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# **Economic Commission for Europe**

Steering Committee on Trade Capacity and Standards

**Eighth session** 

Geneva, 26-27 (am) June 2023

# Report of the Steering Committee on Trade Capacity and Standards on its eighth session

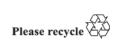
### I. Overview

- 1. The Economic Commission for Europe (ECE) Steering Committee on Trade Capacity and Standards held its eighth session on 26–27 (am) June 2023.<sup>1</sup>
- 2. In her opening remarks, the ECE Executive Secretary stressed the important role of trade policies in contributing to today's global challenges and attaining the Sustainable Development Goals (SDGs). Harnessing the power of trade could help increase efficiencies in the global allocation of resources, leverage new technologies and embrace more sustainable consumption and production. In this context, removing regulatory and procedural barriers to trade is indispensable to unlock trade's potential fully. She welcomed the findings and recommendations emerging from the ECE documents presented to the Steering Committee. She commended the Steering Committee for exploring new themes adopted by the Commission, including how the circular economy (CE) and digital dimensions could be integrated into future ECE Regulatory and Procedural Barriers to Trade (RPBT) studies to provide tailor-made recommendations to the ECE beneficiary countries. In her closing remarks, the Executive Secretary stressed the importance of joining hands with other partners to provide better services to ECE member States.

### II. Attendance

- 3. Representatives from the following ECE member States attended the meeting: Armenia, Austria, Azerbaijan, Belarus, Croatia, Georgia, Greece, Finland, France, Israel, Kazakhstan, Kyrgyzstan, the Netherlands, Poland, the Republic of Moldova, the Russian Federation, Serbia, Sweden, Switzerland, Tajikistan, the United Kingdom of Great Britain and Northern Ireland (UK). Representatives from Costa Rica also attended the meeting.
- 4. Representatives of the European Union (EU) attended the meeting.
- 5. The following inter-governmental organizations attended the meeting: the International Electrotechnical Commission (IEC), the International Labour Organization (ILO), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), the United Nations Forum on Sustainability

Additional information on the speakers at the Steering Committee is available at: https://unece.org/trade/documents/2023/07/agendas/detailed-annotated-agenda-speakers, and presentations delivered available at: https://unece.org/info/Trade/events/sctcs-2023.





Standards (UNFSS), the World Bank Group, the Organisation for Economic Co-operation and Development (OECD), the World Trade Organization (WTO), and the World Economic Forum (WEF).

- 6. The United Nations Resident Coordinator (UNRC) Offices in Kyrgyzstan, the Republic of Moldova and Turkmenistan shared the pre-recorded video statements.
- 7. The meeting was also attended by representatives from the private sector and non-profit organisations: Sidley Austin LLP, AMC Overseas FZE, the United Kingdom Institute of Export and International Trade (UK IOE&IT), and the Advisory Centre on WTO Law (ACWL).
- 8. The meeting was attended by representatives from academia, including the World Trade Institute (WTI) of the University of Bern, the University of Lausanne, the University of Lucern, and the Graduate Institute of International and Development Studies (IHEID).

## III. Item 1. Adoption of the agenda

#### **Decision 2023-01**

9. The Steering Committee adopted the agenda (ECE/CTCS/2023/1).

#### IV. Item 2. Election of officers

#### **Decision 2023-02**

10. The Steering Committee elected the Chair of the Steering Committee, Mr. Zdenko Lucić (Croatia), as well as Vice Chairs, Mr. Nurbek Maksutov (Kyrgyzstan) and Mr. Ilyas Akhmetov (Kazakhstan), for the period 2023–2025.

### A. General segment

### V. Item 3. Matters arising

- 11. The Director of the ECE Economic Cooperation and Trade Division (ECTD) briefed the Steering Committee on activities since the last session.
- 12. In response to the sixty-ninth and seventieth sessions of the Commission, which respectively called to promote the CE and the sustainable use of natural resources, and digital and green transformations, the Division has engaged in new activities which yielded concrete results. This includes the establishment of a multi-stakeholder engagement platform, Circular STEP; the continued roll-out of the Sustainability Pledge for Transparency and Traceability of Supply Chains in Garments and Footwear, as well as the ECE Transformative Innovation Network (ETIN) and a Public-Private Partnerships (PPPs) and Infrastructure Evaluation and Rating System (PIERS): An Evaluation Methodology for the Sustainable Development Goals.
- 13. She also emphasized the critical role of continuous policy dialogues and cooperation on various levels, including ECE's Regional Forum on Climate Initiatives to Finance Climate Actions and the SDGs ahead of the COP27 (Geneva, October 2022), a session at the WTO Public Forum: "Circular Economy and Trade: Opportunities and Challenges for Transition Economies" (Geneva, September 2022) and contributions to Remaking the Global Trading System for a Sustainable Future Project (Villars, May 2023 and Taormina, April 2023).<sup>2</sup>
- 14. She mentioned the increasing relevance of the Division's work on digitalization, such as the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) trade facilitation and e-business standards, Environmental Social Governance (ESG) transparency and traceability of supply chains, as well as infrastructure investment. She

<sup>&</sup>lt;sup>2</sup> Additional information is available at https://remakingtradeproject.org/about.

referred to the recent Astana International Forum, where ECE hosted a side event on the role of digitalization for sustainable trade (9 June 2023). She also underscored the important role of the United Nations Special Programme for the Economies of Central Asia (SPECA). These cross-cutting issues also offer inspiration to the frontier topics such as gender inclusiveness. In this respect, she underlined the important role of the ECTD work on gender-responsive standards for increasing the inclusiveness of standards development.

15. She referred to the recommendations of the recent evaluation of the Trade subprogramme by the United Nations Office of Internal Oversight Services (OIOS), including the importance of documenting the relevance and impact of ECE trade-related work. In this context, she thanked all stakeholders and donors supporting the work under the Trade subprogramme and encouraged potential future donors to support this work in the years to come.

#### **Decision 2023-03**

16. The Steering Committee welcomed the secretariat report on matters arising from the meetings of the ECE and its Executive Committee (EXCOM) since the last session, including the cross-cutting priority themes of circular economy and the sustainable use of natural resources (sixty-ninth session of the Commission) and of digital and green transformations for sustainable development following the discussions at the seventieth session of the Commission on 18–19 April 2023 (E/ECE/1503).

# VI. Item 4. Updates from the Working Party on Regulatory Cooperation and Standardization Policies (WP.6)

- 17. The Secretary of WP.6, on behalf of the WP.6 Chair (Sweden), presented the Working Party's recent activities on regulatory cooperation, standardization policies and activities which contribute towards reducing technical barriers to trade (TBT).
- 18. He underlined that in 2022 the WP.6 Bureau initiated an internal process to streamline its work, which resulted in the revised terms of reference (ECE/CTCS/WP.6/2022/11) and a revised internal structure and a questionnaire to WP.6 stakeholders. The latter revealed that all WP.6 were perceived as having high or very high relevance.
- 19. He also briefed on the plans of the WP.6 to continue this streamlining with a proposed update of its internal working practices to, among other, clarify the status of the officers (i.e., membership/observer status), the roles of officers in the subgroups and nomination procedure, as well as representation of WP.6 work and liaison with other bodies.
- 20. The Advisory Group on Market Surveillance (MARS) has progressed in experience sharing of best practices, notably on the role of market surveillance in combatting counterfeits. The Group of Experts on Risk Management in Regulatory Systems (GRM) has launched (i) a survey to gather feedback on the implementation of its recommendations and (ii) a project on integrated risk management in single-window systems. The initiative on education on standardization reported on the success of the first six months of the e-learning platform (https://learnqi.unece.org) with over 400 registrations. The Team of Specialists on Gender-Responsive Standards (ToS GRSs) reported on the recent signatories to the Declaration (81 total) and a repository for gender action plans.
- 21. Regarding the WP.6 Programme of Work, he presented: (i) the launch of a recent project on regulatory compliance of products with embedded artificial intelligence (AI) or other digital technologies; (ii) developments concerning the Gender-Responsive Standards Initiative (GRSI); and (iii) the work done by the GRM, the MARS, the Ad Hoc Team of Specialists on Standardization and Regulatory Techniques (START), and related education on standardization initiatives.
- 22. The representative of Israel commended WP.6 work on risk management, especially practices developed by GRM to avoid the proliferation of non-compliant products into regulated markets. He emphasized that these recommendations help governments avoid overregulation in designing effective regulatory frameworks. He also underscored that

surveillance systems are indispensable for ensuring the safety of consumers by denying market access to non-compliant products.

- 23. The representative of the UK welcomed the revised terms of reference and emphasized the valuable role WP.6 plays in standardisation and regulatory cooperation. She also underscored the particular relevance of GRSs and encouraged the ECE to cooperate with other relevant bodies to understand better the impact of this work across stakeholders.
- 24. The representative of Serbia expressed appreciation for the work of WP.6 and especially the role of MARS and emphasised that Serbia will continue to support the work of WP.6.
- 25. The IEC underlined the fruitful collaboration with WP.6 and the importance of the work on regulatory cooperation (under START). He stressed that WP.6 is the best arena for such cooperation and looked forward to future collaboration on stock pipeline security for hydrogen, GRSs, and education on standardization.

#### **Decision 2023-04**

26. The Steering Committee expressed its satisfaction with the work undertaken by WP.6. It recognized the importance of quality infrastructure for reducing technical barriers to trade and endorsed the report of the thirty-second session of WP.6 on 7–9 November 2022 in document ECE/CTCS/WP.6/2022/2. Following decision 14 of the thirty-second session of WP.6, the Steering Committee endorsed the Programme of Work of WP.6 in document ECE/CTCS/WP.6/2022/12. Following decision 13 of the thirty-second session of WP.6, the Steering Committee endorsed the revised terms of reference of WP.6 in document ECE/CTCS/WP.6/2022/11. The Steering Committee invited WP.6 to continue implementing its Programme of Work and report to the 2024 session. The Steering Committee also called on donors and development partners to consider providing funding to offer demand-driven capacity-building in line with the Programme of Work of WP.6.

#### Decision 2023-05

27. Following decision 6 of the thirty-second session of WP.6, the Steering Committee endorsed the revision of Recommendation T on Standards and Regulations for Sustainable Development in document ECE/CTCS/WP.6/2022/6. Following decision 9 of the thirty-second session of WP.6, the Steering Committee endorsed the Guidelines on Developing Gender-Responsive Standards in document ECE/CTCS/WP.6/2022/9.

#### **Decision 2023-06**

28. Recognizing the efforts of the Bureau of WP.6 to streamline and clarify internal procedures, the Steering Committee requested that WP.6 present an internal draft working procedures document to the 2024 session.

# VII. Item 5. Updates from the Working Party on Agricultural Quality Standards (WP.7)

- 29. The Chair of WP.7 (Poland) presented the Working Party's recent activities aiming to develop, interpret and promote the application of internationally agreed commercial quality standards for meat and eggs; seed potatoes; fresh fruit and vegetables; and dry and dried produce.
- 30. She underscored the critical role of agricultural quality standards in (i) providing a common trading language for all economic operators along the value chain; (ii) defining common minimum quality requirements; (iii) building confidence and competitiveness in a market; (iv) supporting market development and market access; and (v) reducing food loss and waste.
- 31. She mentioned that standards development is a demand-driven, inclusive, responsive and open process for the entire United Nations membership. This helps to adopt standards that reflect emerging varieties of changing production, marketing, trading and regulatory conditions.

- 32. She briefed on the progress made in adopting and revising standards and recommendations over the past five years. In particular, the most recent adoption of new standards on dried persimmons, raw and roasted inshell peanuts and raw and roasted peanut kernels, as well as recommendations on certain small fruits and the extension of recommendations for inshell pecans and pecan kernels. Progress was also made with revising the standards on asparagus, cherries, leafy vegetables and pomegranates, and modifications to the Dry and Dried Produce (DDP) Standard Layout.
- 33. Stressing the critical role of agrifood trade in ensuring food security and nutrition, she emphasized that ECE agricultural quality standards form an essential part of the international trade infrastructure.
- 34. She also informed the Steering Committee about the recent capacity-building activities and trainings, such as online courses on agricultural quality standards, a roundtable on food loss and waste prevention and reduction and a seminar on sustainable meat and livestock production. She emphasized the critical role of WP.7 in sustainably maintaining quality food production while facilitating trade across the globe.
- 35. The representative of Kyrgyzstan commended the work of WP.7 in developing agricultural standards. He stressed that agricultural products, including dried prunes, dried apricots and dried beans, are essential for the country's export basket. He noted, however, that in relation to some of these products, the standards still need to be developed and asked the secretariat to consider related work in this regard.
- 36. The secretary of WP.7 responded that standards for dried apricots and prunes do exist, however, ECE does not have a standard for dried beans. Regarding the latter, she referred to the work currently underway within the Committee of the Codex Alimentarius. She suggested that the secretariat works closely with Kyrgyzstan to respond to the country's needs.

37. The Steering Committee expressed its satisfaction with the work undertaken by WP.7 and its four Specialized Sections on Standardization of Fresh Fruit and Vegetables (GE.1); Dry and Dried Produce (GE.2); Seed Potatoes (GE.6) and Meat (GE.11). The Steering Committee recognized the trade-related impact of the ECE work on agricultural quality standards and endorsed the report of the seventy-seventh session of the Working Party on Agricultural Quality Standards (ECE/CTCS/WP.7/2022/2) and the Programme of Work of the Working Party on Agricultural Quality Standards for 2023 (ECE/CTCS/WP.7/2022/20). It invited WP.7 to continue implementing its Programme of Work and report to the 2024 session of the Steering Committee. It took note of the upcoming regular review of the terms of reference of WP.7 and invited WP.7 to submit its revised terms of reference and working procedures to the 2024 session of the Steering Committee. The Steering Committee also called on donors and development partners to consider providing funding to offer demand-driven capacity-building in line with the Programme of Work of WP.7

#### Decision 2023-08

- 38. Following the decisions of the WP.7 at its seventy-seventh session on 14–16 November 2022, the Steering Committee endorsed the following new and revised standards and recommendations:
  - Standard for dried persimmons (ECE/CTCS/WP.7/2022/10)
  - Standard for raw and roasted inshell peanuts (ECE/CTCS/WP.7/2022/11)
  - Standard for raw and roasted peanut kernels (ECE/CTCS/WP.7/2022/12)
  - Revised standard for asparagus (ECE/CTCS/WP.7/2022/3)
  - Revised standard for cherries (ECE/CTCS/WP.7/2022/4)
  - Revised standard for leafy vegetables (ECE/CTCS/WP.7/2022/5)
  - Revised standard for pomegranates (ECE/CTCS/WP.7/2022/6)
  - Recommendation for certain small fruits (ECE/CTCS/WP.7/2022/7), one year trial

- Recommendation for inshell pecans (ECE/CTCS/WP.7/2022/13), extended by one year
- 39. It also endorsed the revised Standard Layout for ECE Standards on Dry and Dried Produce (ECE/CTCS/WP.7/2022/9) and the revisions to the explanatory brochure on the standard for persimmons (ECE/CTCS/WP.7/2022/8) as adopted by WP.7 at its seventy-seventh session on 14–16 November 2022.

# **B.** High-level segment: Removing regulatory and procedural barriers to trade in the Economic Commission for Europe region

## VIII. Item 6. Country studies: Kyrgyzstan and the Republic of Moldova

- 40. The Chair recognized the importance of the secretariat's work in supporting countries in removing regulatory and procedural barriers to trade. She underlined that the RPBT studies are an important element of the Steering Committee's work and ECE's broader trade-related agenda. She congratulated the Governments of Kyrgyzstan and the Republic of Moldova on the significant progress achieved.
- 41. The secretariat presented the preliminary findings of the RPBT study for Kyrgyzstan (ECE/CTCS/2023/3), which responds to the request for capacity-building support for enhancing the country's agricultural export potential expressed at the ECE Steering Committee session in 2022. The study builds on the earlier capacity-building activities of ECE, including the 2015 RPBT study and the National Trade Facilitation Roadmap 2021–2025. The presentation elaborated on three pillars of the project that focus on removing regulatory and procedural barriers to the trade of selected products (i.e. dried beans, dried apricots, dried prunes and bottled water). The secretariat also commented on the report's preliminary findings and presented recommendations on enhancing trade facilitation reforms and quality infrastructure, including fostering mutual recognition of conformity assessment results and further implementing UN/CEFACT recommendation 33 to improve the single window mechanism.
- 42. The high-level representative of Kyrgyzstan expressed his appreciation to ECE for the comprehensive assessment of the export potential of selected agricultural products. He stressed that agriculture is critical for the Kyrgyzstan economy. In 2022, it contributed 12 per cent to the country's GDP. He emphasized that despite some positive developments, further modernization and streamlining of trade-related procedures were required to enhance the potential contribution of the agricultural sector to economic growth. He also requested further support in analyzing the requirements of destination countries' markets (e.g., packaging requirements).
- 43. The secretariat presented the findings of the study for the Republic of Moldova (ECE/CTCS/2023/4/Rev.1), which responds to a capacity-building request expressed in 2022 and builds on previous capacity-building activities, including the 2017 RPBT study. The presentation covered the main pillars of the study, focusing on the state of implementation of the WTO Trade Facilitation Agreement (TFA) commitments and remaining needs. The findings showed that the Republic of Moldova has made significant progress regarding trade liberalization and trade facilitation reforms, both in the framework of the WTO and through free trade agreements (FTAs). These developments contributed to positive results that were reflected in the UN Global Survey on Digital and Sustainable Trade Facilitation (UN Global Survey). Regarding the TFA commitments, the implementation rate by the Republic of Moldova was higher than other landlocked developing countries and many developing countries. Still, the remaining commitments that belong to the C category (due for implementation on 31 December 2025) would require further capacity-building assistance. ECE has several tools, including in the framework of the UN/CEFACT and WP.6, which can provide additional support in the implementation of remaining commitments.
- 44. The representative of the Republic of Moldova thanked ECE for undertaking the comprehensive study and for the valuable support over the years. She highlighted that trade facilitation is a priority for the Government and elaborated on recent achievements, such as

the optimization of its business environment through deregulation, dematerialization of trade procedures, harmonizing of national legislation on quality infrastructure, market surveillance and consumer protection with the EU legislation and the adoption of the new Customs Code. Concluding, she stressed the need for capacity building on the implementation of international standards and the importance of continuous collaboration with ECE, including in the context of the CE transition.

- 45. The representative of AMC Overseas FZE emphasized the relevance of the SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis to identifying and enhancing potential export opportunities in Kyrgyzstan. In his view, despite some inherent and structural weaknesses, including the country's landlocked position, Kyrgyzstan has a great potential to become a premium quality supplier of agricultural products due to its comparative advantages (i.e., products' physical characteristics). He referred to the COVID-19 pandemic and associated disruptions of the global value chains as an opportunity for new entrants to increase market shares, especially on healthy and plant-based products. He also suggested other ways to help boost the export potential of Kyrgyzstan (e.g. implementation of CE solutions and logistics investments for centralized cleaning, which could enhance economies of scale).
- 46. The representative of the WTI commented on the RPBT study for Kyrgyzstan. He indicated that the country has a limited number of FTAs, pointing to potential barriers that limit Kyrgyzstan's ability to negotiate and ratify them. He suggested that the final study could elaborate more on overcoming obstacles, including improving transport connectivity and building resilient infrastructure. He also suggested expanding the scope of the study to include legal tools that could increase cooperation between farmers for certification and related training (and eventually sales) or to develop a regional agency for certification (e.g. at the level of the Eurasian Economic Union).
- 47. The representative of the WEF elaborated on the value of PPPs in the context of the trade facilitation developments of the Republic of Moldova. She gave an overview of the unique possibilities of the Global Alliance for Trade Facilitation in supporting developing and least-developed countries in implementing particular commitments under the TFA. In the context of the ECE region, she referred to a recently launched project in Ukraine, "ePhyto adoption to enhance global food security," to facilitate the speedy exchange of phytosanitary certificates and avoid fraud. She stressed that the Alliance aims to expand its portfolio and looks forward to fruitful cooperation with the countries in the ECE region.
- 48. The representative of the secretariat announced the launch on 5 July of preliminary results of the UN Global Survey, which covers 60 measures in 150 countries, including 48 countries in the ECE region.<sup>3</sup> She pointed out that the new edition would contain two new chapters on trade facilitation for commerce and trade in wildlife. The complete publication is expected at the end of 2023. She thanked all the countries that have participated in the survey, especially Kyrgyzstan and the Republic of Moldova. Concluding she stressed the critical importance of covering the topic of ensuring compliance not only when it comes to policy standards but also about new emerging topics such as ESG regulations.
- 49. The representative of Kazakhstan congratulated Kyrgyzstan and the Republic of Moldova on completing the studies. He expressed support for the new priority areas, such as green and digital transformations, and referred to the Astana International Forum as the latest example of successful collaboration with ECE. He announced that Kazakhstan and ECE jointly launched a new RPBT study for Kazakhstan, which would complement and improve existing studies with new dimensions such as green and digital transformations. He also commended ECE's continuous support to Kazakhstan through SPECA.
- 50. The representative of Kyrgyzstan pointed out that the shift in consumer tastes and preferences towards a balanced and healthy diet provides an opportunity for Kyrgyzstan to establish its presence in the global export market. He said it is critical to help Kyrgyzstan traders meet market demands about quality, scheduled supply and volumes.

<sup>&</sup>lt;sup>3</sup> See https://www.unescap.org/events/2023/launch-un-global-survey-digital-and-sustainable-trade-facilitation-2023.

- 51. The UNRC in Kyrgyzstan (pre-recorded message) emphasized the critical role of trade for small and landlocked countries like Kyrgyzstan. She stressed that despite significant progress made in recent years, Kyrgyzstan still needs to overcome obstacles which preclude the country from reaching its full export potential in the agricultural sector. Some relate to the infrastructure needs, while others relate to a lack of knowledge (including marketing knowledge) and access to information about standards and other technical barriers. She commended ECE's partnership with Kyrgyzstan and underscored the critical role that ECE tools play in helping uncover the full potential of trade.
- 52. The UNRC in the Republic of Moldova (pre-recorded message) welcomed the ECE's in-depth assessment of the trade facilitation framework in the Republic of Moldova. He highlighted that the ECE assessment shows that the country has achieved laudable progress, including simplifying trade procedures, enhancing transparency and integrating best practices into trade-related regulations and procedures. Moldova's impressive reform agenda is mirrored in the country's implementation rate of the TFA (77.3 per cent). He stressed that ECE is one of the country's main partners supporting Moldova's structural transformation, including the 2017 RPBT study, TFA National Action Plan, Studies on the COVID-19 impact on micro, small and medium enterprises (MSMEs) and female-owned MSMEs.

53. The Steering Committee congratulated the Government of Kyrgyzstan for a successful RPBT study. It welcomed the recommendations in document ECE/CTCS/2023/3 and expressed its appreciation of ECE support to Kyrgyzstan in identifying existing gaps and providing recommendations to enhance the export competitiveness of selected agricultural sectors. The Steering Committee also emphasized the critical importance of extra-budgetary funding to offer follow-up activities and advisory services to Kyrgyzstan and called on donors and development partners to consider providing additional funding for this work.

#### Decision 2023-10

54. The Steering Committee congratulated the Government of the Republic of Moldova for successfully undertaking the RPBT study (ECE/CTCS/2023/4/Rev.1) and encouraged it to implement its recommendations. The Steering Committee reiterated the importance of further enhancing trade facilitation efforts in line with the country's commitments under the TFA, including fostering digitalization of customs borders procedures, which could result in efficiencies and spill-over effects in terms of jobs and poverty reduction. The Steering Committee also emphasized the critical importance of extra-budgetary funding for supporting the Republic of Moldova in its further capacity needs. It called on donors and development partners to consider providing additional funding for undertaking follow-up work to this report.

# C. High-level segment: Lessons learned from the Studies on Regulatory and Procedural Barriers to Trade and emerging areas for consideration

# IX. Item 7. Lessons learned from the Studies on Regulatory Barriers to Trade and country follow-ups

- 55. The Chair reminded that in 2022 the Steering Committee expressed appreciation for the Secretariat's work on RPBT studies conducted over the years and asked the Secretariat to prepare a follow-up report on lessons learned from these studies and a possible way forward (ECE/CTCS/2022/2, Decision 2022-10). Responding to this request, the secretariat prepared the document (ECE/CTCS/2023/5), which provides an overview of RPBT studies undertaken since 2012, summarizes lessons learned, and provides options for the way forward.
- 56. The secretariat presented the findings under the new document. In the domain of trade facilitation, the main lessons learned relate to the need of ensuring access to trade-related information; consolidating and enhancing public-private dialogue; reducing at the border

inefficiencies and creating a paperless trade environment. Concerning the standardisation policies, the main lessons learned are the recognition of the importance of risk management and market surveillance for improving the regulatory environment and fostering trust among consumers and economic operators. The secretariat also provided a snapshot of different options for the way forward for the prospective RPBT studies, such as: (i) revision of the current evaluation methodology to include new policy areas; (ii) exploring cross-cutting issues of new work themes such as the green transition, CE and digitalization; (iii) offering sector-specific studies to address countries' requests; and (iv) conducting reviews to evaluate countries' implementation rate of recommendations under RPBT studies.

- 57. The high-level representative of Georgia expressed his gratitude towards the United Nations and ECE for focusing their interest on Georgia's case and exploring the country's experience in tackling regulatory and procedural barriers to trade. He provided examples of various reforms the country underwent in improving the border crossing, customs clearance, and transport infrastructure development. He emphasized that studies have been particularly prominent in providing valuable and action-oriented recommendations on further developing Georgia's trade policy. He expressed the readiness to continue collaborating with ECE to strengthen the relevant institutional and legislative frameworks for further integration into regional and global supply chains.
- 58. The representative of Armenia presented an overview of the significant strides Armenia made in reducing non-tariff barriers to trade. He highlighted areas where the country needs to make more effort, which include MSMEs' structural transformation and enhancing female-owned enterprises' involvement in trade and business development. He emphasized that trade facilitation remains a priority for the Government. He also referred to continuous efforts to reduce regulatory burdens, optimize inspections, strengthen pro-competition policies, and enhance investment promotion. He stressed that the ECE studies had enabled the country to reassess its progress and reaffirmed the interest in continuing collaboration with ECE in the context of remaining capacity-building needs.
- 59. The representative of Croatia thanked the secretariat for the work done in these last ten years in conducting the studies and underscored the studies' valuable scientific and practical contribution. He stressed that they have been valuable tools for policymakers in securing resilient supply chains, promoting transparency and good practices. Apart from facilitating trade by removing regulatory and procedural barriers to trade, they have also demonstrated the importance of efforts coordination and regional and international cooperation and promotion of green and digital dimensions into the trade policies.
- 60. The representative of ILO highlighted the increased recognition globally that environment and trade policy should be better aligned and underscored the importance of labour considerations. She underscored the value of introducing human rights due diligence aspects into trade and labour legislative frameworks, including trade agreements, where one out of ten agreements notified to the WTO contains labour provisions. Other suggestions included the need to effectively enforce these provisions domestically and to promote social dialogue. She provided an example of Georgia, where increased regulatory standards for dairy products contributed to the formalization of dairy enterprises.
- 61. The representative of UNCTAD stressed that non-tariff measures (NTMs) significantly impact trade. He underscored that even if NTMs strive to achieve important societal values and interests, such as the promotion and protection of public health or the environment, some of them might inadvertently or deliberately constitute trade barriers. Therefore, it is important to achieve regulatory cooperation in their design and implementation. He congratulated the secretariat on the successful document and pointed out a few important contributions of RPBT studies, including addressing specific country needs; and bringing together regulatory and procedural aspects of NTMs. He highlighted that the studies had created a good base for further work on integrating green and digital dimensions by adjusting the current methodology.
- 62. The representative from the World Bank Group congratulated ECE for a comprehensive assessment of trade facilitation conditions, standardisation and regulatory frameworks in the countries under RPBT studies. He underscored that ECE's contribution in this area is unique as it aims at "connecting the dots" in the context of various trade policies,

- considering novel topics and broader objectives of regional and global integration. With regard to trade facilitation measures, he pointed out that the TFA was a real game changer for traders, making border management much friendlier, promoting risk management techniques, facilitating inter-agency cooperation, and making the passage of goods faster and more efficient. Despite the success, work remains to implement the agreement fully. He stressed that the time has come to situate the TFA against the broader canvas that would expand its cover to include quality infrastructure and services trade dimensions. Concluding, he reiterated the important role of ECE in driving this work.
- 63. The representative of Kyrgyzstan underlined that NTMs can be used as an instrument of trade protectionism. In this regard, he emphasized the need to create a database containing comprehensive and accurate information on various NTMs implemented on a global scale (import and export measures), akin to the one developed by UNCTAD. He underscored the relevance of digitalization as effective means of overcoming the adverse effects of NTMs. In this respect, he referred to a single-window facility created in Kyrgyzstan hosted by the Ministry of Economy, which has been regularly updated.
- 64. The representative of Finland provided the perspective in the context of her chairmanship of the WTO TBT Committee. She mentioned that the main objective of the TBT Agreement is to ensure that technical regulations and standards do not create unnecessary trade barriers, also in the context of novel issues. This explains why improving transparency and access to information are important areas of work for the TBT Committee. In this respect, she referred to a digital tool called the e-Ping platform, a repository of information on notifications and specific trade concerns. She also underlined the importance of regulatory cooperation, especially in driving digital and green transformations, areas with many synergies with the work done by the ECE ECTD.
- 65. The representative of Serbia commended ECE for successful and fruitful cooperation, including in the context of the RPBT study for Serbia presented in 2021. He referred to the implementation of recommendations contained in the study. For example, the established Trade Facilitation Committee contributed to modernising customs procedures, setting up a single-window facility and adopting TBT and sanitary and phytosanitary (SPS) measures. He noted that Serbia is currently in the accession process to the EU; therefore, trade facilitation matters are high on the country's agenda. He also highlighted that Serbia actively cooperates with donors and capacity-building partners, developing a national single-window solution and implementing measures to modernize customs procedures.
- 66. The representative of Greece congratulated the secretariat for the work done and noted that trade barriers induce countries to become more competitive and, thus, more innovative. Consequently, countries also face the pressure of reducing trade distortive NTMs, which creates a positive multiplier effect for the economy. He underscored the good synergies of work done by the Steering Committee and the ECE Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP). He invited a newly elected Chair, Mr. Zdenko Lucić, to attend the seventieth session of CICPPP in May 2024.

67. The Steering Committee reaffirmed its appreciation of the secretariat's work on RPBT studies conducted since 2012 and welcomed a report on lessons learned from the studies and the way forward (ECE/CTCS/2023/5). Considering new themes in international trade, the Steering Committee emphasized the need to integrate new areas and topics, including those related to a circular economy (sixty-ninth session of the Commission) and green and digital transformations (seventieth session of the Commission), into future RPBT studies. The Steering Committee welcomed the report of the lessons learned and the way forward and invited the secretariat to start work on a revised methodology for assessing regulatory and procedural measures in trade (ECE/TRADE/409) by incorporating new emerging topics (see items 8 and 9) and prepare a draft to be discussed at the ninth session of the Steering Committee in 2024.

# X. Item 8. Integrating circular economy considerations into Studies on Regulatory and Procedural Barriers to Trade

- 68. The Chair reminded that the Steering Committee, at its seventh session in 2022, expressed appreciation for the secretariat's work on CE and the sustainable use of natural resources and requested to explore the possibility of integrating CE considerations into RPBT studies (ECE/CTCS/2022/2, Decision 2022-11). Responding to this request, the secretariat prepared a document (ECE/CTCS/2023/6) containing options for integrating CE considerations into RPBT studies.
- 69. This secretariat presented key insights contained in this document, which aims to: (i) identify regulatory and procedural barriers to circular trade flows in the areas of trade facilitation, regulatory and standardization policies, and international and regional initiatives which could be supportive of CE agenda; and (ii) offer targeted and country-specific recommendations to minimize the negative impact of such barriers on implementing circular models of doing business. The document also provides for a sector-specific assessment matrix which identifies key lifecycle stages for a particular product (in the current case, textiles) and a range of strategies, instruments, and necessary actions to accommodate the CE transition at each stage.
- 70. The representative of Costa Rica thanked the ECE and the secretariat for the work done in this area and gave a brief overview of the WTO Trade and Environmental Sustainability Structured Discussions (TESSD), which are being co-facilitated by Costa Rica. She acknowledged the very active involvement of the ECE in the discussions and working group sessions of the WTO TESSD, especially in the context of the CE. She welcomed continuous cooperation and invited to attend a plenary session that would take place on 11 July 2023, where WTO TESSD would present the initial results of the mapping exercise of the CE policies and their effect on trade.
- 71. The representative of the Netherlands highlighted that the CE transition should become a global priority. He gave an example of the ambitious plan of the Netherlands to become fully circular until 2050, including decreasing the use of primary raw materials by 50 per cent. He noted that a broader engagement of the private sector and the general public is critical for the CE transition. He underscored that this transition would also benefit from regional and multilateral cooperation and encouraged WTO, World Customs Organization (WCO) and ECE to join hands in this respect to speed up the necessary CE transition on a global scale.
- 72. The representative of Switzerland pointed out that since 1980, Switzerland has been implementing recycling and waste management programmes and building extended producer responsibility schemes. CE measures have been tested by applying a life-cycle analysis. He further indicated that it is critical to align the country's CE-related initiatives with those of the EU, given existing mutual recognition schemes in force. Therefore, to eliminate duplicative conformity assessments, the Swiss Parliament has been discussing related adjustments to the Swiss regulations. He also provided some details regarding other CE-related initiatives, currently being discussed in the Parliament, that might have a bearing on trade: (i) rules for construction products and buildings (i.e., setting requirements to ensure the reparability of building components and use low-emission materials) and (ii) a set of requirements for online sellers.
- 73. The representative of Sidley Austin LLC noted that while CE transition contributes to multiple SDGs, the CE development is still very much conceptual. Thus, it is critical to go from conceptual to concrete approaches. In this respect, he commended the secretariat's new document and encouraged the secretariat to pursue novel approaches to accelerate the CE transition. He also underscored the role of the private and public sectors in facilitating the CE transition. He expressed a word of caution regarding the suggested solution of relying on the concept of the Authorised Economic Operator to streamline the customs clearance process for circular trade flows since these general programmes might not be apt to address the real problems traders face. In this regard, he suggested looking at Article 11 in the Basel Convention as a more specific means of dealing with hazardous or waste products.

- 74. Representatives of UNEP called for the need to build resilient economies where trade could be part of the solution. They pointed out that in 2019 over 180 governments had agreed to the plastics amendment to the Basel Convention to regulate trade in plastics better and referred that the CE transition has been high on the agenda also for the textiles sector. They noted that UNEP had been recently engaged in several projects to help countries identify environmental, social and economic hotspots to speed up the CE transition. They also mentioned how integrating CE considerations into RPBT studies could help understand relevant measures to close gaps, increase synergies across countries, and better fine-tune interventions.
- 75. The representative of the EU emphasized the critical role of interoperable digital solutions and tools in supporting reverse supply chains, particularly when it comes to distinctions between waste and non-waste. The RPBT studies, he argued, could consider integrating analysis of existing regulatory frameworks and instruments to identify, track and trace circular trade flows. The EU proposal for a new Ecodesign for Sustainable Products Regulation (ESPR),<sup>4</sup> could provide valuable insights. He also underscored that RPBT studies could help identify and close the gaps in the national, regional, and international labelling schemes by promoting regulatory cooperation.
- 76. The representative of the UK underscored that trade policy should reflect the urgency of moving to the CE. Transparency and traceability could be the first major steps to ensure circular solutions. He gave an example of the Global Battery Alliance and its initiative on a digital battery passport to help achieve sustainable, transparent and responsible circular battery value chains. He also underlined the importance of engaging a broader community and working across organizations and different government agencies (i.e. customs, finance, and environmental ministries) to set out a vision for a more fair, inclusive, and circular society and that trade plays an important role.
- 77. The representative of Israel underscored the strong importance of CE solutions. He pointed out that ECE instruments and tools play an important role in developing the country's national plan for CE and water and waste-integrated management.
- 78. The representative of Tajikistan highlighted the crucial value of the ECE guidance concerning the adoption of appropriate legal frameworks which incorporate CE principles, including in the context of the Green Economic Development Plan 2023–2027. He also emphasized the relevance of the Road Map for the CE transition developed by ECE as the country implements solutions to manage waste better.
- 79. The representative of the University of Lausanne commended the ECE CE-related work and suggested three options to improve the existing methodology further: (i) more product-specific analysis in the region; (ii) consideration of the comparative advantages; and (iii) focus on the traceability of particular products, such as steel scrap.

80. The Steering Committee noted with appreciation the secretariat's work on circular economy and the sustainable use of natural resources since the sixty-ninth session of the Commission in 2021. The Steering Committee reiterated the critical importance of enhancing policy coherence in regulatory cooperation and standardisation policies when fostering a circular economy transition. The Committee welcomed the secretariat's document providing options on how to integrate circular economy considerations into demand-driven RPBT studies (ECE/CTCS/2023/6) and requested the secretariat to support the implementation and use of these approaches through demand-driven studies if requested by a member State. The Steering Committee also called on donors and development partners to consider providing funding to offer demand-driven policy analyses and advisory services to support capacity-building in this area.

<sup>4</sup> See:https://commission.europa.eu/energy-climate-change-environment/standards-tools-and-labels/products-labelling-rules-and-requirements/sustainable-products/ecodesign-sustainable-products-regulation\_en#timeline.

## XI. Item 9. Integrating digital economy considerations into Studies on Regulatory and Procedural Barriers to Trade

- 81. The Chair reminded that at the seventh session of the Steering Committee in 2022, several member States had expressed their capacity-building needs related to digital trade in the context of the ECE RPBT studies (ECE/CTCS/2022/2). Responding to these needs and the request of the seventieth session of the Commission on "Digital and green transformations for sustainable development in the ECE region" to integrate the digital dimension in the work of ECE's sectoral bodies, the secretariat prepared the document (ECE/CTCS/2023/7) on integrating digital economy considerations into RPBT studies.
- 82. Based on the new document, the secretariat presented several options for further integrating the digital dimension into RPBT studies, especially in the context of existing trade facilitation and regulatory policy chapters. Future RPBT studies could consider expanding and refining the analysis on the digitalization of trade-related procedures and provide a focused assessment of regulatory barriers. She also elaborated on the possibility of including demand-driven separate chapters on e-commerce. This chapter could look at both the economic and legal dimensions of e-commerce policymaking. Building on related ECTD workstreams, including various initiatives on ESG transparency and traceability of supply chains, connectivity, and digital data exchange across multi-modal supply chains as well as UN/CEFACT trade facilitation standards, studies could make a further significant contribution in mapping country gaps and opportunities to benefit from digitalization.
- 83. The representative of the UK IOE&IT noted that integrating emerging issues, such as digital considerations, into RPBT studies is necessary to ensure that ECE members adapt to the latest trade practices and opportunities. In particular, he indicated that the secretariat's proposals to expand the RBPT studies' analysis to cover the digitalization of trade procedures and provide a focused assessment of regulatory barriers with regard to e-commerce could be a significant step to facilitate digital trade flows. He commended the secretariat for its work and offered three key recommendations for the way forward: (i) include a definition for e-commerce in RPBT studies; (ii) list the capacity-building activities that can help unlock the potential for digital trade; and (iii) establish PPP to advance e-commerce and digital trade best practices.
- 84. The representative of ACWL presented the WTO's work in the field of e-commerce to assess how this work could contribute to facilitating digital trade in the ECE region. He indicated that there are many avenues through which the WTO's regulatory framework facilitates and regulates e-commerce, including ensuring the uninterrupted flow and non-discriminatory treatment of goods and services between different markets and supporting e-commerce sales of goods by reducing the costs of moving goods through customs. He also added that the ongoing WTO Joint Statement Initiative on e-commerce is expected to improve digital trade by facilitating e-transactions; digitalization of customs procedures, market access for electronic transmissions; access to infrastructure relating to e-commerce etc.
- 85. The representative of Lucern University stated that there might be significant gaps between ECE programme countries' domestic and international policies and more advanced regulatory frameworks, for instance, those found in FTAs. She provided an example of the Trade Agreements Provisions on Electronic-commerce and Data (TAPED) dataset, which maps all digital trade-related provisions in FTAs since 2000. She pointed out that understanding the current advancements in FTAs could be of considerable importance for the ECE programme countries, which have limited participation in FTAs. She concluded that a gap analysis of policies for digital trade facilitation between the current legal framework of ECE programme countries vis-à-vis, for instance, FTAs is timely and necessary, and the Lucern University could contribute to this work.
- 86. The representative of the OECD indicated that RPBT studies provide important insights into gaps in countries' institutional and regulatory frameworks, allowing them to identify concrete actions to support their integration into regional and global supply chains. She presented two OECD tools that could usefully contribute to a better understanding of the role of digitalization in the context of trade: (i) the Digital Services Trade Restrictiveness

Index (DSTRI) and (ii) the Digital Trade Inventory. She also gave examples of other recent OECD initiatives, including the joint publication with the United Nations regional commission on regulatory frameworks for digital trade.

- 87. The representative of WTI emphasized that the actual developments of digital trade rules are mostly happening in FTAs, thus suggesting their thorough assessment in the context of RPBT studies. He mentioned that it could be useful to distinguish between "e-commerce" and "digital trade". He proposed focusing on different mechanisms of regulatory convergence, like regulatory impact assessments, commitments to transparency, inter-agency coordination, stakeholder participation, periodic or retrospective review or evaluation of regulatory measures, etc.
- 88. The representative of Kyrgyzstan indicated that digitalization is an irreversible process and, thus, it is urgent to address the remaining gaps in its understanding. He gave examples of various barriers highlighted by the business that preclude them from the full uptake of digital solutions, including tariffs for services in the marketplaces and high logistics and storage costs.
- 89. The representative of the Russian Federation thanked the Steering Committee for conducting RPBT studies and suggested expanding the coverage of the analysis to the regional instead of a country-based level. He emphasized that green and digital transformations are also priority areas in the country's policy agenda. For instance, the Parliament had recently adopted a new law on producers' responsivity for the disposal of packaging. He also underscored that the Russian Federation would soon join the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific, which aims to accelerate the implementation of digital trade facilitation measures.

#### **Decision 2023-13**

90. In line with the seventieth session of the Commission in 2023, the Steering Committee welcomed the secretariat's proposals on how digital transformations could be integrated into the work under the RPBT studies. The Steering Committee noted with appreciation the efforts of the secretariat to respond to digitalization and automation developments in trade policymaking and the identified areas where capacity-building needs regarding the issues related to digital trade might be required (ECE/CTCS/2023/7). The Steering Committee requested the secretariat to explore potential avenues concerning cooperation in digital trade with other international organizations, also in the context of RPBT studies. The Steering Committee also emphasized the critical importance of extra-budgetary funding for continuing this work and called on donors and development partners to consider providing additional funding.

## **D.** Continuation of the general segment

## XII. Item 10. Capacity-building and technical assistance activities

- 91. The Director of the ECE ECTD reported on ongoing and future capacity-building and technical assistance activities. She elaborated that the new document (ECE/CTCS/2023/8) contains an overview of activities conducted by the ECTD and drew attention to the list of planned activities (annex, table A 1). She pointed out that additional columns had been added to the table, namely the estimated funding needs. She also underscored the critical role of the extra-budgetary resources that allow the Division to respond to capacity-building requests of member States and called upon donors and development partners to support the mobilization of extra-budgetary funds.
- 92. The ECE ECTD Regional Advisor shared information about the work conducted on trade development and facilitation in support of integration in the ECE region and achieving the SDGs; support for the SPECA and the overall management of related projects, seminars, conferences also linked to the implementation of the package of standards for digitalization of multimodal data and document exchange. Further, he reported on a series of events on the digitalization of information exchange in the supply chains, the work on a SPECA Summit and the SPECA Multi-Partner Trust Fund. He concluded by briefing about the secretariat's

work in support of the WTO accession process, including a seminar held in Turkmenistan on 14 June 2023.

- 93. The representative of Azerbaijan thanked ECE for the strong support of SPECA and Azerbaijan's chairmanship this year. She underscored the importance of a range of specific SPECA working groups, all of which have a common interest in facilitating trade and strengthening green and digital transformation. She highlighted that this work would also be useful in the context of the WTO accession process. She looked forward to receiving a roadmap for digitalization as requested in April 2023 in the Joint SPECA Ministerial Statement.
- 94. The representative of Kyrgyzstan emphasized with appreciation that Kyrgyzstan had been included among the beneficiaries of ECE capacity building. He suggested that apart from indicated training possibilities, another area where additional assistance is needed concerns capacity-building for farmers and MSMEs, particularly processing industries. He indicated that these trainings need to be focused on three key areas: (i) exports; (ii) international trade customs procedures, logistical procedures, procurement programmes; and (iii) assessment of the EU market as an important destination market of Kyrgyzstan products.
- 95. The representative of the Republic of Moldova expressed the country's interest in continuing collaboration with the ECE, including on the new digital and CE themes. In this respect, she emphasized the need for capacity-building assistance in these areas and underscored the importance of extra-budgetary funding and donor support.
- 96. The representative of Armenia expressed gratitude to ECE for continuous collaboration and studies done for the country. He reaffirmed the interest in continuing cooperation with ECE to conduct a detailed study of the Armenian market, including classifying economic activities for productivity gap analysis. He thanked ECE for its support and collaboration towards sustained economic growth and further integration of Armenia into the global trading system.

#### **Decision 2023-14**

97. The Steering Committee took note of the report on capacity-building and technical assistance activities implemented as described in document ECE/CTCS/2023/8. The Steering Committee noted the usefulness of its policy advisory and capacity-building work as evidenced by the growing demand from member States for additional support in these areas. It requested the secretariat to follow up on this demand subject to the availability of other resources. The Steering Committee, in this regard, welcomed the recent efforts of the secretariat to identify fundraising needs and opportunities systematically and encouraged prospective donors to contribute additional resources to its work. It encouraged the secretariat to continue seeking extra-budgetary funding for demand-driven capacity-building and technical assistance activities.

#### **Decision 2023-15**

98. The Steering Committee noted the needs and priorities expressed by member States (Armenia, Azerbaijan, Kyrgyzstan, and the Republic of Moldova) and requested the secretariat to report again at the 2024 session.

# XIII. Item 11. Cooperation with other organizations and Economic Commission for Europe bodies

- 99. The Chair introduced the report on the Trade subprogramme's collaboration with other organizations and ECE bodies (ECE/CTCS/2023/9).
- 100. The representative of the WTO briefed about the recent collaboration, including in the context of knowledge-sharing webinars and joint research between ECE and the WTO Chairs Programme. He referred to capacity-building for countries with economies in transition as a common theme for both organizations. He hoped that ECE and WTO would explore opportunities to work together on research, training and capacity-building as there is significant potential to extend this partnership. Another representative of the WTO

underscored that the WTO accession of ECE members (Azerbaijan, Belarus, Bosnia and Herzegovina, Serbia, Turkmenistan, Uzbekistan) is a major common topic. She stressed that ECE has been instrumental in providing technical assistance during accession and post-accession. She reiterated that one of the capacity-building needs of WTO accession countries is linked to the lack of WTO-related materials in Russian, including WTO e-learning courses, and hoped WTO-ECE cooperation could provide fruitful outcomes.

- 101. The representative of OECD thanked ECE for fruitful collaborations. She pointed out that closer cooperation across different international organizations is key to broadening understanding of emerging global policy areas, such as digital trade, and working together to unlock the benefits that new technologies and new markets could mean for businesses and consumers. She referred to past experiences with various regional commissions, which were highly informative and effective in developing a global evidence base for policymakers. She looked forward to further enhancing cooperation with the ECE.
- 102. The representative of UNFSS shared information about UNFSS and the contributions of ECE to its work. He stressed that despite the voluntary nature of sustainability standards, they could become de facto mandatory, which creates burdens for developing economies. He announced the publication of the UNFSS Flagship Report on Voluntary Sustainability Standards (VSS) and gave a snapshot of the events which will take place in the year 2023. He also mentioned that Uzbekistan joined the platform network on VSS through the textiles and garment association in 2022. He referred to the ECE chairmanship of UNFSS in 2023 and looked forward to working towards fostering knowledge around sustainability standards.
- 103. The representative of ACWL underlined that ACWL and ECE have a great potential for future cooperation through two main avenues. First, he emphasized that several countries in the ECE's region recently acceded to the ACWL (e.g., Kazakhstan in 2020 and Ukraine in 2021) and could request legal assistance, for example, in assessing the WTO-consistency of their legal acts, which would be provided free of charge. Second, the ACWL lawyers could be involved in capacity-building and outreach activities on various WTO-related subjects in Geneva and abroad. He looked forward to the collaboration between ECE and ACWL.
- 104. The representative of UNCTAD shared some outcomes of very successful and impactful cooperation with ECE and identified areas of potential cooperation. This includes the collaboration on CE and trade and promoting better differentiation of circular goods (e.g., HS codes for circular products). She also indicated that trade and biodiversity, including relevant statistics, could be another area for potential cooperation.
- 105. The UNRC in Turkmenistan (pre-recorded video) expressed gratitude for the continuous and effective collaboration with ECE, including in the context of Turkmenistan's accession to the WTO. He emphasized that Turkmenistan had already made progress in diversifying its economy and making new sectors competitive and innovative. He expected accession to solidify economic growth, enhance export competitiveness, and foster innovation. He suggested that capacity-building support is critical, and the ECE is very well placed to provide tailor-made support to Turkmenistan.
- 106. Moving to the intervention by the representatives of the ECE bodies, the Chair informed the Steering Committee about the key takeaways from a working breakfast with the chairs of ECE sectoral Committees, organized by the ECE Executive Secretary at the margins of the seventieth Commission session (19 April 2023, Geneva). She underscored that additional arrangements were made to strengthen cross-sectoral cooperation, establish systematic follow-up mechanisms on the commission theme, and explore ways to make our collective work even more future-oriented.
- 107. The Chair of CICPPP introduced a few work areas with synergies between the Steering Committee and CICPPP: (i) green transformation in the transport sector; (ii) collaboration on how to integrate CE transition, which is also reflected in the work of ETIN and Circular STEP; and (iii) interface between digitalization and regulation. Building on the successful collaboration, he suggested considering green transformation in trade infrastructure, the CE transition and regulatory policies for the green transformation as new topics for common work.

- 108. The secretary of UN/CEFACT emphasized that to date, UN/CEFACT elaborated 50 global trade facilitation recommendations and 950 e-Business standards and guidelines. UN/CEFACT also offers technical assistance projects, including National Trade Facilitation Roadmaps, blockchain pilots for global value chains (e.g., cotton, leather, wool) and training materials for on helping MSMEs to digitalize their procedures. She reiterated that this work has important synergies with RPBT studies, given their strong focus on the trade facilitation dimension. She also informed about the upcoming results of the 2023 UN Global Survey.
- 109. The secretary of the Team of Specialists on ESG Traceability of Sustainable Value Chains in the Circular Economy (ToS ESG VC CE) underlined that the work of the Team contributes to better and more informed decisions for supply chain policies through ESG traceability approaches and systems for the exchange of data and information along global value chains and, therefore, is particularly important in the context of RPBT studies.
- 110. The secretariat informed about the stakeholder engagement platform Circular STEP, which contributes to showcasing successful regulatory frameworks, institutional approaches, and policy measures in the context of CE transition in the ECE region, including through conducting related analysis on how trade can contribute to CE transition, which is critical for the Steering Committee discussions.<sup>5</sup> She further provided details on the regional cooperation and partnership dynamics and recently launched capacity-building programmes. She invited the ECE member States to participate in the first in-person meeting of Circular STEP, which will take place in Serbia in the autumn of 2023.
- 111. The representative of ETIN emphasized that innovation has become an important element of sustainable trade. She gave examples of how it alters trade processes through blockchain technologies, lowering barriers to trade and streaming transactions. She underscored that transformative innovation is the main focus of ETIN's work, and the platform aims to help explore and experiment with new solutions. She emphasised that future scanning is a crucial element of the platform's work, given that the anticipatory approach that underpins it might help identify future trends and corresponding emerging opportunities and challenges.

112. The Steering Committee took note of the report on cooperation with other organizations and ECE bodies (ECE/CTCS/2023/9). The Steering Committee reaffirmed the benefits of cooperation and coordination, including on the cross-cutting themes of circular economy, and green and digital transformations with other ECE bodies, networks and international organizations. This includes specifically the CICPPP, the UN/CEFACT, the ToS ESG VC CE, and relevant networks, notably, the ECE Circular STEP and ETIN. The Steering Committee requested the secretariat to report again at the 2024 session and make an extra effort to seek extrabudgetary funding for relevant joint activities.

# XIV. Item 12. Recommendations from the evaluation of the Economic Commission for Europe: subprogramme 4 and subprogramme 6 by the United Nations Office of Internal Oversight

- 113. In 2022, the United Nations Office of Internal Oversight (OIOS) evaluated the relevance, effectiveness, coherence, sustainability, and integration of cross-cutting issues in subprogramme 4 and subprogramme 6 for 2018 –2021. The evaluation was part of the United Nations secretariat's regular program periodically evaluating selected aspects of its operations. The Director of the ECE ECTD briefed the Committee on the positive key findings and recommendations of the evaluation, the associated management response, and plans to implement relevant recommendations.
- 114. The representative of the UK welcomed the results of the evaluation. She said it is a timely and valuable opportunity to assess the work done and identify areas for improvement.

<sup>&</sup>lt;sup>5</sup> See: ECE Report from the 2022 Steering Committee side event on "Accelerating the Circular Economy Transition: Policy Options for Harnessing the Power of Trade and Economic Cooperation", available here: https://unece.org/sites/default/files/2022-05/ECE\_CTCS\_2022\_05\_E.pdf.

She noted that ECTD has been active in developing tools and conducting technical assistance, which is particularly relevant for integrating strategic findings and streamlining government structures.

115. The representative of Kyrgyzstan welcomed the positive results of the evaluation and underscored the valuable contribution of ECE to the technical assistance and capacity-building support on various fronts, including urban development, environmental protection, CE, economic cooperation, and raising the country's export potential. He underlined that ECE had convened two very efficient meetings last year, which had served as an impetus to launch a study presented at this session of the Steering Committee.

#### **Decision 2023-17**

- 116. The Steering Committee welcomed the results of the evaluation of the relevance, effectiveness, coherence, sustainability, and integration of cross-cutting issues in subprogramme 4 and subprogramme 6 (implemented by the ECE ECTD) undertaken by the OIOS (ECE Executive Committee informal document no. 2023/21). The Steering Committee noted with satisfaction the evaluation's conclusions, notably 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.
- 117. The Steering Committee also welcomed the evaluation's recommendations, notably that ECTD should establish a technical cooperation request tracking mechanism; develop a division-wide integrated strategic plan; develop divisional action plans to operationalize ECE strategies on resource mobilization, partnerships, and technical cooperation; and ensure integration of gender, environment, disability inclusion, and human rights considerations in its various workstreams.

#### 118. The Steering Committee:

- a. Invited its Bureau to work with the secretariat on the implementation of the above recommendations and to report back to the ninth session of the Committee in 2024;
- b. Called on 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.

## XV. Item 13. Programme of Work

- 119. The Director of the ECE ECTD presented the Trade subprogramme's draft Programme of Work for 2024 (ECE/CTCS/2023/10) and outline of key components of the Programme of Work for 2025 (ECE/CTCS/2023/INF.1).
- 120. The representative of Croatia expressed his gratitude for being elected as the Steering Committee Chair for the upcoming period and underscored that cooperation is essential to achieve the SDGs agenda and that ECE plays an important role in that. He emphasized that he would bring his experience and knowledge to achieve the goals for the upcoming two years.

#### Decision 2023-18

121. The Steering Committee emphasized the large scope in which its existing normative and technical cooperation work on trade regulatory and procedural measures, including regulatory cooperation and standardization policies, agricultural quality standards, and trade facilitation holds for supporting member States in advancing on ECE's cross-cutting issues, i.e. the circular economy transition and the sustainable use of natural resources (sixty-ninth Commission session) and digital and green transformations for sustainable development (seventieth Commission session). The Committee thanked the secretariat for its proactive approach in facilitating the inclusion of these two topics in its work.

#### **Decision 2023-19**

122. The Steering Committee endorsed the Trade subprogramme's Programme of Work for 2024 (ECE/CTCS/2023/10) and the outline of key components of the Trade subprogramme's Programme of Work for 2025 (ECE/CTCS/2023/INF.1). It requested the secretariat to prepare the Programme of Work for 2025, together with an outline for 2026, for review and endorsement at the 2024 session.

### XVI. Item 14. Other business

123. The Chair opened the floor for any other business points. There were no requests from the floor. On behalf of the secretariat, the Chair informed the Steering Committee about ongoing arrangements for the ninth session. Responding to the request at the 2022 session, it was proposed to hold the 2024 session of the Steering Committee in Geneva on 26 (pm) –28 June 2024. She noted that this also reflects the availability of the UN Conference Services in Geneva.

#### **Decision 2023-20**

124. Responding to the request at the 2022 session to make the Steering Committee official meeting six three-hour sessions (instead of three) (Decision 2022-15) and taking into consideration proposed room availability and interpretation services, the Committee agreed that its ninth session would take place in Geneva on 26 (pm)–28 June 2024.

## XVII. Item 15. Adoption of the report

#### **Decision 2023-21**

125. The Steering Committee invited the secretariat to prepare a draft report and distribute it to the Geneva Permanent Missions for subsequent approval by silence procedure in accordance with paragraph 21 of Appendix III of document E/ECE/1464 (Guidelines on procedures and practices for ECE bodies). Once the report is adopted, it will be published in English, French and Russian.