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**Meeting with the Chair of the United Nations**

**Centre for Trade Facilitation and Electronic Business (UN/CEFACT)**

**Report by the Chair**

## **Report by the Chair of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)**

1. The Chair of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT), Ms. Sue Probert (United Kingdom of Great Britain and Northern Ireland), is pleased to submit her report to the 132<sup>nd</sup> meeting of the Executive Committee (EXCOM) on 13 February 2024.

### **I. Introduction**

2. The 2030 Agenda for Sustainable Development recognizes international trade as “an engine for inclusive economic growth and poverty reduction” and that it “contributes to the promotion of sustainable development” as well as the achievement of the Sustainable Development Goals (SDGs).

3. Trade facilitation serves as a driver for international trade, enhancing trade competitiveness, improving the integration of countries into regional and global value chains, and ultimately fostering economic growth. Trade facilitation can also bring significant benefits in both the environmental and social dimensions of sustainability and help make value chains more resilient. Fostering, sustainable, inclusive, and resilient international trade is particularly important in today’s context of the escalating climate emergency and conflicts impacting the global economic landscape.

4. Hosted in the Economic Cooperation and Trade Division (ECTD) of the United Nations Economic Commission for Europe (ECE), the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) embodies the organization’s trade facilitation workstream.

5. Specifically, UN/CEFACT serves as the focal point for trade facilitation recommendations and e-business standards, which cover processes related to both governmental and business trade as well as foster growth in international trade and its associated services.

6. The activities of UN/CEFACT are closely aligned with the cross-cutting priority themes of ECE: the circular economy, sustainable use of natural resources and the digital and green transformations for sustainable development. These themes reflect the growing acknowledgement among governments and industries about the importance of sustainability and circularity across value chains. They also recognize the increasing emphasis on utilizing advanced technologies and digital transformation to mitigate supply chain disruptions and bolster responses to future economic crises. UN/CEFACT also continues in its objective to strengthen value chains by contributing to the achievement of SDG 8 on decent work and inclusive economic growth, SDG 12 on responsible consumption and production, and SDG 17 on partnership for the goals.

7. This report outlines the key achievements of UN/CEFACT in the period from December 2022 to December 2023<sup>1</sup> as well as the major activities planned for 2024. More detailed information is contained in the UN/CEFACT report of its 29th Plenary session (ECE/TRADE/C/CEFACT/2023/2).

8. The Plenary noted with satisfaction the conclusions of the evaluation which the United Nations Office of Internal Oversight Services (OIOS) had carried out of subprogramme 4 and subprogramme 6 (implemented by the ECE ECTD), noting that the Division had “found its niche in a crowded space of trade and economic cooperation by leveraging its comparative advantages towards strengthening member States’ economic cooperation and integration”.

9. The Plenary also welcomed the recommendations provided in this evaluation and called upon United Nations Member States and development partners to work with the secretariat to support the implementation of the ECE strategies on resource mobilization, partnerships, and technical cooperation.

10. The activities during the reporting period have been supported by the following intergovernmental meetings of UN/CEFACT, its Advisory Group and Team of Specialists:

- 39<sup>th</sup> UN/CEFACT Forum, held online on 5 and 6 December 2022, attended by 800 experts from 65 countries, featuring 14 sessions;
- 40<sup>th</sup> UN/CEFACT Forum, held in Geneva on 8 to 12 May 2023, attended by over 1,000 experts, including 350 in person, from 55 countries, featuring 36 sessions;
- 2023 Meeting of the UN/LOCODE Advisory Group on 11 May 2023, attended by 22 delegates and experts, including four national focal points;
- 41<sup>st</sup> UN/CEFACT Forum, held in Bangkok on 2 to 5 October 2023, attended by over 500 experts, including 200 in person, from 60 countries, featuring 23 sessions;
- 29<sup>th</sup> UN/CEFACT Plenary, held in Geneva on 9 and 10 November 2023, attended by over 50 delegates from 23 countries; and
- 3<sup>rd</sup> Session of the Team of Specialists (ToS) on Environmental, Social and Governance Traceability of Sustainable Value Chains in the Circular Economy, held in Geneva, on 23 November 2023, attended by 90 experts, including 50 in person, from over 20 countries.

11. The work of UN/CEFACT continued to benefit from expert contributions; there are currently 1,631 experts involved in 30 active projects. The percentage of female experts has been increasing steadily from 22 per cent in 2018 to 28 per cent in 2023.

12. The recently updated organizational structure of UN/CEFACT is presented in the annex to this report.

## **II. Achievements of UN/CEFACT over the reporting period (December 2022 – December 2023)**

13. The UN/CEFACT activities in the reporting period are based on its programme of work (PoW) for 2023-2024 (ECE/TRADE/C/CEFACT/2022/21/Rev.1), as approved by the UN/CEFACT Plenary at its 28<sup>th</sup> session on 10 and 11 October 2022 in Geneva, and by EXCOM (ECE/EX/2022/L.17) at its 125<sup>th</sup> meeting, held on 30 November 2022 in Geneva.

14. UN/CEFACT activities include the production of trade facilitation policy recommendations and e-business standards, the conduct of policy advice and dialogue, communication and outreach efforts, as well as technical cooperation activities as detailed below.

### **A. Policy recommendations and standards**

15. To date, UN/CEFACT has developed 48 policy recommendations and about 950 e-business standards that can be used by governments and businesses to advance sustainable and digital trade facilitation policies and measures at the international, regional, and national levels. They also support the implementation of important aspects of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA).

16. During this reporting period, the UN/CEFACT expert community continued this work and submitted a new policy recommendation and updates to seven e-business standards to the 29<sup>th</sup> Plenary in November 2023.

17. The new ECE *Recommendation No. 48: Private Sector Participation in National Trade Facilitation Bodies*<sup>2</sup> (NTFBs), adopted at the 29<sup>th</sup> Plenary, provides guidance on how to encourage private sector representatives to enhance the efficiency and impact of NTFBs. Such bodies are a driving force in trade facilitation reform and can foster the digital transformation of trade infrastructure and operations in United Nations Member States. The recommendation has been developed by experts of the Trade Procedures Facilitation Domain in close consultation with NTFB members from Canada, Ecuador, Madagascar, Nigeria,

Norway, Rwanda, Türkiye, and the United States, and with contributions from the World Bank and the United Nations Conference on Trade and Development (UNCTAD).

18. The 2023 edition of the *Summary of ECE Trade Facilitation Recommendations*, which provides an update on the status and availability of policy recommendations adopted by the UN/CEFACT Plenary since 2019, was presented to the 29<sup>th</sup> UN/CEFACT Plenary for information.

19. The annual release of flagship e-business standards for trade and transport facilitation was also completed during the reporting period. These include the UN/EDIFACT directories (D.22B and D.23A), the United Nations Code for Trade and Transport Locations (UN/LOCODE) directories (2023-1 and 2023-2), the Core Component Library (versions D22B and D23A), the XML Schema Library (versions D22B and D23A), the global supply chain family of reference data models (D22B and D23A), the UN/CEFACT JSON-LD Web Vocabulary, and the continuous update of the over 950 UN/CEFACT standards, published in collaboration with the UN/CEFACT Methodology and Technology Programme Development Area. These interoperable standards allow for simple, efficient, digital information exchange and enable companies and governments to scale up their operations.

20. The UN/LOCODE has successfully undergone an upgrade to its application system to address critical cybersecurity issues and enhance its overall user friendliness. There are ongoing efforts to secure additional funding to facilitate a comprehensive overhaul of the UN/LOCODE system, this being a flagship ECE standard, used globally by major transport and logistics operators.

21. The following **impacts** were achieved during this reporting period:

(a) Improved institutional capacity to adopt and implement national reforms for sustainable and digital trade facilitation and value chain management;

(b) Enhanced participation of the private sector in sustainable and digital trade facilitation efforts for increased access to global and regional value chains;

(c) Enhanced standardization and harmonization of e-business practices at the international, regional and national level, contributing to reduced time and cost of cross-border trade;

(d) Uptake of UN/CEFACT recommendations and standards in relevant policies and regulations, such as:

(i) the UN/CEFACT Multimodal Transport Reference Data Model (MMT RDM) in the two new draft European Union (EU) transport regulations on electronic freight transport information (eFTI)<sup>3</sup> and the European maritime single window (MSW) environment, as well as in the United Nations Special Programme for Central Asia (SPECA) Roadmap for the Digitalization of Multimodal Data and Document Exchange in the Trans-Caspian Corridor; and

(ii) the ECE Recommendation No. 46 in the EU policies and regulations on circularity and due diligence in the textiles industry.

## **B. Policy analysis, advice and dialogue**

22. During the reporting period, UN/CEFACT and its secretariat produced reports on the status of sustainable and digital trade facilitation implementation, both globally and in the ECE region; developed guidance materials to address gaps, share good practices, and help identify strategic directions; conducted policy dialogues, training workshops and advisory missions, particularly for programme countries of the ECE region, in South-Eastern Europe, Eastern Europe, the Caucasus and Central Asia.

23. In terms of policy advice, the following deliverables have been accomplished:

(a) The ECE secretariat, UNCTAD and the other United Nations Regional Commissions (UNRCs) jointly produced the fifth United Nations Global Survey on Digital and Sustainable Trade Facilitation and will release the ECE Regional Report 2023 in early

2024. Responses from 161 United Nations Member States and 48 ECE member States were collected in the survey. Findings and recommendations, including on innovative practices, were presented and discussed with Member States at events hosted by the UNRCs and UNCTAD in July 2023, September 2023 (WTO Public Forum), and December 2023 (UNCTAD eWeek);

(b) UN/CEFACT experts produced guidance materials, including eight reports and executive guides, which were submitted to the 29th UN/CEFACT Plenary. They offer methodologies for assessing single windows and for applying the UN/LOCODE and the UN/CEFACT JSON-LD web vocabularies. They also offer guidance on applying the e-business standards for sustainable tourism, the model law on electronic transferable records, artificial intelligence (AI) in trade facilitation, and exchanging digital product conformity certificates in the agriculture and agrifood sector. These materials aim to make the technical deliverables of UN/CEFACT accessible to a non-technical audience; and

(c) The ECE secretariat updated the United Nations Trade Facilitation Implementation Guide (TFIG)<sup>4</sup> e-learning platform under the United Nations Development Account (UNDA) 14th tranche project “Sustainable mobility and smart connectivity (trade and transport nexus) in Central Asia, the Caucasus and Western Balkans”<sup>5</sup>. This interactive learning tool is available in Arabic, English, French, Russian and Spanish. Launched at the 29th UN/CEFACT Plenary, the new version of this web-based tool has been presented at national workshops in Albania, Azerbaijan, Moldova and Uzbekistan. In 2024, the TFIG will be presented at national workshops in Serbia and Kyrgyzstan and regional workshops in Albania, Georgia and Uzbekistan.

24. In terms of policy dialogues, the following events were organized:

(a) A high-level policy dialogue entitled “Resilience of Global Supply Chains in Times of Crisis – Supporting a Sustainable Recovery with Green and Digital Solutions”<sup>6</sup> at the 40th UN/CEFACT Forum in May 2023 in Geneva. Featuring a senior keynote speaker from the WTO and senior officials from UNCTAD, the International Telecommunications Union (ITU) and ECE, this conference emphasized the importance of achieving resilience and sustainability in global trade systems, acknowledging the relevance and impact of UN/CEFACT tools for enhancing trade and addressing the disruption of supply chains caused by multiple crises;

(b) A joint ECE-ESCAP conference entitled “Progress and Way Forward on Digital and Sustainable Trade Facilitation”<sup>7</sup> at the 41st UN/CEFACT Forum in October 2023 in Bangkok. Bringing together speakers from various United Nations agencies, this policy dialogue reviewed ways to accelerate climate action and advance the green and digital transformations. It showcased various policy tools and instruments, including the UNCTAD Review of Maritime Transport 2025<sup>8</sup>; the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA)<sup>9</sup>; and the ESCAP Cross-border Paperless Trade Database<sup>10</sup>.

(c) A joint ECE-UPU session entitled “Shaping the Future of the Digital Economy – The Postal Network as an Enabler for e-Commerce and Trade Facilitation”<sup>11</sup> at the UNCTAD eWeek in December 2023, in Geneva. The session showcased the use of UN/CEFACT standards in support of the postal industry.

25. Finally, during the reporting period, ECE-UN/CEFACT engaged in over 30 advisory and capacity-building missions in fifteen United Nations Member States<sup>12</sup> and contributed to over 50 international conferences.

26. The following **impacts** were achieved during this reporting period:

(a) Increased knowledge and understanding by trade facilitation stakeholders of the implementation status of trade facilitation measures, including for the WTO TFA and for paperless and sustainable cross-border trade transactions at the global, regional and national levels;

(b) Improved knowledge and increased capacity of countries to identify gaps, conduct benchmarking against good practices in the global context, and develop national strategies for sustainable and digital trade facilitation. For example, the TFIG is accessed by

more than 300,000 individual users annually. Furthermore, the United Nations Digital and Sustainable Trade Facilitation platform<sup>13</sup> allows users to visualize and compare performance across regions and economies; and

(c) Improved capacity of industry actors to apply relevant UN/CEFACT tools, including innovative solutions involving the implementation of blockchain solutions, AI and the internet of things (IoT) to address climate impacts and environmental, social and governance (ESG) risks. An example is the piloting of the ECE traceability and transparency toolbox by 90 industry actors (including major brands, retailers, manufacturers and farmers), in 23 countries, for 20 textiles and leather product categories, using the ECE blockchain system that was developed with support from the EU.

## C. Communication and outreach

27. UN/CEFACT and its secretariat have been actively promoting the benefits of its recommendations, standards and solutions in an effort to enhance awareness and increase use and implementation at the global, regional and national levels. The extensive outreach efforts include the following:

(a) Biannual newsletters: UN/CEFACT produces biannual newsletters, which are used to share information with United Nations Member States, trade facilitation experts and other relevant partners in the trade community;

(b) Social media presence: UN/CEFACT was mentioned in 564 articles and 271 tweets, reaching a total of 1.4 billion users on social media;

(c) Press releases: Nearly 20 news pieces and press releases were disseminated through the ECE media channels;

(d) LinkedIn updates: The UN/CEFACT LinkedIn page was continuously updated, gaining 1,100 new followers during the reporting period, doubling the total number of followers since last year; and

(e) High-level events: UN/CEFACT participated in over 50 high-level events on a range of topics, including on building resilient and shock-proof supply chains, empowering NTFBs, advancing digital and sustainable trade facilitation, and harnessing the potential of trade for environmental governance. These activities were organized by various entities, including the Asian Development Bank (ADB), the European Commission, International Chamber of Commerce (ICC) Digital Standards Initiative (DSI), the United Nations Commission on International Trade Law (UNCITRAL), UNCTAD, and the WTO, among others.

28. In addition to the communication activities for recurring UN/CEFACT work, the secretariat has achieved the following outcomes under the EU-funded project on traceability and transparency of sustainable value chains in the garment and footwear sector:

(a) Newsletters and media coverage: Four newsletters were distributed to more than 2,000 experts, and six news pieces were featured on the ECE website. In 2023, 186 articles reached 401 million readers referencing the Sustainability Pledge project in various magazines and online platforms. Notable sources included the BBC (UK), Forbes (United States), Sourcing Journal (United States), Fibre2Fashion (India), Fashion Network (France), and El Mercurio (Chile); and

(b) Sustainability Pledge progress: There has been significant progress with the dissemination of the Sustainability Pledge Call to Action for ECE Recommendation No. 46. To date, it has received more than 100 pledges from companies and stakeholders, from across 28 countries, involving a larger network of about 750 industry actors. These pledges involve measurable actions with specific key performance indicators (KPIs) to advancing traceability and transparency in the garment and footwear industry.

29. The following **impacts** were achieved during this reporting period:

(a) Improved knowledge and understanding of the potential of sustainable and digital trade facilitation for resilient, inclusive and environmentally sound value chains among the larger trade community and the general public;

(b) Continued referencing of UN/CEFACT recommendations, standards and solutions in international flagship publications, such as the fifth version of the IMO Compendium, approved by FAL 47 in 2023<sup>14</sup>; the CITES Electronic Permitting Toolkit V 3.015; the ICC Digital Standards Initiative report Key Trade Documents and Data Elements: Digital standards analysis and recommendation<sup>16</sup>; and the EU4Digital eCommerce Report: Analysis of the EU eCommerce baseline in the legal, standards and eCommerce ecosystem areas<sup>17</sup>, among others; and

(c) Wide referencing of the Sustainability Pledge within the garment and footwear sector, testifying to a strong media interest in project outcomes and the wide uptake of the Sustainability Pledge Call to Action by industry actors.

### III. Major activities planned for 2024 and beyond

30. At the 29<sup>th</sup> Plenary session, delegates emphasized the importance of the following prospective directions for UN/CEFACT work that will be further addressed in its activities in 2024 and beyond:

(a) strengthening UN/CEFACT's contribution to the ECE cross-cutting themes of the circular economy and green transformation, especially in critical sectors such as agrifood, critical raw materials, textiles and clothing, and focusing on the digital transformation in the domain of supply chain security and trade facilitation in trade and transport corridors;

(b) ensuring the sustainability of flagship information exchange standards such as the UN/CCL and its RDMs, UN/EDIFACT, UN/LOCODE, UNTDED, and the UN/CEFACT code lists, including through raising additional extrabudgetary resources and obtaining the necessary support from the ECE Information Support Unit regarding the challenges that the migration to a new version of the ECE website posed to the users' community for the access to such standards;

(c) focusing efforts and resources by examining the relevance and impact of UN/CEFACT projects and deliverables and reviewing the existing strategy; and

(d) enhancing outreach and communication on UN/CEFACT solutions so that they become better known and more widely implemented and providing targeted support to small actors in emerging economies.

31. UN/CEFACT will continue advancing sustainable and digital trade facilitation and e-business approaches and solutions. It will further develop recommendations and standards to help United Nations Member States and trade actors implement the WTO TFA and achieve the Sustainable Development Goals of the 2030 Agenda. UN/CEFACT will also provide policy advice and dialogue and offer demand-driven technical assistance and capacity-building with extrabudgetary funding.

32. For example, UN/CEFACT and the ECE secretariat will engage in the following activities:

(a) Convene the 42nd UN/CEFACT Forum in Geneva on 8-10 July 2024;

(b) Hold the 30th UN/CEFACT Plenary in Geneva on 11 and 12 July 2024, at which Plenary will consider the UN/CEFACT Programme of Work 2024-2025 and elect the UN/CEFACT chair for the period of 2024-2027;

(c) Convene the 43rd UN/CEFACT Forum in Rome in December 2024;

(d) Produce the new ECE Recommendation No. 49: Transparency at Scale: Digital Solutions for Trust, Resilience and Sustainability, which is scheduled for adoption at the 2024 UN/CEFACT Plenary;

- (e) Strengthen the existing, robust, global supply chain semantic reference data models and e-business standards and make best efforts to assist other organizations to align with or adopt these models and standards;
- (f) Support the referencing of UN/CEFACT recommendations and standards into relevant international, regional and national policies and regulations, such as the UN/CEFACT Multimodal Transport Reference Data Model (MMT RDM) in the two new draft European Union (EU) transport regulations on electronic freight transport information (eFTI)<sup>18</sup> and the European maritime single window (MSW) environment;
- (g) Develop and launch the new National Trade Facilitation Roadmap for Uzbekistan;
- (h) Produce a policy brief for Azerbaijan, Turkmenistan and Uzbekistan to support their accession process to the WTO and facilitate the implementation of the WTO TFA measures;
- (i) Continue to organize policy dialogues and training events in collaboration with key partners, such as the International Trade Centre (ITC), UNCTAD and the WTO;
- (j) Continue to produce research and provide guidance on advanced technologies in support of the UN/CEFACT PoW, including on blockchain use, AI, IoT, application programming interfaces (APIs) and similar;
- (k) Continue to advance circularity, sustainability and the green and digital transformations as a follow-up to the ECE 69<sup>th</sup> and 70<sup>th</sup> sessions, as detailed in section IV below.

#### **IV. Any proposed change to the subsidiary structure of UN/CEFACT**

33. There are no proposed changes to the subsidiary structure of the Plenary to report. The UN/CEFACT Plenary adopted the Programme of Work of the United Nations Code for Trade and Transport Locations (UN/LOCODE) Advisory Group, as contained in document (ECE/TRADE/C/CEFACT/2023/23), and decided to extend its mandate for the period 2024-2025.

34. The Executive Committee is invited to approve the above decisions.

35. Further, several items arising from the decisions made by the Plenary at the 29<sup>th</sup> session merit attention by EXCOM. These include decisions about the Bureau and prospective directions for UN/CEFACT work.

36. Regarding the UN/CEFACT Bureau, at its 29<sup>th</sup> session, the Plenary elected six UN/CEFACT vice chairs by acclamation. These vice chairs, nominated by Australia, Azerbaijan, Canada, France, Italy and Kyrgyzstan, will serve for the period of 2023-2026. The Plenary welcomed the new composition of the UN/CEFACT Bureau, with its more balanced representation of the private and public sectors, improved gender parity and increased representation of ECE programme countries.

37. Following the completion of the second mandate of the current UN/CEFACT chair, a new chair is to be elected at the 30<sup>th</sup> UN/CEFACT Plenary on 11 and 12 July 2024. The secretariat will invite United Nations Member States to submit candidatures for the position of chair by 27 May 2024.

38. Regarding potential changes to UN/CEFACT governance, the Plenary stressed the importance of empowering technical experts in their advisory role to the Bureau. The goal is to solidify progress made during the UN/CEFACT Forum and to ensure a seamless and successful transition for UN/CEFACT governance. This may involve updating the rules and procedures to potentially reform and improve its functioning, especially, but not exclusively, in relation to the Bureau composition. To this end, the secretariat will support Member States and the Bureau in these efforts and directions, which include elections for the UN/CEFACT chair, potentially from a government agency.



## V. Follow-up to the 2023 Session of the Economic Commission for Europe

39. For the follow-up to the ECE 70<sup>th</sup> Session, the Plenary noted that the Commission designated “digital and green transformations for sustainable development in the ECE region” as a cross-cutting theme of the high-level segment. In decision B (70), contained in document E/ECE/1503<sup>19</sup>, the Commission emphasized strengthening its work in support of this theme and invited subsidiary bodies to replicate and scale up existing approaches to facilitate broad and effective use of supportive instruments.

40. The work of UN/CEFACT is highly relevant to the Commission’s priority goals emerging from both its 69<sup>th</sup> and 70<sup>th</sup> Sessions, and directly supports digitalization in member States, as well as the transition towards the circular and green economy.

41. Regarding the “digital transformation”, health pandemics and regional conflicts have highlighted a stronger need for dematerialization and electronic documents, which are instrumental to advancing paperless trade and decreasing trade costs. This is particularly relevant in landlocked countries, which are the most vulnerable to shocks and experience more challenges in the recovery phases. Examples of UN/CEFACT work in this area include the following:

(a) Buy-Ship-Pay Reference Data Model (BSP RDM): This RDM harmonizes and facilitates the exchange of data requirements for each individual process step along the international supply chain, ensuring interoperability at all levels. This is based on the very comprehensive UN/CEFACT global supply chain semantic standards framework. This reference data model allows subsets of the UN/CCL20 to be used for specific sectors (i.e. supply chain, transport/logistics) and activities (e.g. the smart container e-business standard and the Supply Chain Cross-Industry Multimodal Track and Trace project);

(b) Multimodal digitalization projects: The secretariat supported UN/CEFACT multimodal digitalization projects, including through the UNDA project “COVID-19 Trade and Transport Connectivity” in partnership with several other organizations. Digitalization of alternative trade routes is currently being explored as part of the United Nations support to Ukraine and a draft roadmap for digitalization of data and document exchange is being developed, using UN/CEFACT standards, for the Trans-Caspian Corridor; and

(c) Toolbox: The secretariat prepared a toolbox<sup>21</sup> of pertinent ECE tools and instruments, including its efforts to address supply chain disruptions through digitalization and dematerialization, to demonstrate the impact and relevance of UN/CEFACT standards, which are designed to facilitate international trade and enhance economic cooperation.

42. Regarding the circular economy and the green transformation, UN/CEFACT has been instrumental in advancing responsible production and consumption patterns by ensuring availability of and access to reliable information. UN/CEFACT has developed norms, standards, and tools to facilitate policy coherence, regulatory compliance, interoperability of systems, and collaboration among value chain actors. Work has been focused on priority sectors for the transition to a circular economy, including agrifood, critical raw materials and garment and footwear. Examples of UN/CEFACT work in this area include the following:

(a) UN/CEFACT standards (such as eCERT, eCrop, and eQuality) help identify chemicals and contaminants for the control of food quality, safety, and soil contamination. Use of these standards can significantly reduce the presence of these elements in agrifood supply chains, minimize their accidental release into the soil, and aid in cross-border disease control;

(b) Digital product passports note: Trusted and verifiable credentials on the sustainability performance of products and processes are needed to ensure reliable claims under digital product passports (DPPs). Recognizing the potential of DPPs to better inform businesses and consumers about products – including the materials used, the conditions under which they were produced and their sustainability performance – the secretariat produced the “UN/CEFACT Solutions in Support of Digital Passports”, which outlines relevant ECE-

UN/CEFACT standards and tools, along with recommendations for action and a proposed way forward;

(c) The “ECE Policy Paper on Accelerating the Transition Towards a Circular Economy in the ECE Region: Improving the Traceability of Products along International Value Chains”<sup>22</sup> was produced. The paper provides recommendations to governments on how to design, develop and implement a policy framework on traceability and transparency for sustainable and circular value chains. This policy paper was launched under Circular STEP, the ECE platform that facilitates the sharing of good practices and the engagement of stakeholders in the circular economy transition;

(d) A joint ECE-ECLAC<sup>23</sup> study was conducted regarding the excess of used clothing in Chile, with a focus on Europe as an origin and Chile as a destination. The Executive Summary<sup>24</sup> was presented to the UN/CEFACT Plenary for information and the full study will be available in 2024. The study contributes to the implementation of the UN/CEFACT Programme of Work 2023-2024 and the ECE strategic priorities; and

(e) Progress was made on the ECE-UN/CEFACT product traceability approach and standards, which were adopted in 2021 and tested in blockchain pilot projects with industry partners. Use cases were developed to trace products back to their origin, providing sustainability credentials that allow for substantiated claims regarding fibre content, chemical use, social and environmental performance, and animal welfare. ECE has finalized 19 use cases across 23 countries, including Türkiye and Uzbekistan, which are ECE programme countries.

43. Finally, the ECE secretariat has continued to support relevant intergovernmental processes and the launch of forward-looking, standards-development projects, including the following:

(a) The servicing of the ToS on ESG Traceability of Sustainable Value Chains in the Circular Economy. This ToS supports the development of policy recommendations and guidance for ESG monitoring and reporting and traceability of ESG products performance along international value chains in critical sectors for the circular transition (i.e. agrifood, critical raw materials, textile and leather); and

(b) The launch of new UN/CEFACT information exchange projects, including:

- Transparency at Scale: Digital Solutions for Trust, Resilience and Sustainability: Verifiable Credentials in Supply Chains;
- Buy Ship Pay Data Exchange Structures for Trade Finance Facilitation; and
- Circular Data Protocol: Use Case and Data Structure Supporting Product Circularity for Textiles and Leather.

## **VI. Intersectoral activities: new activities and/or progress on existing intersectoral activities**

44. The ECE secretariat has continued to support intersectoral activities with other sectoral committees and initiatives of ECE, particularly within the ECTD Division, and with the Sustainable Transport, Sustainable Energy and Environment Divisions.

45. Within the ECTD, UN/CEFACT contributed to the deliberations of the Steering Committee on Trade Capacity and Standards to address regulatory and procedural barriers to trade and advance the circular transition in the ECE region. It also contributed to the Committee on Innovation, Competitiveness and Public Private Partnerships in capacity-building activities aimed at enhancing the use of advanced technologies such as blockchain in transition economies in the region (e.g. in Uzbekistan).

46. UN/CEFACT will continue to pursue synergies with the Sustainable Transport Division, advancing collaboration on (i) transport facilitation (TIR and the International Convention on the Harmonization of Frontier Controls of Goods); (ii) road transport (CMR Convention<sup>25</sup>) – for which UN/CEFACT has developed the eCMR data exchange standard,

aligned with its Multimodal Transport Reference Data Model, and now is working to cover multimodal B2B data exchange requirements for road transport; and (iii) dangerous goods. These activities directly support the ECE nexus theme “Sustainable Mobility and Smart Connectivity”. Specific activities include the following:

(a) In response to a request from the SPECA countries, the ECTD and STD jointly supported the production of a draft roadmap for digitalization of data and document exchange, using UN/CEFACT standards, for the Trans-Caspian Corridor; and

(b) UN/CEFACT and its secretariat contributed to the working sessions of the Group of Experts on Operationalization of eCMR and participated in a workshop organized during the 118th session of the Working Party on Road Transport, along with FIATA26, IRU, the European Commission and the UN/CEFACT chair.

47. The secretariat will also continue to foster synergies with the ECE Environment and Sustainable Energy Divisions, among others, in support of the ECE nexus theme “Sustainable Use of Natural Resources” with UN/CEFACT tools such as the e-Basel standard (in support of the Basel Convention on the Transboundary Movement of Hazardous Waste), the eCITES standard (in support of the Convention on International Trade in Endangered Species of Wild Fauna and Flora) the FLUX standard, which combats illegal, unreported and unregulated (IUU) fishing, and the Traceability and Transparency standard (in support of the Aarhus Convention<sup>27</sup> and the United Nations Framework Classification for Resources). Examples of UN/CEFACT work in this area include the following:

(a) Jointly with the Sustainable Energy Division, the secretariat contributes to the work of the inter-agency Secretary General Working Group for Transforming the Extractive Industries, which includes the United Nations Environment Programme (UNEP), UNDP, the five UNRCs, and the World Economic Forum Working Group on Securing Critical Minerals for the Energy Transition. It also includes partners such as United Nations agencies, the World Bank, the International Monetary Fund, commodities traders and think tanks; and

(b) The secretariat actively engages in Aarhus Convention capacity-building initiatives. This reporting period, this included attending workshops in Tashkent, Uzbekistan (June 2023) on public participation for good governance, sustainable development and environmental health, and in Geneva, Switzerland (November 2023) on advancing public access to environmental product information.

## VII. Technical cooperation activities

48. Through extrabudgetary projects the ECE secretariat and the regional adviser actively provide technical assistance and capacity-building support. This support fosters positive change at the country level, on the ground, through cooperation with United Nations country teams. Countries such as Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Türkiye, Ukraine, and Uzbekistan have benefited from these projects. Examples of technical cooperation activities include the following:

(a) Implementation of a technical assistance project called “Enhancing capacity to develop evidence-based policymaking for digital and sustainable trade facilitation, to support the accession to the WTO of targeted beneficiary countries in the Central Asian region”. This involves the following activities:

(i) The uptake of UN/CEFACT recommendations, standards (e.g. MMT RDM for harmonized intermodal transit corridors) and solutions;

(ii) The production of a policy brief, building on the results of the United Nations 2023 Global Survey, with a focus on Azerbaijan, Turkmenistan and Uzbekistan to support their accession to the WTO;

(iii) The conduct of a technical workshop in Baku, Azerbaijan on 20 November 2023 during the 18th Session of the SPECA Working Group on Trade, and the 2023 SPECA Economic Forum, in collaboration with ESCAP, with high-level participants from the Republic of Tajikistan, Azerbaijan, Kyrgyzstan, Uzbekistan, Turkmenistan and Kazakhstan;

(b) Development of the National Trade Facilitation Roadmap for Uzbekistan, to be launched in 2024, along the lines of roadmaps previously developed for Kyrgyzstan and Tajikistan; and

(c) Preparation of a policy and regulatory analysis on the application of blockchain technology in Uzbekistan under the UNDA 14th tranche project, implemented jointly with all UNRCs, “Blockchains for facilitating trade and enhancing competitiveness”, to be launched in 2024. A multistakeholder workshop was conducted in Tashkent in October 2023 as part of the national InnoWeek, which was led by the Ministry of Higher Education, Science and Innovation. This workshop was part of the joint preparation process for the study.

49. More UN/CEFACT-related activities within SPECA are detailed in a separate report from the ECTD regional adviser, presented to the 29<sup>th</sup> UN/CEFACT Plenary.<sup>28</sup>

50. The following **impacts** were achieved during this reporting period:

(a) Measurable advancement by Azerbaijan, Turkmenistan and Uzbekistan in their WTO accession, and significant progress by transition economies in the implementation of WTO TFA measures, as highlighted in the Digital and Sustainable Trade Facilitation: ECE Regional Report 2023; and

(b) Endorsement of the package standards for the digitalization of data and documents accompanying goods by Member States, sectorial organizations, business associations and other stakeholders in various modes of transport, which are aligned with the UN/CEFACT semantic standards and the MMT RDM.

## VIII. Cooperation with other organizations

51. At the global level, UN/CEFACT and the ECE secretariat have continued to collaborate with a wide range of stakeholders, including international standards-setting organizations such as the International Organization for Standardization (ISO), the International Electrotechnical Commission (IEC), ITU, the UNRCs and other United Nations agencies, including UNCTAD, ITC, the International Maritime Organization (IMO), UPU and UNEP.

52. Furthermore, the secretariat has continued its participation in the activities of the Annex D+ organizations, led by the WTO, which coordinates the efforts of international organizations in support of the WTO TFA implementation through its TFA Facility. For example, during UNCTAD eWeek 2023 “Shaping the future of the digital economy”, the ECE secretariat showcased the kind of cooperation by co-organizing a joint session with ESCAP and UNCTAD titled the “UN Global Survey on Digital and Sustainable Trade Facilitation”.

53. The ECE secretariat, jointly with the Food and Agriculture Organization (FAO), has continued to explore the potential of using UN/LOCODE to fight IUU fishing. For example, UN/LOCODE could be used to identify Port State Measures Agreement (PSMA) ports and fishery ports for the FAO Global Record and could support the implementation of the WTO Agreement on Fisheries Subsidies<sup>29</sup> once entered into force.

54. The ECE secretariat has also continued to support the CITES secretariat and its member States in the fight against illegal wildlife trade through the development of the eCITES, UN/CEFACT-aligned standards and through the organization of capacity-building workshops. ECE and ESCAP also host the Task Force on Electronic CITES Permit Exchange pilots, which provides a platform for interested parties to engage in cross-border electronic exchange of CITES permits.

55. In the e-business domain, ECE is one of the four signatories of the Memorandum of Understanding on e-Business (ebMoU) between the ISO, IEC, and ITU, which was signed in 2000. This is a high-level agreement for coordination in the field of e-business. The ECE secretariat is taking on the role of secretary (which happens on a rotational basis among the four signatories) for its management group (ebMoU/MG) until the end of 2024. The following activities within the ebMoU took place during the reporting period:

(a) As part of ongoing activity, in June 2023 a webinar was held on semantics and semantic interoperability to explore the significance, expected benefits and challenges;

(b) The 45th Meeting of the ebMoU/MG was held on 12 and 13 December 2023. Hosted by IEC and chaired by ISO, the meeting, attended by member organizations and user groups, focused on e-business standards and coordinating work programs. The following areas for coordination were highlighted: privacy-by-design, semantic harmonization, trust and trustworthiness, digital health certificate, SMART standards, industry data and AI. At this meeting the four signatories discussed the need to look into the future of the ebMoU, particularly on modalities to achieve efficient use of secretariat resources in support of relevant coordination activities; and

(c) In the framework of the ebMoU, the ECE secretariat has followed the official liaisons with ISO technical committees (TCs), for example ISO/TC 46 (information and documentation); ISO/TC 154 (processes, data elements and documents in commerce, industry and administration); ISO/TC 315 (cold chain logistics); ISO 321 (e-commerce); ISO TC8 (ships and marine technology) and ISO/TC 323 (circular economy). UN/CEFACT experts have contributed to these relevant ISO activities.

56. In the last year, the UN/CEFACT has experienced a significant rise in interest in its work on dematerialization and the standards and it has created the following partnerships and liaisons:

- A new joint working group was established in 2023 between ECE and ISO technical committee 154: “ISO/ECE joint working group for information exchange of supply chain aligned to UN/CEFACT semantic” (ISO/TC 154/JWG9). Under ISO/TC 154/JWG9, several joint projects are under development, such as the fast-tracking of the UN/CEFACT Buy-Ship-Pay Reference Data Model as ISO 20197 and the updates to the United Nations Trade Data Elements Directory (UNTDDED), also published as ISO 7372;
- UN/CEFACT collaborated with the Global Standards 1 (GS1) organization to align its ongoing work with the Buy-Ship-Pay Reference Data Model; and
- The International Civil Aviation Organization and the International Maritime Organization have sought UN/CEFACT support in transitioning their processes to digital formats. The secretariat has provided experienced experts to support the liaison between these organization and the work of UN/CEFACT.

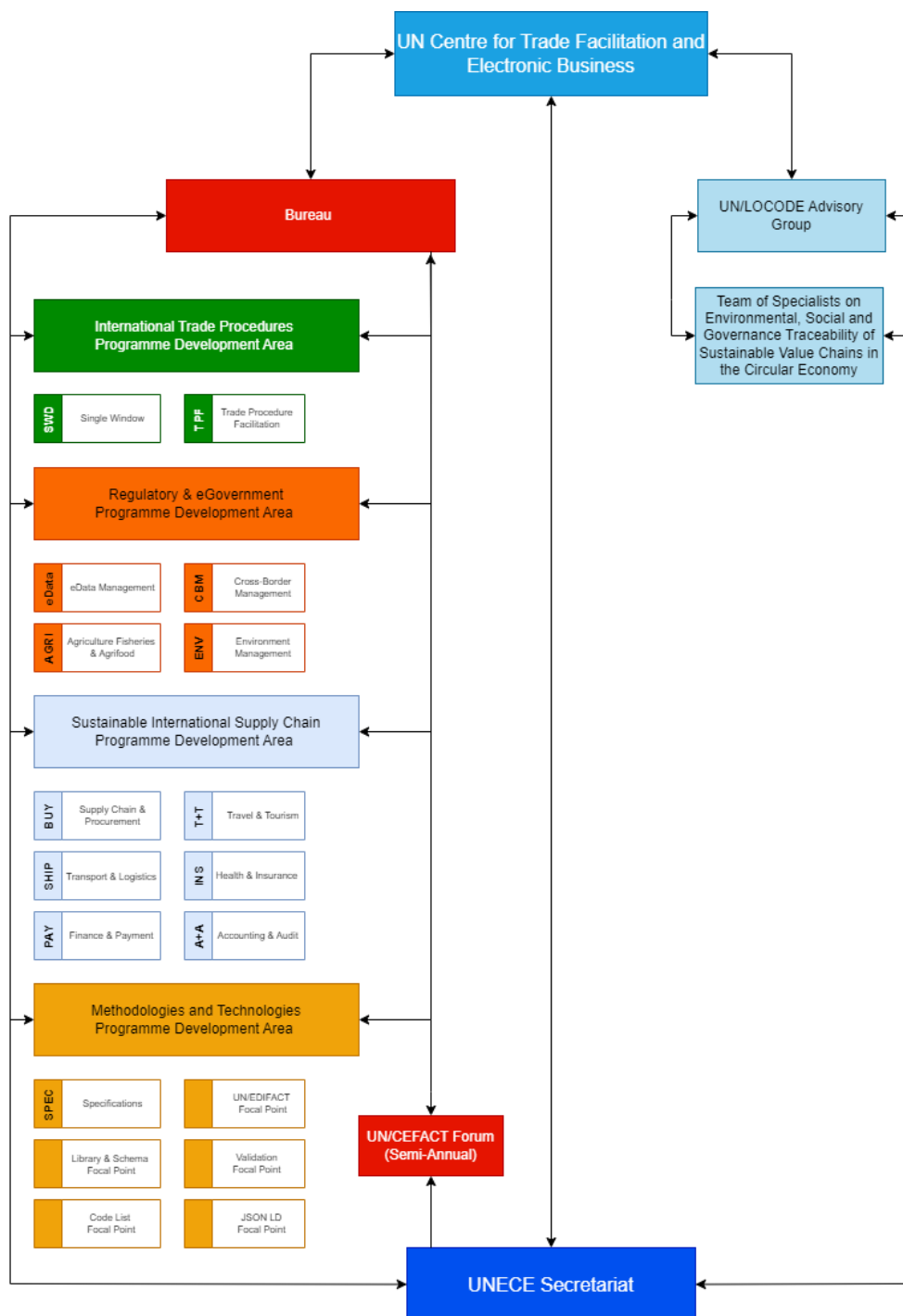
57. At the regional level, the secretariat has continued to support UN/CEFACT cooperation with several European Commission directorate-generals (DGs):

- ECE 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 new European Union regulations, supported by the DTLF, are also directly supported by UN/CEFACT experts;
- The European Union Directorate-General for Taxation and the Customs Union (DG TAXUD) has been very supportive of UN/CEFACT work on recommendations. DG TAXUD and the European Union member States were 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 recent UN/CEFACT publication of a cross-border view on the Buy-Ship-Pay Reference Data Model is aimed at assisting linkage between the trade and government sides of a single window by aligning semantic names and definitions; and
- The secretariat is also supporting UN/CEFACT in engaging with the Directorate General for the Environment (DG ENV), Directorate-General for Maritime Affairs and Fisheries (DG MARE), Directorate General for Informatics (DG DIGIT), Directorate-General for International Partnerships (DG INTPA), and Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) on a number of issues, including the work to advance the sustainability and circularity

of value chains in European Union member States and other regions of the world (e.g. in the critical raw materials, fisheries, textiles, and transport sectors).

Annex

**Organizational structure of UN/CEFACT and its Bureau\* as of December 2023**



\* The Bureau structure and the distribution of the programme development areas are regularly updated on the UN/CEFACT website at <https://unece.org/trade/uncefact/bureau>.

- 1 The UN/CEFACT chair's last report, submitted to the 125<sup>th</sup> EXCOM meeting held on 30 November  
2022, covered the period from June 2019 to November 2022.
- 2 See <https://unece.org/sites/default/files/2023-09/ECE-TRADE-C-CEFACT-2023-07E.pdf>
- 3 See [https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13661-Electronic-freight-transport-information-eFTI-procedures-and-access-rules-for-competent-authorities\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13661-Electronic-freight-transport-information-eFTI-procedures-and-access-rules-for-competent-authorities_en).
- 4 Available at <https://tfig.unece.org/>
- 5 This UNDA project is jointly implemented by ECTD and the Sustainable Transport Division. For more  
info on the project, see <https://unece.org/sustainable-mobility-and-smart-connectivity-trade-and-transport-nexus-central-asia-caucasus-and-0>.
- 6 Event website available at <https://unece.org/trade/cefact/RGSCCTC-SustainableRecovery-GDS>. The  
summary of the conference is available at <https://unece.org/sites/default/files/2023-06/Summary%20and%20Key%20Outcomes.pdf>.
- 7 Economic and Social Commission for Asia and the Pacific (ESCAP)
- 8 UNCTAD.org, “Review of Maritime Transport 2023”, available at  
<https://unctad.org/publication/review-maritime-transport-2023>.
- 9 For information on the CPTA, see <https://www.unescap.org/projects/cpta>.
- 10 ESCAP Cross-Border Paperless Trade Database, available at [digitalizetrade.org](https://digitalizetrade.org).
- 11 Universal Postal Union (UPU)
- 12 Albania, Azerbaijan, Belgium, France, Georgia, Italy, Republic of Moldova, the Netherlands, North  
Macedonia, South Korea, Spain, Thailand, Viet Nam, the United Kingdom, and Uzbekistan.
- 13 United Nations Digital and Sustainable Trade Facilitation platform: [untdsf.org](https://untdsf.org)
- 14 See IMO Compendium, available at <https://imocompendium.imo.org/public/IMO-Compendium/Current/index.htm>.
- 15 See *CITES Electronic Permitting Toolkit version 3.0* (2022), available at  
[https://cites.org/sites/default/files/eng/prog/e/toolkit/CITES%20e-permitting%20toolkit\\_latest\\_EN.pdf](https://cites.org/sites/default/files/eng/prog/e/toolkit/CITES%20e-permitting%20toolkit_latest_EN.pdf).
- 16 See ICC Digital Standards Initiative, *Key Trade Documents and Data Elements: Digital Standards  
Analysis and Recommendations*, (November 2023). Available at  
[https://www.dsi.iccwbo.org/files/ugd/8e49a6\\_530a1bd71a7e481f8485f4772a6854d5.pdf#msdyntrid=16HW0oOh\\_FIUGdnrE1wCtIc\\_YGnXyMZ1XoQeFCVXE](https://www.dsi.iccwbo.org/files/ugd/8e49a6_530a1bd71a7e481f8485f4772a6854d5.pdf#msdyntrid=16HW0oOh_FIUGdnrE1wCtIc_YGnXyMZ1XoQeFCVXE).
- 17 See European Union, *U4Digital eCommerce Report: Analysis of the EU eCommerce baseline in the  
legal, standards and eCommerce ecosystem areas*, (3 July 2023). Available at  
<https://www.upu.int/UPU/media/wwwUpuIntUniversalPostalUnionAboutUpuBodiesConsultativeCommittee/2023eCommerceReportEU4DigitalEubaseline.pdf>.
- 18 See [https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13661-Electronic-freight-transport-information-eFTI-procedures-and-access-rules-for-competent-authorities\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13661-Electronic-freight-transport-information-eFTI-procedures-and-access-rules-for-competent-authorities_en).
- 19 See ECE, *Biennial Report (20 April 2021 – 18 April 2023) Supplement No. 17*, (E/ECE/1503), available  
at [https://unece.org/sites/default/files/2023-05/ECE\\_1503\\_E\\_Biennial%20Report\\_Final%20%20ADVANCE%20COPY%20E.pdf](https://unece.org/sites/default/files/2023-05/ECE_1503_E_Biennial%20Report_Final%20%20ADVANCE%20COPY%20E.pdf).
- 20 United Nations Core Component Library (UN/CCL)
- 21 See documents ECE/TRADE/C/CEFACT/2022/INF.4 ([https://unece.org/sites/default/files/2024-01/ECE\\_TRADE\\_C\\_CEFACT\\_2022\\_INF4.pdf](https://unece.org/sites/default/files/2024-01/ECE_TRADE_C_CEFACT_2022_INF4.pdf)) and ECE/TRADE/C/CEFACT/2023/INF.2  
(<https://unece.org/sites/default/files/2023-10/ECE-TRADE-C-CEFACT-2023-INF-02E.pdf>)
- 22 See ECE, “*Economic Commission for Europe Policy Paper on Accelerating the Transition Towards a  
Circular Economy in the Economic Commission for Europe Region: Improving the Traceability of  
Products along International Value Chains*” (ECE/TRADE/C/CEFACT/2023/17), (8 November 2023).
- 23 Economic Commission for Latin America and the Caribbean (ECLAC)
- 24 Available at <https://unece.org/sites/default/files/2023-11/ECE-TRADE-C-CEFACT-2023-18E.pdf>
- 25 Convention on the Contract for the International Carriage of Goods by Road (CMR)
- 26 International Federation of Freight Forwarders Associations (FIATA)
- 27 Convention on Access to Information, Public Participation in Decision-making and Access to Justice in  
Environmental Matters
- 28 Available at [https://unece.org/sites/default/files/2023-09/ECE\\_TRADE\\_C\\_CEFACT\\_2023\\_INF-01E-ReportRegionalAdvisor.pdf](https://unece.org/sites/default/files/2023-09/ECE_TRADE_C_CEFACT_2023_INF-01E-ReportRegionalAdvisor.pdf)
- 29 Available at [https://www.wto.org/english/tratop\\_e/rulesneg\\_e/fish\\_e/fish\\_e.htm](https://www.wto.org/english/tratop_e/rulesneg_e/fish_e/fish_e.htm)