhstan (2014), and Belarus (2012).



- UNECE RPBT Studies are referenced in the WTO's Trade Policy Review Mechanisms reports, most recently in 2022 for the Republic of Moldova and 2021 for Kyrgyzstan
- The TF Roadmap for Kyrgyzstan, developed by the NTFC and the Ministry of Economy and Commerce, followed UNECE's TF Readiness Assessment. Within one year, over 25% of roadmap activities were implemented.





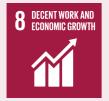
Our country-specific Trade Facilitation Readiness Assessments help member States to assess their readiness to implement the WTO Trade Facilitation Agreement (TFA). They offer specific recommendations on how to implement TFA measures and frequently turn into national Trade Facilitation Implementation Roadmaps. We have carried out TF Readiness Assessments for Kyrgyzstan (2021), Tajikistan (2017), and Greece (2012), and we are currently working on Uzbekistan. The UNECE methodology for TF Readiness Assessments and the development of National Trade Facilitation Roadmaps are used by other development partners, including UNCTAD and ITC.

#### ECTD and SDGs



#### Goal 17

• 17.10 Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization....



#### Goal 8

• 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

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### Supporting UNECE's 17 programme countries: Central Asia, Southern Caucasus, Western Balkan and Eastern Europe



Spotlight on ECTD's work in Central Asia and Ukraine

UNECE has 56 member States located in Europe, North America, and Asia. UNECE specifically supports 17 programme countries in Central Asia, Southern Caucasus, Western Balkan, and Eastern Europe.



#### **UNECE Member States**

Albania, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kazakhstan, Kyrgyzstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Republic of Moldova, Monaco, Montenegro, Netherlands, North Macedonia, Norway, Poland, Portugal, Romania, Russian Federation, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Tajikistan, North Macedonia, Turkey, Turkmenistan, Ukraine, United Kingdom, United States of America, and Uzbekistan.

Most UNECE projects concentrate on 17 programme countries and territories with economies in transition covered by the UN Resident Coordinator system: Albania, Armenia, Azerbaijan, Republic of Belarus, Bosnia and Herzegovina, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Montenegro, North Macedonia, Serbia, Tajikistan, Türkiye, Turkmenistan, Ukraine, and Uzbekistan; to this is added Kosovo (S/RES/1244).

#### Central Asia: two-decades of SDG-driven cooperation at the sub-regional level

Set up in 1998, the United Nations Special Programme for the Economies of Central Asia (SPECA) aims to strengthen subregional cooperation in Central Asia and its integration into the world economy. The countries of SPECA are Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. UNECE and UNESCAP jointly support the Programme.

ECTD supports several SPECA work streams:

- SPECA Working Group on Trade
- SPECA Working Group on Innovation and Technology for Sustainable Development
- SPECA Governing Council and SPECA Economic Forum

ECTD supports several SPECA tools:

- SPECA Regional Trade Facilitation Strategy (2019)
- SPECA Roadmap for TF Strategy Implementation (2019)
- SPECA Principles of Sustainable Trade (2019)
- SPECA Innovation Strategy for Sustainable Development (2019)





#### Ukraine: responding to a new and pressing need at the country level

Beyond the humanitarian crisis with its dire and direct human costs, the economic and environmental impact of the war in Ukraine is mounting. The current war in Ukraine also impacts neighbouring countries in Europe and Central Asia. Maintaining connectivity, restoring supply chains for trade, and mobilizing financing to re-build infrastructure have become real and urgent needs. Over time, promoting a culture of innovation, sustainability and circularity will deliver benefits when effectively shaping longer term reconstruction and recovery.

Mobilizing financing (public and private) for rebuilding infrastructure and reconstruction:

- UNECE's PPP for the SDGs Evaluation Methodology is referenced in Ukraine's draft law No. 75088, which would make it mandatory for all PPP projects to comply with the country's SDG strategy and, in so doing, take into account the UNECE Methodology.
- ECTD is currently pilot-testing its Evaluation Methodology in Ukraine (available in Ukrainian) as a roadmap and implementing tool to strengthen the capacity of public officials to develop green, circular, resilient, and high-quality PPP and infrastructure projects.
- ECTD events, both normative (WP PPP, December 2022) and other (PPP Forum, May 2023) showcase priority PPP projects from Ukraine, including for investor match-making.
- Subject to additional XB funding, ECTD will respond to government requests and step-up these efforts, including by assisting self-assessments of PPP projects in Ukraine, raising awareness about the methodology, and showcasing projects.

Digitalizing information exchange in supply chains for maintaining connectivity and facilitating trade:

- Maintaining and expanding trade links with the European Union is crucial for Ukraine, and also part of larger efforts to foster connectivity in the Pan European region.
- Based on long lasting cooperation with the Odessa Port Community System, ECTD has been supporting Ukraine, building capacity on digital trade facilitation standards.
- In support of the Black-Sea Grain Initiative, ECTD has been analysing the feasibility for pilot-testing a digital data pipeline using the UN/CEFACT tools.
- Subject to additional XB funding, ECTD will pilot-test such a data pipeline (focusing on the export of grain and the development of digital trade corridors crossing Ukraine) and support Ukraine in implementing a Single Window (aligned with UN/CEFACT Recommendations 33-36 and the EU Customs Single Window Regulation).

### Ukrainian officials visited Geneva to discuss how innovation-led growth can support the country's green and circular reconstruction

In November 2022, ECTD organized a study tour for Ukrainian officials from the Ministry of Education and Science, Ministry of Economy, and National Academy of Sciences to Geneva. During the tour, the participants discussed the role of innovation policies in supporting a green and circular recovery, exchanged knowledge with experts, and attended high-level discussions with international organizations including UNCTAD, WIPO, and UNEP. The participants also met with UNECE Executive Secretary, Olga Algayerova, to explore UNECE's capacity building and policy development support.





Harnessing innovation for long-term prosperity, resilience and sustainability:

- Innovation will be crucial for rebuilding Ukraine's economic and social systems and will support innovation-led growth.
- Building on earlier support for Ukraine through the Sub-regional Innovation Policy Outlook (IPO), ECTD is now preparing a country-specific Innovation for Sustainable development Review (I4SDR), focusing on how to support innovation-led growth in the aftermath of the war.
- ECTD is mobilizing the peer-learning power of UNECE's Network for Transformative Innovation (ETIN) to address new challenges, such as how to harness the power of internally displaced persons or diaspora.
- Subject to additional XB funding, ECTD will respond to government requests and expand seminars and advisory services focused on priority topics (e.g. innovation eco-systems of countries affected by conflict or natural disasters).

Putting sustainability and circularity at the core of the reconstruction and recovery:

- By avoiding resource waste, promoting innovation and creating new business opportunities, the circular economy offers opportunities for Ukraine's warn-torn economy and post-war reconstruction. Circular economy considerations are also relevant for the country's approximation to the EU market.
- Ukraine's Ministry of Economy is responsible for developing and implementing policies, programs and partnerships that support the country's transition to a circular economy.
- A focal point from Ukraine's Ministry of Economy is among the 20 plus government-nominated focal points of UNECE's Circular STEP and participated in a UNECE study tour to Geneva in November 2022.
- Subject to additional XB resources, ECTD will respond to government requests and more comprehensively support Ukraine in putting circularity at the core of re-construction and recovery (e.g. by providing assistance with developing a national strategy, gap analysis and roadmap for the circular economy and hybrid peer learning workshops for MSMEs and internally displaced people).



#### Get engaged!

Interested in supporting our work in Ukraine? Contact our Director at elisabeth.tuerk@un.org

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# Sharing experiences and pooling resources: ECTD's networks



Spotlight on circular economy and transformative innovation

To complement and promote its normative, analytical, and technical assistance work, ECTD has established two networks. These networks gather experts, policy stakeholders, and civil society actors and provide a platform to facilitate peer learning through the exchange of ideas and experiences.

#### Circular STEP: Stepping up the circular economy transition

Launched in April 2022, Circular STEP: UNECE's multi-Stakeholder Engagement Platform brings together a broad set of actors to support the circular economy transition through exchange of experience, capacity-building, analytical work, and more.

In addition to government focal points from over 20 countries, Circular STEP also convenes private sector, academia, research institutions, civil society, and other actors from UNECE's 56 member States.





#### Get engaged!

Membership in Circular STEP is free of charge for all participating stakeholders. Join Circular STEP by writing to ece-trade4circularity@un.org. The intention to join can also be expressed via an official letter signed by the management of your organization.

#### ETIN: Shaping transformative innovation policy

Launched in November 2022, ETIN: UNECE's Transformative Innovation Network (a joint initiative between UNECE and the German Federal Agency for Disruptive Innovation (SPRIND) funded by Germany) brings together innovation stakeholders to harness transformative innovation for sustainable development. The network also explores how governments can play a productive and catalytic role in these efforts.





#### Get engaged!

ETIN is currently rolling out its engagement plan, including network building activities and events. Get the line-up of activities and decide which ones to join by writing to: etin-innovation@un.org

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### Annex: ECTD's place in the United Nations system

## The UNECE secretariat structure is composed of eight subprogrammes in six Divisions

- Environment Division
- Sustainable Transport Division
- Statistical Division
- Sustainable Energy Division
- Economic Cooperation and Trade Division
- Forests, Land and Housing Division

#### ECTD hosts two UNECE sub-programmes which are structured into four sections

- Sub-programme 4: Economic Cooperation and Integration
  - Cooperation and Partnerships Section
  - Innovative Policies Development Section
- Sub-programme 6: Trade
  - Market Access Section
  - Trade Facilitation Section

# ECTD's normative machinery consists of two Committees, three Teams of Specialists, and four Working Parties which gather annually to discuss topics related to their expertise

Two Committees

- Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP)
- Steering Committee on Trade Capacity and Standards (SCTCS)

Three Teams of Specialists (ToS)

- Innovation and Competitiveness Policies (ToS-ICP)
- Traceability of Sustainable Value Chains in the Circular Economy (ToS-TSVCCE)
- The recently adopted ToS on Gender-Responsive Standards (ToS GRS)

Four Working Parties (WPs)

- UN/CEFACT: the UN Centre for Trade Facilitation and Electronic Business, currently reporting directly to EXCOM
- WP.6: Working Party on Regulatory Cooperation and Standardization Policies
- WP.7: Working Party on Agricultural Quality Standards
- WP.PPP: Working Party on Public-Private Partnerships



### **Contact our team:**

#### Subscribe to our newsletters:

Interested in UNECE as a whole? Subscribe to the UNECE Weekly newsletter: unece\_info@un.org

Wanting to keep abreast of ECTD's forthcoming activities?

ETIN mailing list: https://unece.org/eci/icp/ETIN Circular STEP updates: https://unece.org/trade/CircularEconomy UN CEFACT newsletter: https://unece.org/trade/uncefact

#### Contacts:

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10 REDUCED INEQUALITIES

16 PEACE, JUSTIN AND STRONG INSTITUTIONS

**7** PARTNERSHIF FOR THE GOAL

B

#### **Director, Economic Cooperation and Trade** Elisabeth Türk

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