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**Lessons learned from the Studies on Regulatory
Barriers to Trade and country follow-ups**

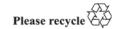## Lessons learned from the Studies on Regulatory Barriers to Trade and the Way Forward

Note by the secretariat

Summary

The Steering Committee on Trade Capacity and Standards at its seventh session on 27-28 June, 2022, expressed appreciation of the Secretariat's work on the Studies on Regulatory and Procedural Barriers to Trade (RPBT studies) conducted over the years and asked the Secretariat to prepare a follow-up report on lessons learned from these studies and possible way forward (ECE/CTCS/2022/2, Decision 2022-10).[1]

The objective of this note is to provide an overview of RPBT studies undertaken since 2012 in selected countries, summarize lessons learned, and provide options for possible ways forward. This note addresses emerging trends in the current policy-making agenda, suggests a set of specific recommendations to further enhance the potential of studies to better contribute to the attainment of the Sustainable Development Goals 2030.

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[1] See: https://unece.org/sites/default/files/2023-01/ECE_CTCS_2022_2E.pdf.

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I. Introduction

1.   Since 2012, the sub-programme 6 (Trade) of the Economic Commission for Europe (ECE) has supported its member States, in particular countries with economies in transition, in identifying regulatory and procedural barriers to trade and providing policy recommendations to improve trade-related regulatory cooperation in the region, in coordination with other international actors, such as the World Trade Organization (WTO), United Nations Conference on Trade and Development (UNCTAD) and International Trade Centre (ITC) (ECE/TRADE/C/2012/6). This includes demand-driven and results-oriented studies on Regulatory and Procedural Barriers to Trade (RPBT studies).

2.   The RPBT studies shed light on the root causes of regulatory and procedural barriers to trade in the countries concerned and provide action-oriented recommendations, taking into consideration the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) recommendations and standards, standard-setting work of Working Party 6 (Regulatory Cooperation and Standardization Policies) and Working Party 7 (Agricultural Quality Standards). There are also important synergies between RPBT studies and the tools under the subprogramme 4 Economic Cooperation and Integration, e.g. the Innovation for Sustainable Development Reviews.[2]

3.   RPBT studies are geared to assist countries in establishing the required institutional and legislative framework for ensuring successful integration into regional and global supply chains; promote information exchange among countries on policies and experiences; and inform donors as to where assistance might be required.

4.   This note provides an overview of all RPBT studies that were undertaken since 2012 (Section II), including lessons that could be drawn therefrom (Section III). Based on this overview and taking into account emerging trends in the current policy-making agenda, this note suggests options on how to further enhance the potential of RPBT studies to bring about positive changes to the regulatory environment in the countries concerned (Section IV).

II. Overview of the RPBT studies conducted in programme countries: Albania, Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, the Republic of Moldova, Tajikistan and Serbia

5.   The RPBT studies were conducted for ten countries with economies in transition in the ECE region: Albania (2016), Armenia (2019), Belarus (2012), Georgia (2018), Kazakhstan (2014), Kyrgyzstan (2015), Serbia (2021), Tajikistan (2014), the Republic of Moldova (2017) and Uzbekistan (2023). Furthermore, the ECE produced seven specialised studies assessing the impact of the COVID-19 pandemic on MSMEs (2021)[3] with a gender

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[2] I4SDRs help countries diversify their economies through a calibrated assessment and recommendations for policy and structural reforms, based on international good practices and a firm understanding of national and regional specificities. Available here: https://unece.org/innovation-sustainable-development-reviews-i4sdrs.

[3] See "The Impact of COVID-19 on trade and structural transformation in Armenia". Available here: https://unece.org/sites/default/files/2021-01/Impact_COVID-19_Armenia..pdf. See also: "The impact of COVID-19 on trade and structural transformation in the Republic of Moldova". Available here: https://unece.org/sites/default/files/2021-06/Impact_COVID-19_Moldova-Eng.pdf; "The impact of COVID-19 on trade and structural transformation in Serbia". Available here: https://unece.org/sites/default/files/2021-06/Impact_COVID-19_Serbia-Eng.pdf. "Findings and recommendations emerging from UNECE COVID-19 impact assessments targeting micro, small and medium enterprises in selected countries". Available here: https://unece.org/sites/default/files/2021-10/COVID-19%20Impact%20assessments.Summary.Paper__0.pdf.

perspective (2022)[4]; and a thematic paper providing recommendations for gearing non-tariff measures to support the reduction of food loss and waste (2020).[5]

6.   The RPBT studies were conducted between 2012 to 2021 and address trade facilitation conditions (i.e., trade-related documents and procedures), regulatory and standardization policies and trade-related infrastructure. In particular, trade-related documents and procedures were measured against ECE key principles on trade facilitation, including transparency, communications, consultations and cooperation; simplification, practicability and efficiency; non-discrimination, consistency, predictability and due process; harmonization, standardization and recognition; and modernization and the use of new technology.[6]

7.   All RPBT studies use the ECE methodology elaborated by the ECE.[7] The ECE evaluation methodology features actor-oriented questionnaires geared towards ascertaining regulatory and procedural trade barriers both behind and at the border. The questionnaires focus on: (i) trade facilitation measures; (ii) the national quality infrastructure system embodied in standardization policies, technical regulations, quality assurance, accreditation and metrology (SQAM); and (iii) trade-related infrastructure, including transport and logistics. Specific target sectors and products subject to analysis were chosen in consultation with the respective governments and included a broad range of products from different industries, such as chemicals, livestock, vegetables, fruits, machinery and transport equipment.

8.   The methodology involved interviewing a broad spectrum of stakeholders, representing all actors involved in supply chain activities, including State officials, transport operators, logistics service providers, market support institutions[8] and traders (both exporters and importers). Transport operators, logistics service providers and market support institutions were selected based on the size and scope of their operations. On average, around 70-80 stakeholders were interviewed for each country.

9.   All RPBT studies assess the trade profile of the target country and its positioning in the region and internationally, including main export/import products and destinations. They take into account the specific conditions affecting the countries concerned, such as geography (e.g. remoteness from major world markets, resources endowments, landlocked status), historical institutional heritage (e.g. for post-Soviet economies), regional integration strategies, among others. The studies also pay attention to the economic vulnerabilities of the countries concerned, such as external shocks linked to resource dependence, weak productive capacity, as well as the lack of economic diversification.

10.   Drawing on the ECE's Buy-Ship-Pay (B-S-P) reference model[9], the evaluation methodology offers a broad conceptualization of international trade transactions as proceeding along a single process in a supply chain (rather than a series of fragmented activities spread across different actors). International trade transactions are grouped under

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[4] See: "The impact of COVID-19 on the trade and business development prospects of female-owned enterprises in the Republic in Armenia". Available here: https://unece.org/sites/default/files/2022-11/UNECE-Impact%20of%20COVID-19-Female-Armenia_E.pdf; See also: "The impact of COVID-19 on the trade and business development prospects of female-owned enterprises in the Republic of Moldova. Available here: https://unece.org/sites/default/files/2022-11/UNECE-Impact%20of%20COVID-19-Female-Moldova_E.pdf.

[5] See: https://unece.org/fileadmin/DAM/trade/StudiesRegulatoryProceduralBarriersTrade/ThematicPublications/TakingAdvantage-GrowingTrade-FoodProducts_Eng.pdf.

[6] UNECE (2006). Towards an Integrated Strategy for UN/CEFACT, Geneva, Switzerland.

[7] See: https://unece.org/DAM/trade/Publications/ECE-TRADE-409E.pdf.

[8] Non-governmental organisations supporting enterprise development such as trade promotion agencies, business support institutions, the chambers of commerce.

[9] The B-S-P reference model help provide an overview of the critical steps of every transaction to reveal the complexities which every such step might bring, bearing in mind conflicting policy objectives related to trade development and trade facilitation, capacity shortfalls in the existing trade support institutional framework and shortcomings in existing public-private sector consultative mechanisms related to the development and implementation of regulatory policies.

three main operations, buy, ship and pay[10], which correspond to the business processes undertaken by traders throughout the supply chain.

11.   Some of the RPBT studies provide a detailed and comprehensive overview of how the business process looks for a particular range of products (e.g., biscuits and candies for Kazakhstan). This typically covers parties involved, documents required, and actions pending and is based on the Business Process Analysis (BPA) methodology.[11]

12.   The RPBT studies follow a similar structure that consists of five to ten chapters (see Annex I) and multiple annexes that provide further technical details, including on the surveyed economic operators export-import mix; documentary requirements for exports by level of difficulty; countries' GDP by sector (share in total GDP) and others. Recommendations might broadly be categorised as covering cross-cutting issues, which are relevant across a range of discussions or for systemic reasons and vertical issues.[12]

13.   The cross-cutting issues encompass topics that underpin the ease of doing business, the sophistication of legal and regulatory systems and governance challenges. At the same time, the vertical issues, or categories, cover a diverse range of topics that could, for the ease of reference, be generally referred to as trade facilitation measures, standardization policies and trade-related infrastructure, including transport and logistics.[13]

14.   Recommendations provided in the RPBT studies are country-specific and are based on the outstanding needs of a country under consideration. Some of the recommendations addressed concerns that were common to all countries. This might be explained by the similarities of challenges faced by many countries with economies in transition.

15.   Examples of country-specific recommendations include actions towards enhancing the bargaining position of shippers (i.e., the RPBT Study for Albania); expanding the range of reasonably priced customs brokerage services available to traders (i.e., the RPBT Study for Kazakhstan); establishing clear distinction between primary laws and secondary regulations for guiding implementation and reconsidering the relation between the Government and railway management (i.e., the RPBT Study for Tajikistan), among others.

16.   The general recommendations touch upon the implementation of a whole of government approaches to trade reforms, development of a business friendly and conducive environment for export and import activities (including simplification of trade-related procedures and digitalization of documents and multistakeholder consultations on new trade related laws and regulations), investments in critical infrastructure and continued collaboration with the neighbouring countries (predominantly regional partners).

III.   Lessons learned

17.   This section identifies the most important lessons learned from the assessments undertaken to date, which are grouped into thematic blocks, covering trade facilitation,

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[10] These operations are: 1) Buy – covering all commercial activities related to the ordering of goods; 2) Ship – covering all of the activities involved in the physical transfer of the goods, including regulatory procedures related to official controls; 3) Pay – covering all of the activities involved in payment transactions.

[11] BPA is an important tool for ECE's capacity building activities on trade facilitation issues, also offered by the ECTD Trade Facilitation Section. BPA is used to: (i) analyse actions, documents and data involved in international trade; (ii) locate problematic areas that cause delays in moving goods across borders, such as unnecessary forms and documents and repetitive data elements and (iii) identify opportunities for improvement, such as reducing the number of trade documents and minimizing data requirements. See ECE, ESCAP (Economic and Social Commission for Asia and the Pacific), UNNExT (UN network of Experts for Paperless Trade in Asia and in the Pacific) (2009) 'Business Process Analysis Guide to Simplify Procedures'. Bangkok: United Nations Publications.

[12] Vertical issues refer to specific topics referred to by the RPBT studies, such as trade facilitation measures, standardization policies and trade-related infrastructure, including transport and logistics.

[13] For instance, with respect to trade facilitation, recommendations include ensuring access to trade-related information, simplifying trade procedures and streamlining documentary requirements. Recommendations on regulatory cooperation and standardisation policies include ascertaining harmonisation between domestic and international standards as well as develop regulatory impact assessment systems.

regulatory and standardisation policies and the role of regional integration and cooperation. The RPBT studies do not only identify outstanding needs and reveal existing shortcomings in the countries' trade-related laws and regulations, but also derive important lessons that are to be taken into account in the context of the future policymaking, capacity building and technical assistance activities.

A. Trade Facilitation

Transparency

Access to information is an essential precondition to creating a trade conducive regulatory environment

18.   The RPBT studies emphasise that access to and dissemination of trade-related information is an essential precondition for creating a trade conducive environment in the countries concerned. Easily accessible, continuously updated and user-friendly information is considered to have a high potential to bring about major impact by helping increase predictability of trade transactions, accommodating strategic business decision-making and improving the compliance record of economic operators with respective regulations.

19.   As means to boost transparency and ensure access to trade-related information, the RPBT studies recommend information consolidation in a one-stop-shop user friendly portal with an online help desk facility maintained by one State agency. Such a portal could contain not only trade-related information on applicable regulations and associated administrative procedures, but also brief explanatory brochures on the steps that traders should follow to ensure due diligence in fulfilling the legislative requirements. The studies also point out to the importance of ensuring that information on trade-related procedures is published in at least two languages, i.e., in local language and in English, as a way to attract foreign companies and investors.

20.   Other means of information dissemination and sharing of good practices include training programmes, workshops and seminars for traders, governmental officials, customs brokers and other agents involved in trade. This could be done by creating permanent training facilitiesy equipped with experts and trainers, including in cooperation with international training centres.

21.   The lack of awareness and qualified personnel as well as the skills mismatch at the labour market remained an overarching concern in the majority of covered countries. Developing and organising training programmes for governmental officials, customs brokers and micro, small, and medium-sized enterprises (MSMEs) was repeatedly suggested as one of the priority actions to facilitate trade and improve supply chain management. Furthermore, domestic training programmes could be complemented by organised visits to countries known for their business-enabling practices at the borders. The RPBT Study for Georgia, for instance, refers to Germany and Singapore as examples of countries with elaborated border management systems and potential destinations for professional development and further training in this area.

Consolidating and enhancing public-private dialog is one of the key enablers of trade

22.   One of the key messages in RPBT studies is that it is important to ensure a broad representation of stakeholders[14] in policy making, in particular trade-related, is beneficial to attain sustainable development objectives, support structural transformation and enhance the export competitiveness of countries concerned.

23.   Public-private dialogue, in particular, is referred to as an indispensable precondition of policy responsiveness and effectiveness. The role of public-private collaboration was also emphasised in the context of National Trade Facilitation Committees. More specifically, the

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[14] Such as the private sector, represented by, inter alia, traders, logistic companies, businesses leads, and market support institutions.

studies suggest that private sector support could help Committees boost overall strategic oversight.

24. In order to turn public-private dialogue into success stories, the RPBT studies recommend ensuring continuous, far-reaching and sector-specific consultations with the private sector. While trade-related laws and regulations, including draft regulations, should be discussed in their own right, it might also be beneficial to consider private sector engagement in discussing the broader context of legislative and administrative reforms. It is recommended to consolidate consultations under one institutional mechanism, thereby enabling focused, targeted, action-oriented and well-coordinated dialogues.

25. Another approach aimed at enhancing public-private dialogue recommended by the RPBT studies is to strengthen market support institutions that already had a strong outreach service with a research facility, so as to enable them to crystalize traders' needs in white papers for the government's consideration.

Measures to accommodate a paperless trade environment are essential to remove logistics challenges and enhance trade competitiveness

26. The RPBT studies recognise the prominent role of a paperless trade environment for facilitating data and documents flow between businesses and government (B to G) and between governments (G to G). Paperless trade measures include the establishment of an electronic automated customs system and Single Windows, allowing for the electronic submission and issuance of trade-related documents including trade licenses and customs declarations. The studies underscore that paperless trade lowers compliance and inventory costs, streamlines movement of goods, and affords timely availability of shipping documents, which also enhances opportunities for MSMEs to participate in cross-border trade.

27. Several challenges hindering the transition to a paperless environment were identified, including the lack of regulations supporting the set-up and operation of paperless trade (such as rules on the legal validity of electronic documents, electronic signatures etc.), as well as the lack of necessary capacities (e.g. lack of the access to the internet and the digital skills to be able to maximize the advantage of going paperless).

28. Furthermore, the RPBT studies point out that in many instances, despite the existence of paperless systems and underlying legal frameworks, customs and regulatory agencies would still request the submission of original paper documentation, thereby reducing much of the value of the paperless environment for traders. The studies suggest that these practices demonstrated that reforms implementation was oftentimes lagging far behind the intended ambition.

29. In the context of paperless trade, Single Window implementation posed the biggest challenge for the reviewed countries due to the complexity of the process. According to the findings, the quality of Single Windows facilities was often linked to the quality of cooperation and information exchange among various government agencies, which was often not sufficiently fine-tuned. This led to situations where traders still needed to submit information several times, thereby diminishing the value of Single Window facilities.

Simplifying documents and procedures can lead to significant reductions in trade cost

30. Complex documentation requirements and procedures impose a significant burden on economic operators. In some cases, traders and MSME lacking the human resources capacity had no other option but incurring extra costs of hiring additional labour, which could comprise up to 30 per cent of the products' value (e.g. labelling requirements for customs clearance).

31. In some cases, even where existing legislation limited the number of documentary requirements for exports, de facto documentation requirements (a.k.a "documents behind the documents") was oftentimes overwhelming. In this respect, the RPBT studies recommend to periodically verify how trade procedures apply in practice.

Digitalization is a crucial component of delivering efficiencies for cross-border activities

32. There is a great potential of digital tools to reduce the costs of engaging in international trade by facilitating the co-ordination of global value chains (GVCs), diffusing ideas and new technologies, and connecting a greater number of businesses and consumers globally.

33. The key message conveyed by the RPBT studies is that digital tools are indispensable for facilitating and streamlining transactions. Thus, countries should seek the better implementation of digital solutions. This requires taking incremental steps, starting with the most pressing concerns such as enhancing digital skills and literacy of economic operators engaged in trading activities, then moving up to adopting more complex digital tools and, possibly, implementing sophisticated artificial intelligence (AI) technologies.

34. While the RPBT studies acknowledge the opportunities and benefits stemming from digitally enabled transactions, they also acknowledge that the countries' level of preparedness for such transformation is uneven. Therefore, recommendations are carefully calibrated to address specific set of challenges the countries faced at the time of the assessment. For example, for Georgia, which had already implemented 93 per cent of the provisions of the WTO Agreement on Trade Facilitation (TFA) provisions before the Agreement's entry into force in 2017, one of the main recommendations was to further consolidate the Single Window into a more comprehensive platform following UN/CEFACT Recommendation 33. In other countries that were at earlier stage of implementation of trade facilitation reforms, the recommendations focused on capacity building. In the case on Kyrgyzstan, the study emphasised the need to equip State agencies with the required digital signature technology following international standards, and in the case of the study on Belarus, it was recommended to introduce new management information technologies for border control agencies.

Reducing at the border control inefficiencies can enhance supply chain security and foster transparent, consistent and predictable trading environment

35. The studies underscore many areas where customs functions could be improved. These areas refer to cumbersome and lengthy clearance procedures, ineffective customs valuation procedures and practices (such as intrusive inspections), as well as underdeveloped risk management systems.

36. Lack of cooperation at Border Crossing Points with neighbouring countries was one of the most pressing concerns reported by the interviewed stakeholders. The RPBT Study for Albania, for instance, underlines the problem of the lack of harmonisation of opening hours on different sides of the same border. The RPBT study for Tajikistan mentions that traders were frequently denied access to the transport facilities of the neighbouring countries, which was compounded by unpredictability of border closures (i.e., with Uzbekistan and Kyrgyzstan).

37. The studies stress the value of cross border cooperation and coordination of customs in improving traders' experiences and suggest a list of good practices for the consideration of authorities. These practices include the alignment of procedures and formalities, including working days and hours of BCPs; the development and sharing of common facilities and joint controls and the establishment of one stop border post controls.

B. Regulatory and Standardization Policies

Incorporating best practices in standard setting processes is an essential step for improving the regulatory environment in the countries concerned

38. All RPBT studies underline the need to improve the standardization practices.[15] The recommended area for improvement depends on whether a country had sufficient

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[15] Standardization is the process of developing, promoting and possibly mandating standards-based and compatible technologies and processes within a given industry.

institutional capacity, established legal framework guiding the development of technical regulations, standards and conformity assessment procedures as well as the necessary expertise and skills.

39.   Many RPBT studies point out that countries could benefit from increased support and assistance on standard setting. The RPBT Study for Kyrgyzstan further develops this idea and suggests that while it is important to ensure the country follows best practices, it is likewise crucial that this is done in a manner that is commensurate with the economic operators' needs and absorptive capacities. The study recommends that standard-setting agencies in the country could benefit from advanced training so that national agencies become standards makers as opposed to international standards takers.

40.   At the same time, according to the studies, some countries were already on their way to incorporate best practices in the activities of standard-setting bodies. The RPBT study for the Republic of Moldova, for example underlines that, in line with international best practices, the national Standards Technical Committees (NSCTs) were structured to ensure the broadest possible participation[16] and create synergy with technical regulation development.

41.   Whereas RPBT studies suggest a heterogeneous set of recommendations based on country-specific situations, all of them are ultimately focused on ensuring the dissemination of international best practices. For instance, the RPBT Studies for Tajikistan and Kazakhstan recommend integrating regulatory impact assessments for the development of technical regulations and standards-setting in order to ensure proportionality between regulatory measures and the different types of risks, including health, safety and environmental risks. The studies specifically refer to Recommendation R of the Working Party 6 of ECE on managing risk in regulatory frameworks (ECE/TRADE/C/WP.6/2011/4)[17] and Recommendation P on crisis and risk management (ECE/TRADE/C/WP.6/2011/14 and ECE/TRADE/C/WP.6/2011/14/Rev.1).[18]

Market surveillance strategies and mechanisms can help foster trust among consumers and economic operators

42.   The RPBT studies underscore the indispensable role of market surveillance[19] in ensuring that products on the market conform to the applicable laws and regulations, including health and safety requirements.

43.   The RPBT studies came up with a list of recommendations for developing market surveillance systems for the countries concerned. These recommendations include establishing enforcement policies as well as track-and-trace warning systems and internal procedures to ensure that enforcement actions are proportional to the health and safety risks and the seriousness of the breach. The RPBT studies refer to ECE Recommendations M[20] and N (ECE/TRADE/C/WP.6/2011/12)[21], which provide a framework for coordinating inter-governmental efforts to contain sub-standard and counterfeit goods, as a starting point of reference for coordinating these efforts.

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[16] Each NSTC brought together 15-20 representatives from producers, traders, business and professional associations, research institutions, consumer associations, market surveillance authorities, testing laboratories, certification bodies and line Ministries.

[17] According to Recommendation R regulatory authorities and other regulatory stakeholders should use the concept of "risk" to evaluate how balanced regulations are against two extremes: (i) Excessive or over regulation, i.e. regulations that are too stringent with respect to the risk they set out to address; (ii) Insufficient regulations that fail to address risk and unnecessarily or inordinately expose citizens and economic operators to threats.

[18] Recommendation P (revision of the Recommendation P) on crisis and risk management within a regulatory framework highlights the role of regulatory authorities in all phases of crisis and risk management, including preparation, stabilization, continuing critical functions, recovery and follow-up.

[19] Market surveillance covers a full range of actions, including the monitoring and control of the market and, where necessary, the imposition of corrective measures and penalties.

[20] See: https://unece.org/DAM/trade/wp6/Recommendations/Recommendation_M_en.pdf.

[21] See: https://unece.org/DAM/trade/wp6/Recommendations/Recommendation_N_en.pdf.

Metrology plays an important role in improving export competitiveness and structural transformation in the countries concerned

44.   The RPBT studies underline the critical role of metrology, including legal metrology,[22] in developing and maintaining the registry of national measurement standards and ensuring uniformity of measurement through calibration. Despite the importance of metrology institutes, there is little recognition and public awareness among the governmental officials of their importance for improving countries' capacities, export competitiveness and structural transformation. Therefore, there is limited emphasis in countries on further developing the institutional capacities of testing and calibration laboratories and metrological service agencies.

45.   In this respect, the studies recommend strengthening the research capacity of metrology laboratories, so that they could develop new measurement methods and legal metrology to cover all base units, starting with those related to priority sectors. Furthermore, the studies suggest that metrology institutes might also benefit from expanding their pool of experts, by, inter alia, attracting young experts to ensure the transfer of knowledge from the older generation. They also recommend organising targeted trainings.

Consolidating additional resources is necessary for addressing capacity shortfalls in the area of standardisation, conformity assessment and metrology institutes

46.   The RPBT studies refer to insufficient resources and capacities as a pressing concern for the conformity assessment[23] bodies (COBs), standardisation bodies and metrology institutes in the covered countries. First, insufficient resources were identified as being the major obstacle to their participation in international organisations, which undermined their ability to benefit from the best practices exchanges. Second, the lack of resources implied that testing laboratories in those countries had to keep utilising obsolete facilities. Insufficient funding compromised the ability of the countries concerned to satisfy the legal requirements of their trading partners. The studies emphasise that capacity shortfalls caused the lack of trust in the quality of testing procedures. This, in turn, led to many instances where destination countries would not recognize conformity assessment results issued by COBs in the country concerned and the respective samples had to be re-tested, thereby increasing the transaction costs for economic operators.

47.   Another challenge is that in many instances, standardisation bodies relied mainly on limited public budgets, which did not allow standardisation bodies to intensify their efforts to withdraw outdated standards and promote compliance with international standards (where necessary). The lack of resources also inhibited timely translation of international standards into the local language, which meant that many economic operators could not use them. With respect to metrology, a common concern is the limited number of calibration laboratories, which acted as a bottleneck undermining industrial innovations.

C.   Global and Regional Integration Dynamics

Regional cooperation is an enabler to promote new behaviours and improved export performance

48.   The RPBT studies identified regional integration efforts as a significant milestone towards improving a country's regulatory and business climate. Regional integration was

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[22] Metrology, often referred to as "weights and measures", is the science of measurement. It involves, among other processes, tool setting and product-verification operations using diverse technologies. Although metrology is perceived as part of conformity assessment systems, it is itself an independent part of a regulatory system. Metrology is to be distinguished from legal metrology, which focuses on ensuring the quality and credibility of measurements used directly in regulation and in areas of commerce. Legal metrology is also concerned with ensuring due diligence in the treatment of traceability and preventing the misuse of the measurements. See e.g.: https://unece.org/fileadmin/DAM/trade/Publications/ECE-TRADE-410E_Tajikistan_Chapter_1.pdf.

[23] Conformity assessment is to be understood pursuant to the WTO Agreement on Technical Barriers to Trade, as involving procedures used, directly or indirectly, to determine that relevant requirements in technical regulations or standards are fulfilled. See: https://www.wto.org/english/docs_e/legal_e/17-tbt_e.htm.

seen through the promotion of general regulatory frameworks and building up a common physical and institutional infrastructure.

49.   The RPBT studies also see the potential of regional cooperation in coordinating certification, quality assurance and metrological development efforts between the regional partners. This was considered as beneficial not only as a means to help increase confidence and facilitate formal agreements between countries (e.g., in the context of mutual recognition agreements), but also as a means to providing significant cost savings.

50.   According to the studies, reaping further benefits from regional cooperation efforts requires harmonisation of customs control procedures between neighbouring countries, which could be achieved by entering into customs cooperation agreements. In addition, facilitating traffic in transit and ratifying transport conventions and agreements is also recommended. In this respect, the RPBT studies draw attention to ECE's transport conventions and agreements, which contain a coherent set of provisions for anchoring national development efforts in line with international best practices.

Recommendations provided by RPBT studies support countries integration into the multilateral trading system

51. The RPBT studies have played an important role not only in the context of regional integration dynamics but also global ones. Recommendations provided by the RPBT Study in Kazakhstan, for example, contributed to finalization of its accession package and becoming a fully-fledged WTO Member in 2015.[24]

52. Recommendations provided by RPBT studies also enable countries' participation in the WTO system by supporting them in building institutional capacity and implementing a series of reforms and initiatives to streamline, facilitate, and simplify trade procedures and regulations. One example is the Action Plan for Trade Facilitation of the National Trade Facilitation Committee of the Republic of Moldova. The Action Plan was developed incorporating a direct contribution of the recommendations of the respective RPBT Study.[25]

53. Relatedly, RPBT studies have been deemed as a useful point of reference and data source in the context of WTO Trade Policy Reviews (TPRs) conducted both by the WTO secretariat and the government on the regular basis. For example, WTO TPR for Kyrgyzstan (2021)[26] and the Republic of Moldova (2022)[27] explicitly refer to findings of the respective RPBT studies in their findings.

D.   RPBT studies contributed to countries' improved performance in creating a favourable trading environment

54.   Evaluating trade performance is an important tool to assess the success of trade-related reforms. Available statistics indicate that all countries studies show considerable progress since the year of study in various areas identified as an "outstanding need". These areas cover: (i) the implementation rate of trade facilitation measures, as per the WTO TFA and additional benchmarks measuring trade facilitation environment beyond the scope of the Agreement (e.g., the UN Global Survey on Trade Facilitation and Paperless Trade and the Doing Business Project); (ii) progress in regulatory cooperation; (iii) achievements in the field of accreditation, standardisation and marker surveillance).

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[24] See: https://unece.org/DAM/trade/Publications/ECE-TRADE_407E-Kazakhstan.pdf. The relevance of RPBT studies has also been recognized by WTO acceding countries. Most recently Turkmenistan and Azerbaijan requested ECE to conduct RPBT studies to help the countries' meet their WTO accession-related obligations. See: https://unece.org/media/SPECA/news/373623.

[25] Available at https://www.wto.org/english/tratop_e/tradfa_e/comm_e/meet2-3may_ntfc_moldova_e.pdf. To support the government with remaining capacity-building needs in the area of trade facilitation, in 2022-2023, the ECE secretariat conducted a new RPBT Study with the focus on trade facilitation. This Study will be discussed at the eighth session of the Steering Committee (ECE/CTCS/2023/4).

[26] See: https://www.wto.org/english/tratop_e/tpr_e/s411_e.pdf

[27] See: https://www.wto.org/english/tratop_e/tpr_e/s428_e.pdf

55. According to the Trade Facilitation Agreement Database[28], the most impressive results in implementing TFA measures are demonstrated by Kyrgyzstan and Kazakhstan, which improved the level of implemented commitments since the RPBT Studies were conducted from 16.1 per cent to 89.9 per cent and from 44.5 per cent to 100 per cent respectively. Albania has also shown progress with its rate increasing from 75.6 per cent to 98.3 per cent. Other countries have also shown positive trends. Armenia, for example, increased its implementation rate from 50.8 per cent to 92.4 per cent, Tajikistan from 55.9 per cent to 98.3 per cent and the Republic of Moldova from 57.6 per cent to 77.3 per cent.

56. This positive trend is also confirmed by the UN Global Survey on Trade Facilitation and Paperless Trade, which—in addition to the 58 measures related to the WTO TFA—measures the progress made by countries with respect to emerging regional and global initiatives on paperless trade or e-trade.[29] The survey shows a positive dynamic for all countries reviewed under the RPBT studies (see Table 1).[30]

Table 1. **UN Global Survey on Trade Facilitation and Paperless Trade**[31]

Country	Trade facilitation score (%)	
	2015	*2021*
Albania	36.56*	52.69
Armenia	39.78	62.37
Kazakhstan	36.56	72.04
Kyrgyzstan	35.48	69.89
The Republic of Moldova	58.06	62.37
Tajikistan	40.86	50.54
Serbia	36.56	72.04

Source: UN Global Survey on Trade Facilitation and Paperless Trade (2023)
*For Albania data for the year 2015 is unavailable, the data is as of 2017

57. Countries have also made significant progress in the areas of accreditation, standardisation and market surveillance. In Albania since the year the study was undertaken (2016), the General Directorate of Standardization (DPS), the legal entity in charge of standardization in Albania, has become a full member of the International Laboratory Accreditation Cooperation and has signed a reciprocal recognition agreement to allow testing certificates issued from accredited laboratories by DPA to be considered equivalent at international and European level. At the same time, the Republic of Moldova has made steps towards enhancing its market surveillance activities. Moldova's market surveillance bodies carried out 1 000 checks in 2021, finding 60 cases of non-compliance, and leading to four products being withdrawn from the market—contributing to increasing confidence in the quality of country's products on the market.[32] Another success story is Kazakhstan, where more than 200 standards were adopted as of 2022. The inclusion of modernisation of testing laboratories as a pillar of the Kazakh National Plan on Sustainable Development 2021-2025 is another significant achievement.[33]

58. Apart from measuring the trade facilitation environment, assessing developments in the regulatory terrain, and most specifically, regulatory cooperation, is also important for gauging the level of countries' success in improving their trading environment. According to the WTO Regional Trade Agreements Database,[34] since the RPBT studies were conducted, all reviewed countries[35] have entered into new RTAs with either dedicated charters or

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[28] Statistics is as March 2023. See: https://www.tfadatabase.org/en.

[29] See: https://www.untfsurvey.org

[30] However, since the latest data available is as of 2021, the statistics as per the Trade Facilitation Agreement Database could provide a more accurate picture of trade facilitation conditions in countries concerned.

[31] This table presents data for the years 2015 and 2021 respectively to ensure consistency in comparison, since the survey is only available for a biannual basis.

[32] See: https://neighbourhood-enlargement.ec.europa.eu/system/files/2023-02/SWD_2023_32_%20Moldova.pdf.

[33] See: https://www.gov.kz/memleket/entities/mti-ktrm/press/news/details/408116?lang=en.

[34] See: http://rtais.wto.org/UI/PublicSearchByCr.aspx.

[35] Except of Tajikistan.

provisions on technical regulations, standardisation and mutual recognition agreements (see Table 2). For example, in the United Kingdom – Georgia Strategic Partnership and Cooperation Agreement (2021), parties agreed to cooperate to, inter alia, simplify and rationalise regulations and regulatory practice, with specific focus on exchange of good practices on regulatory techniques (Article 293).[36]

Table 2. **RTA concluded by covered countries since the year of the RBPT Study**[37]

Country	Year of RPBT Study	Concluded RTAs (year/parties)
Albania	2016	UK-Albania Free Trade Agreement and Economic Integration Agreement (2021)
Armenia	2019	Eurasian Economic Union (EAEU) – Viet Nam (2016)
		EAEU – Iran (2019)
		EAEU – Serbia (2021)
Belarus	2012	EAEU (2014)
		EAEU – Viet Nam (2016)
		EAEU – Iran (2019)
		EAEU – Serbia (2021)
Georgia	2018	China – Georgia (2018)
		United Kingdom – Georgia Strategic Partnership and Cooperation Agreement (2021)
Kazakhstan	2014	EAEU – Viet Nam (2016)
		EAEU – Iran (2019)
		EAEU – Serbia (2021)
Kyrgyzstan	2015	EAEU – Viet Nam (2016)
		EAEU – Iran (2019)
		EAEU – Serbia (2021)
Republic of Moldova	2017	United Kingdom - Moldova, Republic of (2021)
Serbia	2021	United Kingdom – Serbia (2021)

Source: WTO Regional Trade Agreements Database.

59. Even if not all these achievements can be attributed fully to the sole effects of the RPBT studies, the fact that many of the improvements achieved were *sine qua non* to the implementation of recommendations can serve as an indicator of causality between the progress achieved and the contribution of the RPBT studies.

IV. Emerging trends in trade-related polices and regulations and possible ways forward for RPBT studies

60. The pandemic-induced boom of digitalisation, new calls for green transitions and circular trade as well as the reconfiguration of GVCs are developments that have re-shaped the policy-making agendas in all geographies, affecting ECE member States and especially countries with economies in transition.

61. The response to the COVID-19 pandemic has shown the importance of digital solutions in enhancing economic integration, eliminating unjustified barriers to trade and upscaling new business opportunities. In this respect, national digitalization strategies played a crucial role in minimizing negative impacts and ensuring economic recovery. Examples

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[36] See:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/844167/CS_Georgia_1.2019_UK_Georgia_Strategic_Partnership_and_Cooperation_Agreement.pdf.

[37] Data on Tajikistan is not included - since the year of Study (2014), Tajikistan has not notified any RTA.

include the national digitalization strategy "Digital Kazakhstan"[38] and the Digital Kyrgyzstan Strategy until 2023.[39]

62.   Furthermore, there is wide recognition of the importance of improved environmental performance for the long-term export prospects of the region. Economic operators, especially in transition economies, need a predictable and transparent trade policy framework to incentivise investment in green technologies, and to compete effectively in global markets. The call for aligning trade policy goals with environmental goals without creating unnecessary obstacles to trade is likely to continue to shape global policy making in the years to come. ECE programme countries have been implementing ambitious action plans at the intersection of trade and environment. This includes the 2030 Climate Strategy and 2021-2023 Action Plan of Georgia, the "Climate Strategy and Action Plan" Project in Serbia and Kazakhstan Strategy to achieve carbon neutrality by 2060.

63.   GVC participation is high on the policy agenda of developing countries, in spite of recent calls for greater self-sufficiency and reshoring of production.[40] According to the RPBT studies, the long-term economic vitality of countries with economies in transition will depend on their ability to participate in GVCs and grasping opportunities for upgrading to higher value-added activities. However, the global value chain participation of the majority of the countries concerned has remained limited, with a narrow trade portfolio, concentrated on few trading partners.

64. These emerging global trends present countries with opportunities to increase market shares, which could be seized with the creation of a conducive business environment. It is a priority to ensure that regulatory and procedural trade measures do not prevent the realisation of countries' full potential in embracing these new trends. RPBT studies could help identify whether these barriers exist, what their nature is and how their impact on trade could be minimised.

65. In order to effectively respond to these new and emerging trends, RPBT studies might include new policy areas in its analysis, if requested by a member State. For example, this new approach might take into account the environmental, social and governance (ESG) factors. New approach could also respond to challenges and opportunities of new economic structures and trade configurations in the region.

66. Offering sector-specific studies to address countries' requests is another possible way forward. By offering elective chapters, zooming in on particular products of relevance, the benefits of RPBTs recommendations could be maximized.

67. RPBT studies can also pivot to new thematic angles and explore how complex emerging trends such as the green transition, circular economy and digitalisation affect countries' regulatory agendas. The ECE has already started moving in this direction. Following the requests made at the seventh session of the Steering Committee in 2021, the secretariat explored how these emerging issues, i.e. circular economy (ECE/CTCS/2023/6) and digital economy (ECE/CTCS/2023/7) dimensions could be integrated into RPBT studies. Integration of these new dimensions into RPBT studies might help increase countries awareness of their limitations precluding full scale realisation of benefits emanating from these trends and boost countries preparedness to undergo necessary transformations.

68. RPBT studies could also help address demand driven countries' requests to facilitate their engagement in regional and international processes and identify where capacity building and donor support is needed. This includes WTO accession process, WTO TPRs, UN Voluntary National Reviews, as well as RTAs negotiations.

69. Another potential option is to conduct implementation reviews to evaluate countries' implementation rate of recommendations under RPBT Studies and make proposals for further technical and capacity building assistance.

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[38] See: https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/WT/MIN22/ST109.pdf&Open=True.
[39] See: https://international-partnerships.ec.europa.eu/system/files/2022-01/mip-2021-c2021-8987-kyrgyz-republic-annex_en.pdf.
[40] See: https://www.worldbank.org/en/topic/trade/publication/global-value-chains-in-light-of-covid-19-trade-development-climate-change.

70. Future RPBT studies (including in countries not yet covered by RPBT studies) could also consider supporting countries in assessing regulatory measures and requirements in the destination countries. RPBT studies could focus on the most important destination markets of countries requesting a study and provide a comprehensive assessment in a separate dedicated chapter.

71.   To fully capture the broad spectrum and variations in regulatory and procedural barriers to trade, the evaluation methodology that laid the basis for the RPBT studies may also benefit from a review. In particular, a starting point of assessments could be considered to be moved to the full life cycle of products as opposed to the current approach where assessments begin with commercial activities related to the ordering of the goods (i.e., Buy element in the ECE "Buy-Ship-Pay" model). This is particularly relevant in the context of integrating the circular economy dimension into RPBT studies (see also (ECE/CTCS/2023/6).

72.   The ECE secretariat stands ready to support the ECE programme countries with demand driven RPBT studies, subject to extra-budgetary funding and donor support.[41] Ongoing RPBT studies and current capacity building requests will be discussed at the eighth session of the Steering Committee.[42]

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[41] The revised terms of reference of the Steering Committee on Trade Capacity and Standards state that the RPBT studies are financed by extrabudgetary sources. Available at https://unece.org/fileadmin/DAM/trade/documents/ToR_SCTCS_Appendix5.pdf.
[42] See ECE/CTCS/2023/3; ECE/CTCS/2023/4; and ECE/CTCS/2023/8.

Annex [1]

RPBT studies – Mock structure

Contents

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[1] This structure depicts the content of RPBT studies conducted to date.