Report of the Economic Commission for Europe Regional Adviser

Submitted by the secretariat

Summary

This is the report of the Economic Commission for Europe (ECE) Regional Adviser for Subprogramme 6 (Trade) regarding trade facilitation and United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) activities. The Regional Adviser participates in capacity-building activities and the implementation of technical cooperation projects. These activities facilitate the sharing of experiences and good practices among the ECE membership, particularly the 17 programme countries. This document provides a report of these activities and impact since the twenty-ninth session of the UN/CEFACT Plenary covering the period from September 2023 to July 2024.

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I. Introduction

1. The Regional Adviser’s work follows from the mandate of the United Nations Economic Commission for Europe (ECE) and, for the activities reported here, the mandate of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) to set standards for trade facilitation and e-business, improving cooperation and integration in the ECE region. This includes helping the 17 ECE programme countries to implement such standards, and to ultimately facilitate and develop their trade capacity in pursuit of achieving the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.

2. The United Nations Office of Internal Oversight Services (OIOS) evaluation report on the Regular Programme for Technical Cooperation estimated positively the technical assistance provided by ECE and cited that Regional Advisers in general “are very effective in integrating the normative and operational work and cross-fertilizing understanding in SDG implementation between regions”\(^1\). The services of the Regional Adviser are seen by the beneficiary community as a “reliable source of technical assistance to specific needs of the member States and capacity-building services on topics related to economic cooperation and trade”\(^2\).

3. The Regional Adviser manages projects and activities that support member States and their business communities in the implementation of the ECE and UN/CEFACT trade facilitation recommendations and standards. In 2023–2024, the Regional Adviser supported countries in the following areas:

   - **Implementing UN/CEFACT standards and reference data models for digitalization of data and document exchange along supply chains** as international public goods to move from document exchange to digital dataset exchanges. This work aligned with the “digital transformation” cross-cutting theme of the 70th ECE Commission session and showed unique foresight, given the effects of the war in Ukraine and other crises that impacted trade and transport connectivity. Sixteen transition economies (Albania, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Kazakhstan, Kyrgyzstan, Montenegro, North Macedonia, Serbia, Tajikistan, Turkmenistan, Türkiye, Uzbekistan, and Ukraine, as well as Kosovo\(^3\)) received assistance and several pilot implementation projects were undertaken with the involvement of these and other countries (see paragraph 4).

   - **Assisting transition economies in engaging with the World Trade Organization (WTO), notably implementing the WTO Trade Facilitation Agreement (TFA) and moving towards sustainable trade**: The Regional Adviser continued to support three WTO acceding countries (Azerbaijan, Turkmenistan and Uzbekistan) implement measures of the WTO Trade Facilitation Agreement (TFA) where the use of ECE and UN/CEFACT standards and tools offers a comparative advantage. This activity contributes to the achievement of SDG 17.10.

   - **Supporting States participating in the United Nations Special Programme for the Economies of Central Asia (SPECA)\(^4\) in making their region a connectivity hub with global outreach, using UN/CEFACT standards**: The Regional Adviser supported the Azerbaijani chairmanship of SPECA in 2023 and Tajikistan’s chairmanship in 2024. In response to a request from the SPECA participating States, in cooperation with the ECE Sustainable Transport Division, the ECTD Director, and the ECE Deputy Executive Secretary, the Regional Adviser supported the

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3 All references to Kosovo are understood in the context of UNSCR 1244(1999)

4 The SPECA participating States are Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, while Afghanistan does not participate in the SPECA activities. For more information, see www.unece.org/speca.
development of the SPECA Roadmap for the Digitalization of Multimodal Data and Document Exchange along the Trans-Caspian Corridor using United Nations Legal Instruments and Standards.\(^5\) On 24 November 2023, the presidents of the SPECA participating States adopted this roadmap. This was a major step ahead in the realization of the key objective of the Azerbaijani chairmanship to transform the SPECA region into a connectivity hub with global outreach by promoting UN/CEFACT standards and instruments. The Regional Adviser supported the SPECA Working Group on Trade (by organizing its 18th session on 20 November 2024 in Baku, Azerbaijan). In this way, he supported the achievement of the goals of the strategic documents of SPECA in trade: (a) the “Ashgabat initiative on reducing barriers to trade and transport, using United Nations legal instruments, norms, standards and recommendations while bolstering connectivity in the SPECA region”\(^6\); (b) the SPECA Trade Facilitation Strategy\(^7\); and (c) the SPECA Principles of Sustainable Trade\(^8\).

4. Activities of the Regional Adviser supported several major achievements in 2023-2024:

- Adoption of the SPECA Roadmap for the Digitalization of Multimodal Data and Document Exchange along the Trans-Caspian Corridor Using United Nations Legal Instruments and Standards, which includes the implementation of the UN/CEFACT semantic standards and Multimodal Transport Reference Data Model as a key reference for data harmonization along digital corridors. If the Trans-Caspian countries use UN/CEFACT standards and supporting tools, then two regions will come closer through interoperability - the Trans-Caspian Corridor and the European Union, which is already using the UN/CEFACT standards as a key reference for interoperability in the rollout of the European Union (EU) 2020/1056 Regulation on Electronic Freight Transport Information (eFTI)\(^9\).

- With support from the Regional Adviser, a pilot project for the digitalization of a railway consignment note along the Trans-Caspian trade and transport corridor, using the UN/CEFACT standards is advancing. This is a project run in cooperation with the Permanent Secretariat of the Intergovernmental Commission of the Transport Corridor Europe-Caucasus-Asia (PS IGC TRACECA), the International Rail Transport Committee (CIT), the Organization for Cooperation of Railways (OSJD) and the International Union of Railways (UIC). In 2024, ECE engaged a local consultant to develop a prototype of a CIM/SMGS\(^10\) consignment note following the UN/CEFACT naming rules, definitions, directories, and schemas. This is a best practice example of practical implementation of the UN/CEFACT standards for data sharing in the supply chain. The plan is to multiply it in other pilot projects with other countries and organizations. United Nations member States (seven programme countries), sectoral organizations (OSJD, CIT, TRACECA), business associations (FIATA) and other stakeholders gradually endorse the package of standards for the digitalization of data and documents accompanying goods in various modes of transport, in compliance with the UN/CEFACT semantic standards and Multimodal

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\(^10\) CIM stands for the consignment note under the Uniform Rules Concerning the Contract of International Carriage of Goods by Rail – consignment note managed by CIT, and SMGS stands for the consignment note under the Agreement on International Goods Transport by Rail, managed by the OSJD. A combined consignment note CIM/SMGS has been developed as the basis for joint rail cargo transport information exchange.
Transport Reference Data Model (MMT RDM). Another example is of the successful completion of a pilot eCMR\textsuperscript{11} project using UN/CEFACT standards, announced by the Russian Federation and Belarus in February 2024\textsuperscript{12}.

II. Activities promoting the implementation of UN/CEFACT standards and reference data models for digitalization of data and document exchange along supply chains

5. In response to the latest challenges to international trade, connectivity, regional integration, and sustainable development, caused by the effects of the COVID-19 pandemic and the war in Ukraine, the Regional Adviser undertook a series of activities highlighting the usefulness of UN/CEFACT standards and tools.

6. The Regional Adviser continued to manage the implementation of the United Nations Development Account (UNDA) T14 project 2225N “Enhanced capacities for pandemic-resilient, sustainable cross-border trade and transport of selected countries in the ECE region”\textsuperscript{13}. This project focused on further pilot implementation of UN/CEFACT standards. Activities concentrated on updating standards for multimodal digitalization of data and document exchange, notably along the Trans-Caspian Corridor between Europe, Central and East Asia, as well as the Western Balkans. Results are published on the UNTTC.org website.\textsuperscript{14} During this period, the Regional Adviser continued to help implement the package of standards for the digitalization of key documents accompanying goods in the five modes of transport, through specific pilot implementation projects, including those testing railway consignment notes, the digital FIATA multimodal bill of lading, etc.

7. In 2023-2024, work on pilot implementation focused on projects related to railway information exchange in response to requests from such countries as Azerbaijan, Georgia, Kazakhstan, Türkiye, and Ukraine, and such organizations as OSJD, CIT, and PS IGC TRACECA. Upon request of member States and OSJD, UN/CEFACT experts and the Regional Adviser provided advice on how to use the UN/CEFACT standards and artefacts for practical implementation of the package of digitalization standards through focused presentations and capacity-building events related to the meetings of the OSJD Permanent Working Group on Codes and IT\textsuperscript{14-16} November 2023, 6-7 March 2024 (advisory services online), and an ESCAP seminar on 21-22 May 2024 (advisory services provided in person). This resulted in a collaboration between OSJD and UN/CEFACT experts to prepare, by August 2024, an OSJD technical specification for the SMGS consignment note, using UN/CEFACT standards. This will create the opportunity for further pilot testing projects. The Regional Adviser, UN/CEFACT and OSJD experts also started collaboration on the alignment of accounting messages (COACSU\textsuperscript{15}).

8. Cooperation was established with CIT, OSJD, the Intergovernmental Organization for International Carriage by Rail (OTIF), the European Railway Agency (ERA), RailData, and the International Union of Railways (UIC) in the development and advancement of standards for the digitalization of the CIM/SMGS consignment note. Cooperation is ongoing on pilot projects (e.g., the mentioned pilot project with TRACECA\textsuperscript{16} on the digitalization of a railway consignment note using the package of standards).

\textsuperscript{11} eCMR refers to the digitalized equivalent of the CMR road consignment note under the Contract for the International Carriage of Goods by Road (CMR) or eCMR according to the relevant Protocol on eCMR to the CMR Convention.

\textsuperscript{12} Note verbale from the Permanent Mission of the Russian Federation to the United Nations and Other International Organizations in Geneva to the ECE no.546 from 13 February 2024.

\textsuperscript{13} For more information on this project, see https://www.un.org/development/desa/da/individual-project-view-public?project_id=18432_\&wpnonce=abdc7cd047

\textsuperscript{14} The results of this project are published on the joint UNCTAD and all regional commissions website https://unctd.org/stream/electronic-trade-and-transport-documents-and-data.

\textsuperscript{15} UN/EDIFACT’s Commercial Account Summary (COACSU) messages

\textsuperscript{16} The Intergovernmental Commission TRACECA promotes the development of regional transport dialogues to ensure efficient and reliable Euro-Asian transport links. TRACECA stands for transport corridor Europe, Caucasus, Asia.
9. In compliance with the UN/CEFACT normative work and the theme of the 70th ECE Commission session (Digital and Green Transformations for Sustainable Development in the Region of the Economic Commission for Europe), the above work led to the update of the UN/CEFACT standards for multimodal data.\(^{17}\)

10. ECE, TRACECA, CIT and other organizations continue cooperation with the railway services of five countries to implement their memorandum of understanding to participate in the pilot project supported by TRACECA, UNECE, OSJD, CIT, and UIC to digitalize the railway consignment note using the multimodal standards of UN/CEFACT. The Regional Adviser organized the launch of this initiative and continues to coordinate with the focal point in the PS IGC TRACECA the preparations and the pilot testing of the implementation of the MMT RDM. Cooperation began on the integration of port community systems and the overall corridor flow of information, with the participation of the former Chief Executive Officer of the port community system of Odessa, representatives of the port of Baku, and the International Port Community System Association (IPCSA).

11. Pilot implementation continued through several projects, including those involving standardized digitalization of multimodal data and document exchange along the Trans-Caspian Corridor and other regions and the use of UN/CEFACT standards and artefacts for the digitalization of railway consignment notes. Important activities have taken place on data sharing and alignment with the MMT RDM, including the following:

- The Regional Adviser, together with the Transport Community in Southeast Europe, the Customs Administration of North Macedonia, and other partners, organized a Technical Cooperation Workshop on Trade Facilitation, Single Window and Data Sharing for the Western Balkans (8-9 February 2024).\(^{18}\) It (1) reviewed progress on the single window projects in the region (supported by the World Bank in Albania, North Macedonia, and Serbia); (2) raised awareness about the EU eFTI Regulation and UN/CEFACT semantic standards and reference data models in support of its implementation; and (3) discussed possible pilot projects. Close to one hundred participants from all the Western Balkans and key development partners - ECE, UN/CEFACT, the United Nations Conference on Trade and Development (UNCTAD), the European Commission, the World Bank, the CEFTA secretariat, GIZ, the United States Agency for International Development (USAID) and others - took part in the workshop. The awareness about the UN/CEFACT recommendations, standards and tools for single window implementation and digitalization of multimodal data and document exchange increased significantly. A set of recommendations and demands for pilot implementation projects were formulated. Possible synergies with the United Nations Resident Coordinator Office and resident United Nations agencies in North Macedonia were identified.

- A side event was held for the heads of delegation of the SPECA participating States to the Inland Transport Committee on 21 February 2024, which issued recommendations to the countries on how to support implementation of the SPECA Trans-Caspian multimodal digitalization roadmap.

- At the 18th session of the SPECA Governing Council, the delegation of Uzbekistan suggested and the other delegations agreed to request capacity-building on the use of UN/CEFACT standards in the implementation of the SPECA digitalization roadmap. In response to this demand, the Regional Adviser organized the following activities:
  - A national capacity-building seminar “Digitalization of Multimodal Data and Document Exchange Using United Nations Legal Instruments and Standards” took place in Tashkent, Uzbekistan on 29 March 2024.\(^{19}\) The seminar: (a) reviewed the standards and methodology for digitalization of multimodal data and document exchange; (b) discussed ongoing and future pilot implementation projects and how can Governments help with the practical implementation of the SPECA Trans-Caspian multimodal digitalization


\(^{18}\) [https://unece.org/info/Trade/events/384438](https://unece.org/info/Trade/events/384438)

\(^{19}\) [https://unece.org/info/Trade/events/389384](https://unece.org/info/Trade/events/389384)
roadmap. They discussed plans to create networks of IT and business experts working on digitalization to learn how to use the standards in multimodal data exchange.

- A capacity-building workshop / side event to the Eleventh Asia-Pacific Paperless Trade Forum called “Using the UN/CEFACT Semantic Standards and the Multimodal Transport Reference Data Model for the Implementation of the SPECA Roadmap for the Digitalization of Multimodal Data and Document Exchange along the Trans-Caspian Transport Corridor, Using United Nations Legal Instruments and Standards” took place in Samarkand, Uzbekistan, on 4 April 2024.20

- At these events, participants recognized the importance of using the United Nations standards in the digitalization of multimodal data and document exchange in the region. They requested to intensify cooperation and the use of United Nations standards; increase support from international development partners; establish networks of experts on the use of UN/CEFACT standards; as well as strengthen implementation and include Uzbekistan in the railway consignment note digitalization, explore possibilities for other pilot projects, select lead institutions and focal points, and assess countries’ readiness to implement the UN/CEFACT standards.21

- The Fifteenth ECE Regional Seminar on Trade and Transport Facilitation is scheduled to take place in hybrid format in Aktau, Kazakhstan, on 11-12 June 2024 under the title “Trade Facilitation and Digital Transformation of Multimodal Data and Document Exchange along the Trans-Caspian Corridor: Implementing the SPECA Roadmap for the Digitalization of Multimodal Data and Document Exchange along the Trans-Caspian Transport Corridor, Using United Nations Legal Instruments and Standards”.22

- These seminars mark the intensification of efforts to help countries understand the semantic standards, implement them, participate in pilot projects, and create networks of business and IT experts to further the digitalization of multimodal data and document exchange based on UN/CEFACT standards. These seminars also provide insights on how Governments can support the practical implementation of the standards in the Trans-Caspian Corridor.

12. The overall implementation of the UNDA14 2225N project, under which most activities above were organized, has strengthened collaboration with the European Commission, railway, air and other sectorial organizations, the Eurasian Economic Commission (EEC), and the ECE Sustainable Transport Division to advance the digitalization of multimodal transport data and document exchange with reference to the UN/CEFACT standards. Collaboration with the European Commission, the International Civil Aviation Organization (ICAO), OSJD, CIT and the International Union of Railways (UIC) at numerous events attests to their support for the implementation of the standards.

III. Assisting transition economies with their WTO engagement, implementing the TFA, and sustainable trade

13. In the period since November 2023, work on this item concentrated on collaboration with Uzbekistan on the finalization of the national trade facilitation strategy. The Government of Uzbekistan noted that it has focused this work on the overall priority of accession to the WTO. It uses the results of the assessment of the readiness of Uzbekistan to implement the WTO TFA, prepared with assistance from the Regional Adviser, in their accession negotiations. The plan is to finalize this roadmap in the summer of 2024. The
Regional Adviser will support Turkmenistan for an assessment of their readiness to implement the WTO TFA.

IV. Support SPECA participating States to make the region a connectivity hub with global outreach, using the UN/CEFACT standards

14. As noted above, the Regional Adviser supported the development of the SPECA Roadmap for the Digitalization of Multimodal Data and Document Exchange along the Trans-Caspian Corridor Using United Nations Legal Instruments and Standards upon request from the Minister of Digital Development and Transport of Azerbaijan23 and a Joint Ministerial Statement of the SPECA participating States24. The Regional Adviser supported the reviews of the draft at the capacity-building seminar “Trade Facilitation and Digital Transformation of Multimodal Information Exchange in Eastern Europe and SPECA Using United Nations Standards”25, in Baku, Azerbaijan, 22-23 May 2023; the 18th session of the SPECA Working Group on Trade”26, 20 November 2023; and the SPECA Governing Council27, 23 November 2023. The adoption of the Roadmap at the SPECA summit on 24 November 2023 in Baku offers a major opportunity for UN/CEFACT and the implementation of the UN/CEFACT standards.28

15. After the adoption of the SPECA Trans-Caspian digitalization roadmap, the SPECA participating States requested implementation support, noting this need to the ECE Executive Secretary. The ECTD Regional Adviser started organizing capacity-building events and plans to intensify work with relevant UN/CEFACT experts and relevant organizations on the rollout of the UN/CEFACT standards in the implementation of the roadmap.

16. The nineteenth session of the SPECA Working Group on Trade, organized by the Economic and Social Commission for Asia and the Pacific (ESCAP) with substantial and organizational input from the ECE Regional Adviser, took place in Samarkand, Uzbekistan, on 3 April 2024. The Regional Adviser cooperated with the ESCAP colleagues to lead the representatives of the SPECA participating States in the review of all topics in the programme of work of the group: regional cooperation in the WTO process; implementation of the SPECA Trade Facilitation Strategy; the SPECA Principles of Sustainable Trade; non-tariff barriers; and standardized digitalization of information flows along SPECA multimodal trade corridors (new topic). The twentieth session of the group is scheduled to take place in 2025, most likely in Turkmenistan, to be organized by the Regional Adviser.

V. Liaison with United Nations resident coordinators

17. The Regional Adviser has special responsibilities to liaise with the United Nations resident coordinators in three specifically identified transition economies in the ECE region: North Macedonia, Tajikistan, and Turkmenistan, and liaise with the other ECE regional advisers. He fostered special collaboration on issues related to trade development and facilitation in these countries. The implementation of the UN/CEFACT standards and tools was the subject of the following activities:

    o The Regional Adviser facilitated a meeting of the economists of the resident coordinator offices in the SPECA countries during the SPECA events in Baku,
on 22 November 2023 to discuss the possibility to draft a study on the economic implications of the standardized digitalization of multimodal data and document exchange along the Trans-Caspian trade and transport corridor.

- Raised awareness of the resident coordinators and economists in the Resident Coordinator Office in personal meetings in Tajikistan (16 January 2024), Kazakhstan (25 January 2024), and North Macedonia (6 February 2024) and during the annual Sustainable Development Forum in March 2023, on our work on trade facilitation and implementation of the UN/CEFACT standards for improved trade and multimodal transport connectivity.

- In the preparations for a meeting between the EU and Central Asia in the framework of the Global gateway, the Regional Adviser discussed with the resident coordinator in Kazakhstan (who represented the United Nations at that meeting) the possibilities to support the implementation of the Roadmap for the Digitalization of Multimodal Data and Document Exchange along the Trans-Caspian Corridor using United Nations Legal Instruments and Standards.

18. The Regional Adviser is working with the ECE Deputy Executive Secretary (DES) and other staff on setting up a Multi-Partner Trust Fund for SPECA. The Presidents of Azerbaijan, Kazakhstan and Uzbekistan noted their support for this Fund, and claimed contributions to it. The SPECA participating States have expressed their will that some of the resources would be dedicated to the implementation of the Roadmap for the Digitalization of Multimodal Data and Document Exchange along the Trans-Caspian Corridor using United Nations Legal Instruments and Standards, including implementation of the UN/CEFACT semantic standards and Multimodal Reference Data Model, in compliance with the roadmap.

19. With regard to funds mobilization for UN/CEFACT related activities, in 2023-2024 the Regional Adviser worked in support for the establishment of a SPECA UN Multi-Partner Trust Fund (MPTF), notably drafting ToR for the fund in collaboration with other partners and under the coordination of the ECE DES and networking with representatives from the SPECA participating States. Three Presidents made pledges to contribute to the MPTF at the SPECA Summit on 23 November 2023: Azerbaijan – 3.5 million, Kazakhstan and Uzbekistan (unspecified sums). Turkmenistan made an additional pledge of an unspecified sum. The SPECA participating States made a clear claim that part of the funds should be used for the implementation of the above-mentioned SPECA Roadmap for the Digitalization of Multimodal Data and Document Exchange along the Trans-Caspian Corridor using United Nations Legal Instruments and Standards.

20. In the period under review, the Regional Adviser made significant contributions to promoting the benefits of UN/CEFACT recommendations, semantic standards, and reference data models in supporting electronic business and trade facilitation. Implementing these free and globally accessible UN/CEFACT standards and tools provides a standardized language for digitalizing data and document exchanges along cross-border supply chains. This can enhance the efficiency of trade and sustainable development, both in the region and globally, in developed, developing and emerging economies. The demand for technical cooperation and capacity-building assistance from the Regional Adviser is constantly growing, as noted in the mentioned OIOS evaluation29.