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Matters arising since the twenty-fifth session

Matters arising since the twenty-fifth session and other international developments*
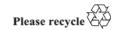
Note by the secretariat

Summary

This is the United Nations Economic Commission for Europe (UNECE) Secretariat report on matters arising since the twenty-fifth session. This document provides a summary of the main developments in the work of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) and an overview of the Secretariat's outreach and support activities to enhance the implementation of UNECE and UN/CEFACT recommendations, standards and tools for trade facilitation and electronic business.

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* This document was submitted late for processing since clearance in finalizing this document took longer than anticipated.

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I.   Introduction

1.   This document provides a summary of the main developments in the work of UN/CEFACT and an overview of the UNECE Secretariat's outreach and support activities to enhance the implementation of UNECE and UN/CEFACT recommendations, standards and tools for trade facilitation and electronic business. These activities are carried out against the backdrop of the global community's efforts to achieve the United Nations 2030 Agenda on Sustainable Development and World Trade Organization (WTO) members' efforts to harness the full potential of trade facilitation measures.

II.   Activities since the twenty-fifth session

A.   Trade facilitation and e-business

2.   Trade facilitation remained a key topic over the past year as many countries have been striving to implement the WTO Trade Facilitation Agreement (TFA). UN/CEFACT has continued to develop pertinent international standards to support the implementation of this agreement with its group of over a thousand experts and with other organizations. The UNECE Secretariat has continued to assist countries with implementation, as outlined below under section VI: Capacity building and technical cooperation activities.

3.   UN/CEFACT has continued to assist in the implementation of Single Windows and in the empowerment of National Trade Facilitation Committees (NTFCs), two of the cornerstone articles of the WTO TFA (Art. 10.4 and 23.2 respectively). UN/CEFACT updated its Recommendation No. 33 on Single Window implementation (ECE/TRADE/C/CEFACT/2020/7) and progressed with its work on the core principles for the operation of Single Windows (ECE/TRADE/C/CEFACT/2020/12). A sixth Single Window Conference was held (ECE/TRADE/C/CEFACT/2020/INF.6) in October 2019. Work will continue on a new recommendation on information portals (Art.1).

4.   UN/CEFACT has further supported the WTO TFA articles on dematerialization of documentation (e.g. Art. 7, 10, 12) and the use of international standards (Art. 10.3). Specific codes for trade are key to interoperability. UN/CEFACT has updated its Recommendations No. 16 on the United Nations Location Code for Trade and Transport (ECE/TRADE/C/CEFACT/2020/8) and No. 5 on Abbreviations for INCOTERMS (ECE/TRADE/C/CEFACT/2020/10). The semantic business standards of this session's agenda item 7b (ECE/TRADE/C/CEFACT/2020/1) also directly support dematerialization by establishing international standardization.

5.   Trade facilitation goes beyond the WTO TFA, and UN/CEFACT also strives to support countries on trade-related issues beyond those set out in the WTO TFA. The ongoing project for a UNECE Policy Recommendation on Readiness for Emergency Relief Importation (ECE/TRADE/C/CEFACT/2020/9) is a case in point, which identifies approaches and specific measures to facilitate the clearance of relief consignments. Another such example is the monitoring of measures such as paperless trade facilitation, trade facilitation for Micro-, Small- and Medium-sized Enterprises (MSMEs) and women led-business in the Global Survey on Trade Facilitation noted below.

B. Sustainable Development Goals

6. UN/CEFACT tools contribute to the achievement of the United Nations 2030 Agenda on Sustainable Development (A/RES/70/1).[1] The links between the active projects and deliverables of UN/CEFACT and the specific targets of the Sustainable Development Goals (SDGs) have been mapped in document ECE/TRADE/C/CEFACT/2020/26.

7. UNECE has developed nexus themes which promote cross-divisional collaboration under four themes that reflect the work of the organization in support of the 2030 Agenda. Most UN/CEFACT work supports the nexus theme "Sustainable Mobility and Smart Connectivity". The internal working group on this nexus theme has put together a flagship publication which outlines the region's respective strengths and weaknesses and demonstrates where UNECE deliverables can support SDG implementation (ECE/TRADE/C/CEFACT/2020/INF.1). The first half of the publication is dedicated to Smart Connectivity and reflects many aspects of the work of UN/CEFACT (also briefly outlined in ECE/TRADE/C/CEFACT/2020/16). The target SDGs related to this nexus theme are as follows:

- SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (e.g. UN/CEFACT sustainable tourism standards);

- SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation (e.g. UN/CEFACT transport and logistics e-business standards);

- SDG 12: Ensure sustainable consumption and production patterns (e.g. Sustainable Procurement recommendation); and

- SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development (e.g. Single Window recommendations).

8. UN/CEFACT work also supports the nexus theme "Sustainable Use of Natural Resources", with the following related target SDGs:

- SDG 12: Responsible consumption and production (e.g. UN/CEFACT standards on e-waste and traceability);

- SDG 14: Life under water (e.g. UN/FLUX standard); and

- SDG 15: Life on earth (e.g. eCITES version of eCert).

9. The following SDG has been identified as a goal that cuts across both nexus areas:

- SDG 5: Achieve gender equality and empower all women and girls (e.g. UN/CEFACT Women in Trade white paper).

10. UN/CEFACT seeks to use innovation as a tool for trade facilitation and electronic business in support of SDG 9. To this end, UN/CEFACT has continued its work on blockchain technology with an update to its guidance provided at the twenty-fifth UN/CEFACT Plenary session (ECE/TRADE/C/CEFACT/2019/9/Rev.1). UN/CEFACT is also continuing work on the interoperability of blockchain ledgers. Blockchain technology is being considered as a vector to further facilitate some of the other projects within UN/CEFACT, notably on textile and leather traceability, where the use of blockchain technologies and digital markers have been launched as a pilot in the cotton value chain

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[1] A/RES/70/ Available as of January 2020:
http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E

(Egypt, Germany, Italy and Switzerland). This is being done in partnership with key industry players and technology solution providers.

11.   The White Paper on Integrated Services for MSMEs in International Trade (ECE/TRADE/C/CEFACT/2020/11) explains how eService platforms can help to build the capacity of MSMEs, in support of SDG 9.

12.   The traceability and transparency of value chains, which directly relates to SDG 12, is a priority for many economies and industry actors around the world as it is used to confirm that the production, transport and distribution of goods and services is conforming with overarching policy objectives. The UN/CEFACT agriculture expert group has developed an international technical standard to trace key business processes in the animal and fish supply chain. UN/CEFACT is now working on a transparency and traceability framework (including a policy recommendation and technical standards) to provide a structured approach for tracking and tracing sustainable textile and leather value chains, with funding from the European Union. In connection with the project, and jointly with partner organizations the European Commission, the International Trade Centre (ITC) and the International Labour Organization, the UNECE Secretariat has organized and held policy dialogues during the European Union Development Days (June 2019, Brussels), the WTO Aid for Trade initiative (July 2019, Geneva), the Organisation for Economic Co-operation and Development (OECD) Policy Forum on Blockchain (September 2019, Paris), and the OECD Due Diligence Forum (February 2020, Paris).

13.   SDG 14 aims to stop overfishing and Illegal, Unreported or Unregulated fishing (IUU) which accounts for one-fourth of the fish resources taken from the oceans and costs a staggering 23 billion United States dollars. Since the creation of the Fisheries Language for Universal eXchange (UN/FLUX standard), the Team of Specialists on Sustainable Fisheries (ECE/TRADE/C/CEFACT/2020/23) has contributed to events which promote the use of the standard for sustainable fisheries management such as the Food and Agriculture Organization's Coordinating Working Party on Fishery Statistics twenty-sixth session (May 2019, Rome), the United Nations Conference on Trade and Development (UNCTAD) SDGs and Climate Change Forum (September 2019, Geneva) and the meetings of the WTO Environmental Committee (May 2019, Geneva) (ECE/TRADE/C/CEFACT/2020/INF.9).

III.   Major activities planned for 2020-2021

14.   The focus over the next twelve-month period will be progressing and finalizing active projects and exploring new areas of development.

15.   **Sustainable and digital trade facilitation**: UN/CEFACT will develop further guidance on Single Window implementation as described above. The UNECE Secretariat plans activities in support of emerging economies in the UNECE region and beyond by helping their NTFCs effectively implement the WTO TFA measures and relevant UN/CEFACT tools and to advance in their agendas for sustainable and digital trade facilitation. This will be done through capacity building activities and advisory services funded by the United Nations Development Account programme and the Russian Federation. It will involve technical assistance for the development of national trade facilitation roadmaps, the establishment of national trade information portals, and the organization of conferences and workshops, in conjunction with the UN/CEFACT Forum, during the 12th WTO Ministerial Conference (June 2020, Nur Sultan) and of a UNECE Regional Conference for NTFCs (September 2020, Saint Petersburg), in collaboration with UNCTAD, the ITC, the WTO and other Annex D+ partners.

16.   **Circularity, sustainability and traceability of value chains**: The UNECE Secretariat will continue to support UN/CEFACT work on a traceability framework, to

provide a structured approach for the tracking and tracing of sustainable value chains in the textile and leather sector, and will continue to conduct policy dialogues to secure stakeholder engagement and support for implementation. As circular economy is the focus of the next UNECE Commission session, and of policy and regulatory action in a large part of the UNECE region (see European Union Green Deal), the Secretariat will support UN/CEFACT work on recommendations, standards and tools to advance the transition to a circular and green economy for UNECE member States and other regions of the world.

17.   **Advanced technologies**: With a view to staying at the forefront of technological advances, UN/CEFACT has launched a project on digital identity in support of trade facilitation. The Advisory Group on Advanced Technologies will address the trade facilitation dimension of topics such as big data, connected objects (Internet of Things), and security-related issues arising from technologies such as blockchain.

IV.   Programme of Work of UN/CEFACT and its subsidiary bodies

18.   The three subgroups of UN/CEFACT have put together their Programmes of Work for the period 2020-2021 for the endorsement of the Plenary: the Advisory Group on Advanced Technologies (ECE/TRADE/C/CEFACT/2020/18), the Advisory Group on UN/LOCODE (ECE/TRADE/C/CEFACT/2020/20) and the Team of Specialists on Sustainable Fisheries (ECE/TRADE/C/CEFACT/2020/22).

19.   During the next period, UN/CEFACT will put together a new Programme of Work for the period 2021-2022 which will be presented to the twenty-seventh session. A review of the UN/CEFACT Prospective Directions (ECE/TRADE/C/CEFACT/2016/20/Rev.1) will be conducted and the proposed programme of work will align to this document or a proposed revision.

V.   Intersectoral activities: progress report and new activities

20.   The UNECE Secretariat will continue to pursue synergies with the UNECE Transport Division. Collaboration will continue on Transport Facilitation (TIR and Harmonization of Frontier Controls of Goods Conventions); Road Transport (CMR Convention) for which UN/CEFACT has developed the eCMR standard and now is working to cover all documentary requirements for road transport; and Dangerous Goods, in order to propose the UN/CEFACT semantic base for other information exchange requirements of the Transport Division's working groups. This directly supports the UNECE nexus theme on "Sustainable Mobility and Smart Connectivity."

21.   Synergies with the Environment Division will continue in support of the UNECE nexus theme on "Sustainable Use of Natural Resources" and the UN/CEFACT sustainable tourism projects.

VI.   Capacity building and technical cooperation activities

22.   Through its multiple projects, the UNECE Secretariat has continued to support countries' reform efforts for trade facilitation and e-business, particularly in emerging economies in South-Eastern Europe, Eastern Europe, and Central Asia. During 2019, the UNECE Secretariat undertook advisory missions and developed training materials for capacity building activities in these countries. The conduct of such activities, which are key to the dissemination and implementation of UN/CEFACT policy recommendations,

standards and tools, largely depends on extra-budgetary funding made available by member States.

23.   The UNECE Secretariat has continued to play an active role in the meetings of the Annex D+ Organizations, led by the WTO, which coordinates the efforts of international organizations in support of WTO TFA implementation through its Trade Facilitation Agreement Facility.

24.   The UNECE Secretariat has further enhanced the Trade Facilitation Implementation Guide (TFIG) portal with contributions from the ITC, particularly in relation to the update of the WTO TFA itinerary and the development of a new itinerary on trade facilitation for MSMEs. Further enhancements may be forthcoming in cooperation with the UNECE Transport Division.

25.   Cooperation continues with UNCTAD and the ITC on multiple projects related capacity building and technical cooperation. For example, UNCTAD and the ITC are supporting the development of training materials for NTFCs (and the update of contents) and have participated in joint advisory missions in transition economies (e.g. March 2019, Dushanbe).

26.   In cooperation with the UNECE Market Access Section, UNCTAD and the ITC, a project entitled 'Supporting the Removal of Regulatory and Procedural Barriers to Trade in the Republic of Tajikistan' has been finalized. This has assisted Tajikistan in empowering its NTFC and in establishing a National Trade Facilitation Roadmap for Exports Enhancement and Diversification (ECE/TRADE/450), formally adopted by the NTFC (6 December 2019), in line with the recommendations emerging from the UNECE study on regulatory and procedural barriers to trade in Tajikistan. Further to the success of this project, the UNECE Secretariat is undertaking advisory services to support the NTFCs of Kyrgyzstan and Georgia in the development of their National Trade Facilitation Roadmaps and in establishing National Trade Information Portals (2020/2021).

27.   The capacity building activities of the UNECE Regional Advisor have been presented in a separate document (ECE/TRADE/C/CEFACT/2020/INF.2) to provide a greater level of detail.

VII.   Cooperation with other organizations

A.   United Nations Regional Commissions

28.   The five United Nations Regional Commissions have taken a joint approach to trade facilitation, which was decided by the Executive Secretaries of the Commissions in Beirut in January 2010 and subsequently endorsed by all five Regional Commissions. In 2015 they launched the first Survey on Trade Facilitation and Paperless Trade. The second edition was completed in 2017, and the third edition, which covers 120 countries from the five regions of the world, was launched at the 2019 WTO Aid for Trade Global Review (July 2019, Geneva). The five Regional Commissions have jointly developed an online portal (untfsurvey.org) to help countries visualize and compare the implementation of measures across regions and economies. The results of the survey for countries of the UNECE region are presented to the twenty-sixth UN/CEFACT session (ECE/TRADE/C/CEFACT/2020/17). Jointly with the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), at the ESCAP Trade Facilitation Forum, and in collaboration with the ITC and UNCTAD, UNECE led the organization of a policy dialogue on key drivers for the sustainability of NTFCs in the Asian region (September 2019, New Delhi).

29.   UNECE and the other United Nations Regional Commissions are mandated to convene regional forums for sustainable development, which support the implementation of the 2030 Agenda (including its follow-up and review process) and to provide regional inputs to the High-level Political Forum on Sustainable Development. Focusing on practical, value-added and peer learning, such forums provide a regional space to share policy solutions, best practices and challenges in SDG implementation and help identify major regional and subregional trends. In 2019 and 2020, the UNECE Secretariat, in partnership with the ITC and the United Nations Environment Programme, has been leading sessions on sustainable and circular economy approaches, which focus on the key role that innovation and advanced technologies can play in accelerating action for the green transition while looking into challenges and opportunities for emerging economies (Geneva, March 2019; NY, July 2019; Geneva, March 2020).

B.   Cooperation with other bodies

30.   The UNECE Secretariat has developed its role in the multi-stakeholder eTrade for All[2] platform. In connection with such initiatives, it has partnered with the ITC and UNCTAD to organize focus sessions on digital trade facilitation (UNCTAD eCommerce Week, April 2019 and April 2020, Geneva).

31.   It has engaged in the eighteenth Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) Conference of the Parties (August 2019, Geneva) and has continued to support the CITES Secretariat and its member States in the fight against illegal wildlife trade through the development of the eCITES standards and through the organization of workshops to support countries in their efforts to digitalize CITES permits.

32.   Blockchain/Distributed Ledger Technology has been a major subject during this past period. UN/CEFACT and its Secretariat have collaborated with other organizations to provide clarity and to explain the importance of clear semantic standards in this field. This includes the OECD, the United Nations Office for Project Services (UNOPS), the Dutch Blockchain Coalition, the Government of Slovenia, the United Nations SDG Lab, and the United Nations Department of Economic and Social Affairs (DESA) Division for Public Institutions and Digital Government (DPIDG). In particular, during 2019 and 2020, and jointly with United Nations SDG Lab, the UNECE Secretariat has led several inter-agency meetings to facilitate the exchange of information and lessons learned about ongoing blockchain projects and related work in the United Nations system of organizations (e.g. the World Food Programme, UNICEF, the United Nations Office at Geneva, UNCTAD, the WTO, the World Health Organization, the ITC, and the Joint Inspection Unit of the United Nations System).

33.   The OECD has supported the promotion and dissemination of UN/CEFACT recommendations and standards for advanced technologies and due diligence in industry value chains by engaging the UNECE Secretariat in the finalization of publications (e.g. OECD Discussion paper "Is there a role for blockchain in responsible supply chains", 2019), and hosting UNECE sessions at the OECD Blockchain Policy Forum and OECD Due Diligence Forum (February and September 2019, and February 2020, Paris).

34.   The UNECE Secretariat has been cooperating with several European Commission Directorate-Generals (DGs) over the past years.

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[2] eTrade for All is an initiative to help developing countries assess challenges and opportunities, to leverage the potential of eTrade for sustainable and inclusive development, connect with potential partners, learn about trends and best practices, and access up-to-date e-commerce data. See (as of January 2020): https://etradeforall.org/

- In 2019-2020, UNECE participated regularly in the Directorate-General for Mobility and Transport (DG MOVE) Digital Transport and Logistics Forum (DTLF) subgroup workshops, studying the documentary requirements in transport and logistics and their dematerialization. UN/CEFACT semantic standards are well positioned to assist this group with its data requirements. Two European Union-sponsored projects supporting the DTLF are also directly supported by UNCEFACT experts.

- The European Union Directorate-General for Taxation and the Customs Union (TAXUD) has been very supportive of UN/CEFACT work on recommendations. TAXUD and the European Union Member States have been active in the revision of Recommendation No. 33 on establishing a Single Window, and how this will apply to a Regional European Single Window.

- The Directorate-General for Maritime Affairs and Fisheries (DG MARE) has engaged in work with the UNECE Team of Specialists on Sustainable Fisheries and has funded communication activities to support the dissemination of the FLUX standard. The UNECE Secretariat is also engaging with the Directorate-General for International Cooperation and Development (DG DEVCO) and the Directorate General for the Environment (DG ENV) on work to advance the sustainability and circularity of value chains in the textile and leather sector in European Union Member States and other regions of the world.

35. Activities with the Eurasian Economic Commission and within the United Nations Special Program for Central Asia (SPECA) are detailed in a separate report from the Trade Division Regional Advisor (ECE/TRADE/C/CEFACT/2020/INF.2).

C. Electronic Business Memorandum of Understanding (eBMoU) and ISO technical committees

36. The signatories to the Electronic Business Memorandum of Understanding—the UNECE, the International Standards Organization (ISO), the International Telecommunications Union (ITU) and the International Electrotechnical Commission (IEC)—met several times in 2019-2020 to discuss developments and topics of joint interest. To this end, webinars have been organized on key topics such as the Internet of Things and accessibility. The UNECE will hold the position of Secretariat of this group until the next meeting in December 2020. The last meeting report is provided for information to the twenty-sixth session (ECE/TRADE/C/CEFACT/INF.5).

37. The UNECE Secretariat has closely followed the official Category-A liaisons with ISO technical committees (TCs). These include ISO TC 46 (Information and documentation), ISO TC 154 (Processes, data elements and documents in commerce, industry and administration), ISO TC 204 (Intelligent transport systems), ISO TC 307 (Blockchain and distributed ledger technologies), ISO TC 308 (Chain of custody), ISO TC 295 (Audit data services) and the Category-B liaison with ISO TC 68 (Financial services).

38. The UNECE Secretariat and UN/CEFACT Chair have been active liaisons with ISO TC 154. Several items have been advanced during this period such as a new standard for eCommerce logistics (ISO DIS 23354) and Electronic Data Interchange for Administrations, Commerce and Transport (UN/EDIFACT) syntax.