



Economic Commission for Europe**Steering Committee on Trade Capacity and Standards****Seventh session**

Geneva, hybrid, 27–28 (am) June 2022

Report of the Steering Committee on Trade Capacity and Standards on its seventh session**I. Overview**

1. The seventh session of the Steering Committee on Trade Capacity and Standards was held from 27 to 28 (am) June 2022.
2. The session reviewed the work of the Working Party on Regulatory Cooperation and Standardization Policies (WP.6) and the Working Party on Agricultural Quality Standards (WP.7) including their recommendations and standards. The session also discussed the capacity-building activities, the cooperation with other organizations and the programme of work of the entire Trade subprogramme.
3. Governments and the secretariat briefed the Steering Committee on the findings and recommendations emerging from three United Nations Economic Commission for Europe (ECE) studies. Engaged discussions took place on ECE study on regulatory and procedural barriers to trade in Uzbekistan; and two ECE studies focusing on the COVID-19 impact assessments targeting female-owned micro-, small- and medium-sized enterprises (MSMEs) in Armenia and the Republic of Moldova.
4. The first day also featured a high-level side event on accelerating the circular economy transition and policy options for harnessing the power of trade and economic cooperation. The secretariat reported to the Steering Committee on the side event along with suggestions on future actions, including the integration of circular economy analysis into studies on regulatory and procedural barriers to trade if requested by a member State.
5. Presentations delivered during the session can be found on the ECE website.¹

II. Attendance

6. Representatives from the following ECE member States attended the meeting: Armenia, Austria, Azerbaijan, Belarus, Bulgaria, Canada, Czech Republic, Georgia, Germany, Hungary, Kazakhstan, Kyrgyzstan, Poland, the Republic of Moldova, the Russian Federation, Spain, Sweden, Turkmenistan, Türkiye, the United Kingdom of Great Britain and Northern Ireland, the United States of America and Uzbekistan. Representatives from the Philippines also attended the meeting.

¹ <https://unece.org/trade/sctcs-2022>.



7. Representatives of the European Union (EU) attended the meeting.
8. Representatives of the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), the United Nations Forum on Sustainability Standards (UNFSS), the Food and Agriculture Organization (FAO), the International Trade Centre (ITC), the World Trade Organization (WTO) as well as United Nations Resident Coordinator Offices in Armenia, the Republic of Moldova, Serbia and Uzbekistan attended the meeting.
9. The following inter-governmental organizations attended the meeting: the Iran National Inventions and Innovation Team, the Organization for Economic Co-operation and Development (OECD) and the Standards and Metrology Institute for Islamic Countries (SMIIC).
10. The following non-governmental organizations with a consultative status with the United Nations Economic and Social Council also attended the session: the International Organization for Standardization (ISO) and the Royal Institution of Chartered Surveyors (RICS).
11. The meeting was also attended by the following non-governmental organizations at the invitation of the secretariat: Austrian Standards, China Association for Standardization, Consumer Unity and Trust Society (CUTS), Eurasian Institute of Certified Public Accountants (EICPA), International Institute for Sustainable Development (IISD), the Footsteps Foundation, the Forum on Trade, Environment & the SDGs (TESS), Ida Society-Austria.
12. The meeting was attended by representatives from academia and the private sector as observers at the invitation of the secretariat.

III. Agenda item 1. Adoption of the agenda

13. The Chair opened the meeting and invited the ECE Executive Secretary to give the opening remarks.
14. The ECE Executive Secretary welcomed the representatives of the Governments of Uzbekistan, Armenia and the Republic of Moldova as well as the Deputy Director General of the WTO and UN Resident Coordinators. Referring to one of the key statements from the WTO Ministerial Conference that had taken place the week before: “trade is part of the solution to the crises of our times”, the Executive Secretary stressed that trade could contribute to both the post COVID-19 recovery and the implementation of the UN Sustainable Development Goals (SDG). She welcomed the findings and recommendations emerging from the ECE study on regulatory and procedural barriers to trade in Uzbekistan and the assessments of the impact of the COVID-19 pandemic on trade and structural transformation targeting female-owned MSMEs. She also welcomed the discussion planned during the side event on policy options for harnessing trade and economic cooperation in the circular economy transition. In her closing, she announced that the next Commission session high-level theme planned for 2023: “digital and green transformations for sustainable development in the ECE region” and highlighted the relevance of this theme to the Trade subprogramme, including ECE extrabudgetary project under the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) aiming to make supply chains more transparent, traceable and ultimately more sustainable and circular through modern blockchain technologies.
15. The Chair presented the revised annotated provisional agenda (ECE/CTCS/2022/1/Rev.1). She explained the proposed scheduling of the day and a half meeting and underlined a small change in the document with the key points for the subprogrammes programme of work for 2024 which was made available in ECE/CTCS/2022/INF.1/Rev.1.
16. The delegation of the EU thanked the Chair and the ECE Secretariat and expressed its appreciation of the work of the Committee. It said that the EU and its Member States took note of a note verbale, sent on 14 June 2022 by Belarus and circulated by the Chair. It

indicated that based on the Rules of Procedure, and specifically, Terms of Reference of the Committee and associated guidelines on procedures and practices of the Commission, it considers that an election would need to take place when necessary. It continued that the agenda could be adopted but that it does not imply endorsing a new vice-chair from Belarus.

17. The delegation of Belarus reiterated that in June 2021, the Steering Committee at its sixth session had elected by acclamation the representative of Belarus, Mr. Dmitry Doroshevich, Counsellor of the Permanent Mission of Belarus in Geneva to the new Bureau for the period of 2021-2023. With the departure of Mr. Doroshevich, Belarus had followed the Rules of the Procedure of the Commission and its Executive Committee and replaced Mr. Doroshevich by its successor, Counsellor of the Permanent Mission. It referred to Rule 12 of the Rules of Procedure of the ECE Executive Committee and Rule 14 of the Rules of Procedure of the Commission, which state that the member States holds the positions of Chairperson and Vice-Chairperson, and it designates their representative. For this reason, it sees no grounds for elections of the Steering Committee Bureau.

18. The delegation of the Russian Federation fully supported the replacement of the Bureau member with a new representative from Belarus. It suggested that this question is technical and expressed its objection to politicizing such issues within the Steering Committee Bureau. It reiterated that it fully supports the delegation of Belarus.

19. No further comments were expressed and no changes to the proposed agenda were requested. The Chair proceeded with the adoption of the proposed agenda. The Chair took note of the interventions of the representatives of the European Union, Belarus and the Russian Federation. She flagged that the issues raised were noted by the Chair and the secretariat and referred to consultations in this regard.

Decision 2022-01

20. The Steering Committee adopted the agenda.

IV. Agenda item 2. Matters arising

21. The Director of the ECE Economic Cooperation and Trade Division (ECTD) briefed the Steering Committee on activities in response to the sixty-ninth Commission session that was devoted to the circular economy and the sustainable use of natural resources, where member States requested ECE to promote circular economy transition and sustainable use of natural resources in relevant subprogrammes, sectoral committees and other subsidiary bodies (Decision 69A and Decision 69B). She reported that the Division had been actively engaged in the related activities, including as part of the ongoing United Nations Development Account (UNDA) project on “Accelerating the Transition Towards a More Circular Economy.” She introduced the ECE network “CIRCULAR STEP” as one of the highlights of this work and informed that the Division is conducting a number of policy papers on the intersections of circular economy and other policy areas, such as trade; institutional arrangements; finance; waste management; innovative public procurement; traceability; and digital solutions.

22. With reference to the forthcoming seventieth Commission Session theme on digital and green transformations for sustainable development, she mentioned the increasing relevance of the Division’s work on digitalization and the recognition of this work by a number of analytical instruments and toolkits recently issued by the International Chamber of Commerce (ICC), the World Economic Forum (WEF) and the WTO.

23. She continued by elaborating on the Division’s work related to capacity-building and analysis to support the WTO accession of ECE member States. She highlighted the importance of providing a forum to exchange experiences within the ECE. As an example of such exchange, she referred to the recent meeting of the United Nations Special Programme for the Economies of Central Asia (SPECA) on WTO processes, which had taken place during the WTO Ministerial Conference week earlier in June 2022.

24. Referring to the ongoing evaluation of the ECTD, including the Trade subprogramme by the UN Office of Internal Oversight Services, she informed about the importance of

documenting the relevance and impact of ECE trade-related work. She thanked all stakeholders and donors who have been supporting the work under the Trade subprogramme and encouraged potential future donors to support this work in the years to come.

Decision 2022-02

25. The Steering Committee expressed its appreciation and took note of the secretariat's report on matters arising which included the recent developments within the Commission, notably on the topic of circular economy and the sustainable use of natural resources of the sixty-ninth session of the Commission (E/ECE/1500) and the topic of the forthcoming seventieth session on digital and green transformations for sustainable development.

V. Agenda item 3. Updates from the Working Party on Regulatory Cooperation and Standardization Policies (WP.6)

26. The Chair of WP.6 presented the Working Party's recent activities aiming to promote regulatory cooperation, standardization policies and building risk-based regulatory frameworks supported by effective quality infrastructure and aiming to contribute towards reducing technical barriers to trade, while efficiently managing risk, promoting sustainable development in all its dimensions including, for example, gender equality, climate and environmental protection and adaptation to new technologies.

27. She underlined that the Gender-Responsive Standards Initiative (GRSI) had launched a Declaration for Gender-Responsive Standards and Standards Development in 2019 which has been signed by nearly eighty standards development organizations. GRSI has noted multiple times throughout its meetings since 2016 that gender mainstreaming is not a one-off activity but requires long-term investments. The network of gender focal points which has been established through the Recommendation U on Gender-Responsive Standards and the Declaration establishes a de facto Team of Specialists internationally which will require a forum to continue exchange on best practices to develop further guidance on the topic. It is for this reason that a Team of Specialists on Gender-Responsive Standards (GRS) has been proposed.

28. As outlined within its Programme of Work, WP.6 requested the launch of the new Team of Specialists on GRS as well as the renewal of the mandates of the three existing subgroups: Advisory Group on Market Surveillance (MARS); Ad Hoc Team of Specialists on Standardization and Regulatory Techniques (START); and Group of Experts on Risk Management in Regulatory Systems (GRM). WP.6 requested that these mandates be endorsed by the Steering Committee and presented, as appropriate, to the ECE Executive Committee.

29. She highlighted some of the recent work undertaken by the WP.6 Bureau to streamline the processes and rationalize the subgroups, including consulting with member States and WP.6 stakeholders. She explained that this has resulted in a new WP.6 Terms of Reference which will be presented to the November 2022 session for endorsement. She underlined that control agencies need to take into account new objectives relating to sustainability, digitalization and privacy as well as the more traditional scientific issues regarding safety and the environment.

30. The representative of Canada commended WP.6 for its work on gender-responsive standards which has brought global focus to the issue. The Standards Council of Canada is a signatory to the Declaration for Gender-Responsive Standards and Standards Development and in line with this, has committed to increasing the number of women in standardization. A recent survey has found that 75 per cent of international technical standards chairs were still not considering gender, recognizing the need for further work in this area. The development of the guidelines was welcomed given their role in providing a clear path forward. She concluded that standards have played a vital role in our regulatory and trade policy and formalizing the GRSI into a team of specialists will be instrumental to enhancing the work. She also expressed its strong condemnation of Russia's invasion of Ukraine, seeing it as an attack on international law including the UN Charter, as well as democracy, freedom and human rights.

Decision 2022-03

31. The Steering Committee expressed its satisfaction with the work undertaken by the Working Party on Regulatory Cooperation and Standardization Policies (WP.6), recognized the importance of this topic in today's challenging trade environment and endorsed the report of the thirty-first session of WP.6 in (ECE/CTCS/WP.6/2021/2) and the programme of work of WP.6 (ECE/CTCS/WP.6/2021/10). It invited WP.6 to continue implementing its programme of work and report to the 2023 session.

Decision 2022-04

32. Following the Decision 4 of the thirty-first session of WP.6 on 24–26 November 2021 adopting the decisions taken through silent procedure in 2020, the Steering Committee endorsed the Revised Recommendation P on Risk Management in Regulatory Systems (ECE/CTCS/WP.6/2020/11). Following the Decision 7 of the thirty-first session of WP.6 on 24–26 November 2021, the Steering Committee endorsed the Recommendation V on Addressing Product Non-Compliance Risks in International Trade (ECE/CTCS/WP.6/2021/5).

Decision 2022-05

33. Following the Decision 13 of the thirty-first session of WP.6 on 24–26 November 2021, the Steering Committee endorsed the extension of the mandates of the Advisory Group on Market Surveillance (MARS Group), the Ad Hoc Team of Specialists on Standardization and Regulatory Techniques (START Team) and of the Group of Experts on Risk Management in Regulatory Systems (GRM) in the annexes of ECE/CTCS/WP.6/2021/10. Following a written procedure approval post-session sent on 9 February 2022, the Steering Committee also approved the creation of a Team of Specialists on Gender-Responsive Standards (ECE/CTCS/WP.6/2021/2/Add.1) and encouraged potential donors to explore extrabudgetary funding to further enhance its work on gender-responsive standards.

VI. Agenda item 4. Updates from the Working Party on Agricultural Quality Standards (WP.7)

34. The Vice-Chair of WP.7 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. He reminded that WP.7 develops standards and related guidance material for agricultural produce to facilitate national and international trade of agricultural products.

35. He briefly introduced the five recommendations, the twelve standards, the revised Standard Layout for UNECE Standards for Fresh Fruit and Vegetables as well as the general report and the Revised Programme of Work for 2022 that had been adopted by WP.7, along with the amendments to Annex I and Annex VII of the Standard for Seed Potatoes; and several guidance materials. Stressing the critical role of agri-food trade in ensuring food security and nutrition, he emphasized that ECE agricultural quality standards form an important part of the international trade infrastructure.

36. He informed that the development of ECE standards had continued apace in spite of the pandemic. As in-person capacity-building had been limited, the secretariat had focused on developing online training on agricultural quality standards and food loss prevention in fresh produce supply chains. A joint ECE/OECD study assessing the impact of agricultural quality standards on trade was underway, and through a collaboration between UN/CEFACT and UNCTAD, functional specifications for an electronic management system, focusing on processes at export, had been finalized.

37. He noted that the involvement of countries in Central Asia had grown over the past few years, in particular related to dry and dried produce. Collaboration between ECE, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Hilfswerk Austria, and the United Nations Development Programme (UNDP) to promote the use of the standards in the region in 2017 led to the formation of the "Central Asian Working Group for Promotion of Commercial Quality Standards of Agricultural Produce in the Region of Central Asia", a

regional collaborative initiative involving MSMEs and relevant State agencies. This collaboration had resulted in the development of several ECE standards of interest to the regional industry (dried melon, sweet apricot kernels, dried persimmons, inshell peanuts, peanut kernels); as well as to the production of explanatory materials in local languages; and the organization of trainings on quality standards for both State agencies and MSMEs in the region.

38. Finally, he emphasized that the global food community is critically important in feeding the world, and that WP.7 efforts will help maintain quality food production, in a sustainable way, while facilitating trade across the globe.

Decision 2022-06

39. The Steering Committee recognized the importance of agricultural quality standards for facilitating international trade in agricultural produce and expressed its satisfaction with the work undertaken by the Working Party on Agricultural Quality Standards (WP.7). The Steering Committee endorsed the report of the seventy-sixth session of WP.7 (ECE/CTCS/WP.7/2021/2) and the programme of work of WP.7 (ECE/CTCS/WP.7/2021/27/Rev.1). It invited WP.7 to continue implementing its programme of work and report to the 2023 session.

Decision 2022-07

40. Following the decisions of the WP.7 seventy-sixth session on 15–17 November 2021, the Steering Committee endorsed five recommendations for:

- Inshell pecans (ECE/CTCS/WP.7/2021/6),
- Pecan kernels (ECE/CTCS/WP.7/2021/7),
- Dried persimmons (ECE/CTCS/WP.7/2021/8),
- Raw and roasted inshell peanuts (ECE/CTCS/WP.7/2021/9), and
- Raw and roasted peanut kernels (ECE/CTCS/WP.7/2021/10).

The Steering Committee also endorsed ten revised standards following the decisions of the WP.7 seventy-sixth session on 15–17 November 2021, for:

- Dates (ECE/CTCS/WP.7/2021/12),
- Prunes (ECE/CTCS/WP.7/2021/13),
- Carrots (ECE/CTCS/WP.7/2021/15),
- Strawberries (ECE/CTCS/WP.7/2021/17),
- Fresh figs (ECE/CTCS/WP.7/2021/18),
- Chinese cabbage (ECE/CTCS/WP.7/2021/19),
- Cucumbers (ECE/CTCS/WP.7/2021/20),
- Watermelons (ECE/CTCS/WP.7/2021/21),
- Apricots (ECE/CTCS/WP.7/2021/22),
- Cauliflower (ECE/CTCS/WP.7/2021/23), and
- Two new standards for sweet apricot kernels (ECE/CTCS/WP.7/2021/11) and for pomegranates (ECE/CTCS/WP.7/2021/28).

It also endorsed the Revised Standard Layout for UNECE Standards for Fresh Fruit and Vegetables (ECE/CTCS/WP.7/2021/24) as per the decisions of the WP.7 seventy-sixth session on 15–17 November 2021.

VII. Agenda item 5. Supporting the removal of regulatory and procedural barriers to trade: Uzbekistan

41. The Chair recognized the importance of the Secretariat's work in conducting studies on regulatory and procedural barriers over the past few years. This work has been at the heart of the Steering Committee. She congratulated the Government of Uzbekistan on their trade reform process, including as part of the WTO accession process and introduced the ECE study on regulatory and procedural barriers to trade in Uzbekistan. The study, funded under the UNDA project on "COVID-19 Trade and Transport Connectivity" was conducted in 2021–2022 using the ECE evaluation methodology, which was extended to capture the impact of non-tariff measures (NTMs) governing trade in goods in support of achieving the 2030 Agenda. The study captures behind and at-the-border regulatory and procedural barriers to trade and highlights their impact on transaction costs in terms of both time and money. It also provides detailed recommendations.²

42. The ECE Deputy Executive Secretary stressed that it has been a privilege for ECE to work closely with the Government of Uzbekistan on this strategic trade agenda. Recognising an important reform process in the country since 2017, he stressed that trade development has been a priority area, including as part of the recently adopted Decree of the President of the Republic of Uzbekistan "On Development Strategy of New Uzbekistan for 2022–2026". He elaborated that the ECE study provides an overview of the trade policy regime in Uzbekistan, with a particular focus on trade facilitation, technical regulations and standardization, conformity assessment systems and metrology. Following, he introduced other technical assistance activities provided to Uzbekistan over the recent two years, including ECE Innovation for Sustainable Development Review of Uzbekistan; and ongoing work on traceability of textile following signing ECE "Sustainability Pledge" by the Confederation of Employers of Uzbekistan and Uztextileprom during the Tashkent International Investment Forum in March 2022. Uzbekistan's active involvement within the SPECA, including through Uzbekistan's SPECA chairmanship in 2021, has been beneficial for shaping trade agenda at the regional level. Concluding, he stressed the ECE's commitment to support Uzbekistan's trade agenda and expressed hope that this work could make a positive contribution for Uzbekistan's WTO accession.

43. The high-level representative of Uzbekistan expressed his appreciation to ECE for the comprehensive assistance provided to Uzbekistan in strengthening trade facilitation efforts. He stressed that under the leadership of the President of the Republic of Uzbekistan, the country has made a transition to the model of an "open economy" by means of extensive use of market mechanisms and through active civil participation in the ongoing reforms and digitalization and innovative technologies. As part of these irreversible transformations, in January 2022, the President of the Republic of Uzbekistan approved the "Development Strategy of New Uzbekistan for 2022-2026", which puts forward the idea "From the Action Strategy to the Development Strategy". He highlighted that the WTO accession of Uzbekistan has been an absolute priority of New Uzbekistan and referred to the recent participation of Uzbekistan in the twelfth Ministerial Conference of the WTO as well as fifth Working Party meeting on the WTO accession of Uzbekistan earlier in June, which landmarked Uzbekistan's readiness to advance the negotiations. He also stressed that importantly Uzbekistan's WTO accession needs to contribute to ensuring well-being of the population and eradicating poverty by creating new jobs.

44. He further introduced a number of deep structural changes, carried out in Uzbekistan over the last five years: 1) liberalization of foreign trade, tax and financial policies; 2) strengthening of social protection of citizens and the reduction of poverty; 3) eradication of the forced labor; 4) supporting and stimulating the expansion of small businesses and private entrepreneurship; 5) fundamental changes in the commodity structure of Uzbekistan's

² For additional information on the discussions during the Steering Committee, see Steering Committee background material "Detailed Programme - Agenda item 5 - Regulatory and Procedural Barriers to Trade in the Republic of Uzbekistan: Needs Assessment", available at https://unece.org/sites/default/files/2022-06/Discussion_Uzbekistan_RPBT-web.pdf.

exports; 6) facilitating trade procedures. He recognized the role of ECE study on regulatory and procedural barriers to trade in Uzbekistan for supporting country's efforts to promote trade while building back a resilient, sustainable and diversified economy under the post COVID-19 conditions. He commended for delivery of findings and recommendations from this study with entry points for the potential future assistance that the ECE could provide to Uzbekistan, also contributing to WTO accession process and strengthening regional integration. Concluding, he referred to Uzbekistan's challenges and opportunities for the development of international trade with the rest of the world given Uzbekistan's unique location as a double-land locked country in the heart of Central Asia. He stressed that Uzbekistan has worked on promoting optimal and effective routes for supply and that the ECE study and a follow-up cooperation with ECE will contribute to more smooth flow of cross-border trade by simplifying, harmonizing and standardizing trade procedures and requirements.

45. The Deputy Director General of the WTO highlighted the relevance and timeliness of the discussions on regulatory and procedural barriers to trade in Uzbekistan given the fifth Working Party meeting on Uzbekistan's accession at the WTO took place before the Steering Committee. These discussions have indicated that the international community has been synergizing efforts under their respective mandates to support the Government of Uzbekistan in domestic reforms and development and in its further integration into the multilateral system. He highlighted the role of WTO in supporting a country's trade and economic development and overall importance of integrating into global value chains and cooperating with other economies for national development. Becoming a WTO member is a complex process, which requires two parallel tracks: 1) the scope and level of its market access commitment; and 2) compliance of trade-related domestic legislation with WTO rules. He recalled the process of Uzbekistan's accession, which substantively began in 1994 and was resumed in 2020. Since then, remarkable progress has been made based on exchanges between existing WTO Members and Uzbekistan. The Working Party meeting held in June 2022 has been very helpful and productive to bring this accession process forward.

46. He further stressed that both high-level political leadership and technical level expertise of Uzbekistan's accession delegation have been actively facilitating the trade reform process. He highlighted the role of international community, including the WTO, the World Bank, the International Monetary Fund (IMF), the European Bank of Reconstruction and Development (EBRD), ITC and ECE in providing technical assistance and capacity building programmes. Importantly, the ECE study, while recognizing Uzbekistan's recent reforms, identifies areas for further improvements and provides related recommendations. He also recognised the role of the academic community in this process, including the WTO's launch of its Chairs Programme at the University of World Economy and Diplomacy of Uzbekistan. Concluding, he highlighted many synergies between WTO and ECE on the trade agenda, in particular, on all WTO accessions of countries from the Central Asian region (in addition to Uzbekistan, Azerbaijan and Turkmenistan) and looked forward to future cooperation and collaborations with ECE in this area of work.

47. The UN Resident Coordinator in Uzbekistan highlighted the economic initiatives as part of Uzbekistan's course towards greater openness and economic liberalization since 2017: currency exchange liberalization, streamlining the tax system, structural reforms, ongoing privatisation and restructuring of State-owned enterprises, as well as commitment towards increasing foreign direct investments (FDI) and trade, including through the WTO accession. While referring to the ongoing growth, she recognized an immense untapped potential for further growth of trade. She further said that the Russia-Ukraine conflict has created uncertainties for trade flows of Uzbekistan and highlighted the need to diversify the trade routes and connectivity for the double land-locked Uzbekistan. She also stressed the critical role of trade for economic growth and SDG achievement, including SDGs 1,8 and 9. In this regard, the UN along with other development partners has been proud to be supporting Uzbekistan's commitment to increasing trade and openness. Concluding she stressed the timeliness of ECE discussions on regulatory and procedural barriers given recent WTO accession negotiations and highlighted the readiness by the UN to extend the support in future as part of the United Nations Sustainable Development Cooperation Framework (UNSDCF) for 2021-2026.

48. The delegation of Uzbekistan thanked ECE for its constant support and expressed appreciation to the ECE team for their invaluable support with the study on regulatory and procedural barriers to trade in Uzbekistan conducted during 2021-2022. The delegation stressed that the objective of the study was to support the achievement of increased contribution of trade to post COVID-19 recovery and economic development in Uzbekistan. The study will be published in September 2022 after integrating suggestions provided by the Government of Uzbekistan. It will, inter alia, provide an action plan for the implementation of the recommendations emerging from the study; and policy recommendations for supporting the post-COVID-19 recovery and development efforts in the trade area, including as part of WTO accession process. The ECE study, prepared in close consultation with national stakeholders, provides an overview of the trade regime and a survey of 75 MSMEs involved in export and import activities, and their challenges in harnessing the benefits of trade. The study also looks at the following sectors: dried fruits and vegetable; electronics; textiles; and handicraft.

49. Continuing, it said that ongoing reforms need to be harmonized with international requirements and that the work in the area of technical regulations has been ongoing, also in line with the WTO accession process. It stressed that establishing processes for metrology and conformity assessment requires significant efforts and there is a need to improving and modernizing legislation. Important work has been achieved in the areas aimed at liberalizing economic activity, eliminating barriers, and promoting trade facilitation, also through enhancing the investment climate in Uzbekistan. As part of these reforms to facilitate trade, Uzbekistan joined two international conventions in the area of trade facilitation, established a new system of risk management, an institute of economic operators, Single Window and customs audit. Concluding, it said that importantly, ECE recommendations for related internal reform initiatives outline the support ECE could provide and the delegation hoped to work closely with ECE in carrying out these recommendations.

50. The representative of ITC congratulated the Government of Uzbekistan with the significant progress in relation to WTO accession process and trade reform process, including in the area of regulatory and procedural barriers to trade. She provided an overview of its work in the region related to MSME and trade facilitation support, including two projects funded by the EU: 1) on supporting the WTO accession process and 2) on Ready4Trade. She further briefed on trade facilitation aspects of this work, including the forthcoming launch of trade facilitation portal and the review of processes of exports of fresh fruit, fruit juices, and wheat flour. Based on this work, ITC has developed concrete proposals for actions and expressed its commitment to work with partners and Uzbekistan to prioritize and select matters for implementation.

51. The representative of UNCTAD stressed that working on NTMs is a long-term engagement aimed at reducing costs to trade. NTMs have various objectives, including public health and security and in many cases they should not be removed. In this regard, ensuring transparency has been important, also in particular for MSMEs, who have been particularly affected. She introduced the comprehensive UNCTAD NTM database, which gathers all types of NTMs in one single place, thus making it easier to ensure transparency and compare the regulatory patterns across countries. The database covers more than 100 countries, constituting 90 per cent of world trade. She expressed readiness of UNCTAD to support data collection in Uzbekistan.

52. The delegation of the Russian Federation noted that the ECE study on regulatory and procedural barriers in Uzbekistan took into account results of ECE Innovation for Sustainable Development Review in Uzbekistan, conducted with the extra-budgetary funding of the Russian Federation. This review importantly contributed to shaping innovation and digitalization policies in Uzbekistan, including as part of the Sustainable Development Agenda. He commended the work of ECE secretariat in conducting this review during the COVID-19 pandemic and ensuring continuity of this work. Concluding, he expressed the overall satisfaction of this work and hoped the results of this study will help Uzbekistan in embracing its Strategy of Development for New Uzbekistan for 2022-2026.

53. The delegation of Uzbekistan expressed its appreciation of the study on regulatory and procedural barriers to trade in Uzbekistan and hoped this project will be completed with a positive and fruitful contribution to promote trade in Uzbekistan. It also thanked all partners and stakeholders involved in this project for their inputs and contributions. Concluding, it added that circular economy principles are important for future economic development and expressed the readiness of Uzbekistan to participate in related initiatives in this area.

54. The Chair thanked all speakers for their interventions and the ECE secretariat and the Government of Uzbekistan for their work and looked forward to seeing the Study in print later this year and hearing next year on follow-up.

Decision 2022-08

55. The Steering Committee congratulated the Government of the Republic of Uzbekistan for a successful study on regulatory and procedural barriers to trade. It welcomed the recommendations (ECE/CTCS/2022/3) and expressed its appreciation of the secretariat's support to the Republic of Uzbekistan on trade and economic cooperation-related issues, including in the framework of the Innovation for Sustainable Development Review, the Digital and Sustainable Trade Facilitation Assessment and the Sustainability Pledge. The Steering Committee recognized the importance of this work to facilitate the integration of the member States, especially the ones acceding to the WTO into the global economy and harnessing the power of trade for sustainable development. It encouraged potential donors to explore extrabudgetary funds to support the implementation of the recommendations.

VIII. Agenda item 6. Findings and recommendations emerging from the COVID-19 impact assessments targeting female-owned micro-, small- and medium-sized enterprises (MSMEs) in selected countries

56. Pursuant to the General Assembly's Resolution on Global Solidarity to Fight the Coronavirus Disease 2019 (COVID-19) (A/RES/74/270) of 2 April 2020, and in support of the SDG 5 on gender equality, ECE undertook two national assessments on the impact of COVID-19 on the development prospects of export-oriented female-owned MSMEs in Armenia and the Republic of Moldova. The assessments were financed by UNDA "Global Initiative Towards Post-COVID-19 Resurgence of the MSME Sector" (ECE/CTCS/2022/4).³

57. The Director of the ECE ECTD briefed about the Division's work on MSMEs, including with regard to women dimension. She stressed that the Division supports MSMEs and women businesses through its core work streams, including the ones on trade facilitation, traceability, market access, innovation and competitiveness and provided examples of related instruments. She elaborated on the Division's analytical and capacity-building activities undertaken as part of the UNDA "Global Initiative Towards Post-COVID-19 Resurgence of the MSME Sector". In addition to seven COVID-19 impact assessments conducted during 2020-2022, the Division organized successful webinars on "Empowering MSMEs to harness the opportunities from transitioning to sustainable trade and a circular economy in the context of the post-COVID-19 recovery" in May-June 2022.

58. Continuing, she said that the assessments of female-owned MSMEs in Armenia and the Republic of Moldova, conducted as part of the UNDA project highlighted main COVID-19-induced challenges to scaling up women's economic empowerment in the two countries and identified policy recommendations to facilitate women participation in economic activities post COVID-19 and entry points on how ECE tools can support the way forward.

59. The representative of the Republic of Moldova commended the ECE for the study, which showed concrete challenges that female-owned enterprises in the Republic of Moldova face, such as limited engagement in e-commerce, insufficient business networks, lack of

³ For additional information, see Steering Committee background material "Updated Detailed Programme - Agenda item 6 - COVID-19 Impact Assessments for female-owned MSMEs: Finding and recommendations", available at https://unece.org/sites/default/files/2022-06/new_DetailedProgramme-AgendaItem6-MSMEs_E.pdf.

business skills, issues of trade disruptions and others. She said that COVID-19 had imposed shocks on all segments of the economy, including industry, and food supply chains, simultaneously affecting trade, transport, and logistics. In this regard, the study elaborated on barriers associated with disruptions in the supply chain, including as a result of suspending or cancelling their traditional freight operations. Some barriers included the lack of clarity on trade regulations, administrative procedures, and an extended wait time for obtaining trade documents.

60. To support women empowerment and address these challenges, the Economic Council of the Republic of Moldova with the support of UN Women had launched the Roadmap for Women's Economic Empowerment aiming at high-potential interventions to increase female participation in the economy. Concluding, she thanked ECE for its continuous support for the Economic Council of the Republic of Moldova in its gender mainstreaming endeavours in trade and economic policies. The study's recommendations will be converted into result-oriented actions in the roadmap. In addition, she welcomed the continuation of ECE support to enhance resilience of female-owned enterprises, especially in rural areas and in social entrepreneurship inclusive.

61. The UN Resident Coordinator in Armenia, pointed to the limited engagement of women in entrepreneurial activities in Armenia and their particularly vulnerable position during COVID-19 and now during the financial and food crisis. She further elaborated on some of the initiatives of the Government of Armenia aimed at women inclusion, including the New Strategy in this area. The Strategy has two concrete objectives: 1) to increase access to early childhood education; 2) to enhance innovation and technical skills for women, as also pointed out in the ECE study. She further elaborated on another Strategy on employment, introduced by the Government earlier in June, which aims, inter alia, to create MSMEs. There has been also an increasing focus in Armenia on creating green jobs, where women can participate. Concluding she hoped that the new strategies in Armenia will contribute to expanding women participation in higher-income sectors and facilitating access to finance. She thanked ECE for the very timely study and looked forward to working together to support the Government in implementing the recommendations.

62. The UN Resident Coordinator in the Republic of Moldova congratulated ECE for the study, which was an important tool in driving the women empowerment agenda in the Republic of Moldova. He stressed that the COVID-19 pandemic, followed by the energy crisis in late 2021 and the war-related trade disruptions had revealed vulnerabilities in Moldova's economy and households' and in particular women enterprises'. He elaborated on the key challenges faced by women related to trade disruptions and the lack of extended-hours childcare and how the Government of Moldova address these challenges through innovative approaches, including supporting the digitalization of the private sector and facilitation of e-commerce. Continuing, he said that, while some progress in relation to women empowerment has been achieved, much more needs to be done to help women-owned businesses. In this regard, gender-based budgeting and gender-responsive trade policies will be further promoted and supported by the UN Country Team in the Republic Moldova under the new cooperation framework. He further presented some of the findings from the recent study conducted in collaboration with the World Bank, which stressed, similarly to the ECE study, that women, irrespective of their socio-economic status, face higher barriers than men in launching and running businesses. Strengthening Moldova's female entrepreneurs has been key to progress this agenda and contribute to achieving UN SDGs. Concluding, he said that UN Moldova remains committed to work closely with the Government of Moldova and other stakeholders to support women's empowerment.

63. The representative of the WTO briefed the Steering Committee on the work of the WTO Informal Working Group on MSMEs, which currently consists of 95 developed and developing WTO Members, including from ECE region. She said that the Group focuses on promoting MSMEs inclusion and simplification of access to trade activities to MSMEs. In this regard, the Group has developed two databases on MSMEs-related provisions in WTO agreements and regional trade agreements. She said that some of the problems faced by MSMEs relate to navigating the extensive information and understanding its reliability. To respond to this challenge, Trade4MSMEs online platform has been established to collect existing tools, including with regard to the gender dimension. She further informed about the

launch of Trade4MSMEs network on 8 June 2022, which comprises 17 international organisations, including ECE, which developed tools related to support of MSMEs. She further informed about the Press Conference of the MSMEs Group during the Ministerial Conference earlier in June, which outlined tools briefed on the 2020 Package of six declarations and recommendations. Concluding, she said that following the recently concluded Ministerial Conference, the MSMEs Group will pursue further its substantive work, particularly focusing on voluntary sustainability standards, low-value shipments and cyber readiness.

64. The representative of the Center for Entrepreneurship, Governance and Stewardship of Nyenrode Business University presented the results of ECE study focusing on MSMEs in transition economies of ECE region. In line with the objectives of the women-owned MSMEs impact assessments, the study aimed to understand the current state of play of MSMEs in 17 transition economies. Based on this study, she elaborated on the challenges faced by MSMEs, including regulatory institutional frameworks, accessing domestic and foreign markets, lack of innovative culture, shortcomings in access to finance and technology, shortages in the human capital, including in relation to gender gaps and financial illiteracy. She highlighted that despite historical challenges associated with a planned economy, significant progress has been made with regard to enhancing entrepreneurial skills among MSMEs. In particular, she stressed that women participation in most transition economies while still not reaching the optimal levels, has been growing.

65. The representative of the Russian Federation thanked the secretariat for the recommendations prepared as part of its impact assessments in Armenia and the Republic of Moldova and considered that these findings and recommendations can be of interest to the entire ECE region, taking into account the similarities of economic development. In the Russian Federation, women businesses constituted 40 per cent among MSMEs and around 30 per cent of women have leading positions in businesses. During the COVID-19 pandemic, the share of women entrepreneurs has increased in the creative sector and social businesses. The Russian Government has been taking various measures to support female entrepreneurs. In this regard, the Programme Mama Entrepreneur designed specifically for mothers raising small children, allows women to receive training, working on business plans and receiving mentoring support. Concluding, he highlighted that the COVID-19 pandemic has significantly affected the economic and trade landscape in the ECE region, including in the Russian Federation, where the female-owned entrepreneurship has been actively developing, particularly in electronic trade, digital services and creative sectors and suggested that this trend will continue.

66. The Chair thanked all speakers for their interventions.

Decision 2022-09

67. The Steering Committee recognized the importance of micro, small and medium-sized enterprises (MSMEs) for sustainable economic development of ECE members States with economies in transition and the challenges MSMEs face as a result of COVID-19. It expressed its appreciation of a number of activities ECE carried out within the framework of the United Nations Development Account (UNDA) project “Global initiative towards post-COVID-19 resurgence of the MSME sector”, including two demand-driven assessments of the impact of COVID-19 on the trade and business development prospects of female-owned enterprises in Armenia and the Republic of Moldova as presented in ECE/CTCS/2022/4. In line with the United Nations Sustainable Development Goal 5, it recognized the relevance of the gender dimension for the ECE MSMEs-related activities. The Steering Committee congratulated the Governments of Armenia and the Republic of Moldova for successful studies and encouraged potential donors to explore extrabudgetary funding to support implementation of the recommendations outlined in the studies.

IX. Agenda item 7. Country follow-up to Economic Commission for Europe studies on regulatory and procedural barriers to trade

68. The Chair highlighted that ECE studies on regulatory and procedural barriers to trade have proved to be a valuable support to trade reforms in many countries. She invited the delegates to brief the Committee about the follow-up work to ECE studies.

69. The representative of Kyrgyzstan made a presentation on the NTM database developed in Kyrgyzstan jointly with ECE and UNCTAD following the study on regulatory and procedural barriers to trade in Kyrgyzstan conducted in 2017. Following the start of the work in 2019, the COVID-19 pandemic reiterated the need to provide NTM-related information to businesses. He said that the software part of this project has been concluded in 2022 based on the data from the study conducted in 2017, thus the next stage would be updating the information directly in the system. Importantly, the system has been integrated with UNCTAD TRAINS. Other areas for future work include receiving the information from the UNCTAD TRAINS database on other countries' NTMs, and capacity-building of civil servants in relation to NTMs. Continuing, he said that the national team has been also interested in developing a risk management system to automatically take decisions on preliminary information based on legislation. He thanked UNCTAD and ECE teams for supporting Kyrgyzstan with this project and hoped to continuing cooperation in the future.

70. The representative of Georgia said that as a result of the reforms carried out by the Government, today Georgia has become one of the most liberal countries in the world, which implies facilitated foreign trade regime and customs procedures, low tariff rates and minimal non-tariff regulations. She said that Georgia's trade related reforms have been mainly driven by the EU-Georgia Deep and Comprehensive Free Trade Area Agreement (DCFTA). To support the private sector in accessing EU markets, Georgia has put significant efforts to develop quality infrastructure, with the support of EU developing institutional and human capacity, methodology, market accreditation, conformity procedures, etc. In this regard, reforms borne fruit and Georgian laboratories received recognition of conformity assessment bodies of the EU. Continuing, she thanked the ECE for a fruitful cooperation with Georgia and stressed the ECE's contribution to the sustainable development of Georgia. She particularly highlighted the ECE study on regulatory and procedural barriers to trade in Georgia, conducted in 2018, which showcased Georgia as one of the top performers in the region and provided recommendations for action to complement the Government's efforts. She informed that Georgia has been cooperating actively on the integration of NTM information into UNCTAD's NTM database and highlighted the need to keep such data up-to-date. She expressed the interest by the Government to enhance the technical skills among Georgian civil servants to keep the database updated and hoped that ECE and other donors will support this work.

71. The representative of UNCTAD said that UNCTAD's work on NTMs has two main objectives: transparency and encouragement of good regulations. UNCTAD has worked with many partners, including the WTO, the World Bank, OECD and ECE. Continuing, he commended the work of ECE in the area of regulatory and procedural barriers to trade and provided several reasons why ECE has been an excellent partner on the NTMs-related work over the recent years. He stressed that ECE studies have been very useful and have been a great starting point of many of UNCTAD-ECE joint interventions. With the reference to the project in Kyrgyzstan, he said that ECE has followed a long-term comprehensive approach. Following the launch of the study of needs assessment of regulatory and procedural barriers in 2015, ECE approached UNCTAD to contribute to the next stage of the project to facilitate transparency in Kyrgyzstan through collecting NTMs at the national level and developing a national software. Referring to the project in Georgia, he commended the ECE approach to work closely with its member States. Concluding, he congratulated Kyrgyzstan with the outstanding work in this area and thanked ECE for the great partnership.

Decision 2022-10

72. The Steering Committee took note of the updates on the implementation of the recommendations in previous ECE studies on regulatory and procedural barriers to trade and congratulated the countries for their achievements. It expressed its appreciation of the

secretariat's work on studies on regulatory and procedural barriers to trade conducted over the years and asked the secretariat to conduct a follow-up report on the lessons learned from these studies and the way forward. It invited member States to continue reporting on the implementation to the Steering Committee in 2023 and encouraged potential donors to explore extrabudgetary funding to conduct the follow-up report and support member States with implementation.

X. Agenda item 8. Report from the Economic Commission for Europe 27 June side event on circular economy

73. The Report from the Steering Committee side event on “Accelerating the Circular Economy Transition: Policy Options for Harnessing the Power of Trade and Economic Cooperation” is available in the Annex.

Decision 2022-11

74. The Steering Committee recalled the decisions on the circular economy and the sustainable use of natural resources of the sixty-ninth session of ECE (E/ECE/1500), which requested, *inter alia*, “the relevant Sectoral Committees and bodies reporting directly to the Executive Committee, and their subsidiaries, to consider how to enhance the impact of relevant existing ECE instruments, in order to foster circular and more efficient approaches, including by proposing ways to identify, assess and fill gaps in governance and good practice” and recalled the toolbox of instruments of the Commission (E/ECE/1496). The Steering Committee recognized the important role of trade and economic cooperation in the circular economy transition, also as discussed at other international and regional forums such as WTO, and congratulated the secretariat on the timely and topical side event on circular economy and trade and the report (ECE/CTCS/2022/5). Recognizing the possibility of integrating the circular economy analysis into studies on regulatory and procedural barriers to trade if requested by a member State, it requested the Bureau to discuss how these demands could be addressed, and encouraged potential donors to explore extrabudgetary funding possibilities to further develop this topic.

XI. Agenda item 9. Capacity-building and technical assistance activities

75. The secretariat reported on ongoing and future capacity-building and technical assistance activities (ECE/CTCS/2022/6).

76. The ECE ECTD Regional Advisor reported on his capacity-building activities since the 2021 annual session. He shared information about conducted technical capacity activities in the area of trade facilitation, including trainings provided to around 900 experts from fourteen ECE transition economies. He further reported on the work which has been completed on supply chain digitalization reflecting the partnership with organizations such as the International Federation of Freight Forwarders Association (FIATA), the International Civil Aviation Organization (ICAO), UNCTAD and others. The results of this work are available on the website of the UNDA project on “COVID-19 Trade and Transport Connectivity Project” (unttc.org). He noted the readiness assessment on the WTO Trade Facilitation Agreement (TFA) for Uzbekistan and the study on regulatory and procedural barriers to trade in Uzbekistan were funded under this project. Further work has been done with Ukraine on trade facilitation and digitalization, building on the ten years of experience in support of the Odessa port community system. The digitalization of alternative trade corridors is being explored to help Ukraine to continue trading. He also reported on the advancement of work with the Western Balkans, notably North Macedonia, on the Single Window systems in the region.

77. Further, he reported on the recent activities conducted within the SPECA, including progress with the SPECA Working Group on Trade, SPECA Economic Forum and SPECA Governing Council held in Uzbekistan in November 2021. He further informed about a recently launched extrabudgetary project on implementing the principles of sustainable trade in the region and planned capacity-building seminars for SPECA countries.

Decision 2022-12

78. The Steering Committee took note of the report on capacity-building and technical assistance activities implemented as described in ECE/CTCS/2022/6. It congratulated the secretariat for the results achieved and requested the secretariat to report again at the 2023 session and make an extra effort to seek extrabudgetary funding for capacity-building and technical assistance activities.

XII. Agenda item 10. Cooperation with other organizations and Economic Commission for Europe bodies

79. The Chair introduced the report on the Trade subprogramme's collaboration with other organizations and ECE bodies (ECE/CTCS/2021/6).

80. The representative of the WTO briefed about the recent informal collaboration between ECE and the WTO Chairs Programme and stressed the great potential to extend this partnership. He referred to a specific example of mutually beneficial engagement during the launch event of the newly enrolled WTO Chair, the University of World Economy and Diplomacy of Uzbekistan to which ECE had contributed. The expertise of ECE in the Central Asian region and work within SPECA region have been very appreciated and suggested as one of the areas where the collaboration can be expanded. Continuing, he highlighted about important synergies between ECE workstreams, such as agriculture; sustainability, environment, and circular economy; gender, and MSMEs; regulatory and procedural barriers to trade and the WTO Chair Programme's work. He welcomed the ECE capacity-building activities for countries acceding to the WTO, also referring to the SPECA WTO experience-sharing meeting conducted during the WTO Ministerial Conference week. Concluding, he hoped that ECE and WTO Chairs Programme will explore opportunities to work together on research, training and capacity-building.

81. The representative of OECD introduced OECD work related to the application of international standards for fruit and vegetables, which focuses on ensuring that quality standards are interpreted, applied and implemented in a harmonized way across member countries. He informed that due to recent criticism of agricultural standards, ECE and OECD had decided to collaborate on a study to better understand the economic impact of standards on trade in fresh fruit and vegetables. The preliminary results of the study indicated strong evidence that the adoption of ECE agricultural quality standards contribute to increasing trade. He noted that importantly ECE quality standards as public standards apply minimum requirements that fruit and vegetables need to abide by to be traded, as compared to private standards which often have higher requirements. He concluded by noting that having one single standard applied in many countries, like the ECE agricultural quality standards, has been important to facilitating trade, as it reduces "red tape".

82. The representative of UNEP expressed its appreciation of the ECE work on circular economy and related events and dialogues ECE has organised on this topic, including the side event held during the first day of the Steering Committee. He shared insights about the cooperation between ECE and the UNEP One Planet Network on the implementation of Sustainable Consumption and Production (SCP) in transition countries, e.g. on circular economy and tourism. He expressed their interest in expanding this collaboration to support countries with related UN tools, including ECE instruments, also as part of the ongoing UNDA project on Accelerating the Transition towards a Circular Economy in the ECE region. Concluding he referred to UNEP tailor-made hotspot analysis for SCP, which provides transparency of data on SCP indicators, including for ECE countries.

83. The representative of UNCTAD shared some of the recent outcomes of a very successful and impactful cooperation with ECE. This included the recent project conducted for Kyrgyzstan which was discussed during the first day of Steering Committee. The database on national NTM supported by UNCTAD and ECE, has allowed Kyrgyzstan to collect data internally, while being connected to the UNCTAD TRAINS database. Concluding, she stressed that this collaboration has been very fruitful in the ECE region and hoped to support other countries in the region in the future, including Uzbekistan to which ECE has just conducted the study on regulatory and procedural barriers to trade.

84. The representative of UNFSS shared information about the forum and the contributions of ECE to its work. Referring to the UNFSS objective to support analytical work in the area of Voluntary Sustainability Standards (VSS), she stressed about the relevance to ensure knowledge exchange, especially for developing and transition countries. She expressed the appreciation for the ECE's contribution to the UNFSS analytical work, including the forthcoming UNFSS Flagship Report on VSS, Sustainability Agenda, and Developing Countries: Opportunities and Challenges. Referring to a vast expertise of ECE in the areas of standards, gender responsiveness, circular economy, etc., she expressed UNFSS interest to jointly work towards fostering knowledge around sustainability standards.

85. The representative from Developing Trade Consultants expressed his appreciation and interest in collaboration with ECE on global value chains. He stressed that conducting analytical evidence-based work in the area of global value chains has been increasingly important, in particular for a regional body as ECE aiming at promoting industrialization and closer cooperation among member States. He congratulated ECE on working towards a better understanding of how value chains operate and expressed his full support of the policy agenda at ECE. Concluding, he looked forward to continuing joint work in the future.

86. The Chair was delighted to see such close cooperation between ECE and other organizations.

Decision 2022-13

87. The Steering Committee took note of the report on cooperation with other organizations and ECE bodies in ECE/CTCS/2022/7 and recognized the benefits of creating synergies. It thanked the secretariat for the information and requested it to continue reporting in 2023.

XIII. Agenda item 11. Programme of work

(a) Status of implementation of the Trade subprogramme's programme of work for 2022

88. The secretariat reported on the status of the implementation of the Trade subprogramme's programme of work currently under way. Specific emphasis was given to work conducted under the umbrella of UN/CEFACT, that had not yet been discussed under any other agenda item of this Steering Committee. The secretariat highlighted the work on environmental, social and governance (ESG) traceability to make supply chains more sustainable and traceable, notably through the establishment and the first meeting of the Team of Specialists on ESG Traceability of Sustainable Value Chains in the Circular Economy (ToS ESG VC CE), a work stream that is a direct response to the cross-cutting themes of the past and forthcoming Commission sessions (e.g. Circular economy and the sustainable use of natural resources in the ECE region and Digital and green transformations for sustainable development in the ECE region). The work under the ToS ESG VC CE and under the EU funded project on "Enhancing Transparency and Traceability of Sustainable Value Chains in the Garment and Footwear Sector" is also closely related to the recently established plurilateral work stream of TESSD in the WTO. As regards the forthcoming Commission theme, UN/CEFACT with its mandate to develop trade facilitation recommendations and electronic business standards is clearly well placed to offer concrete deliverables. The Secretariat also reported on selected technical assistance work streams, notably the business process analysis (BPA) on pharmaceuticals in Georgia (which, in addition to typical trade facilitation issues also looks at strategies to increase Georgian value added in pharmaceutical supply chains) and the support provided to Kyrgyzstan on trade facilitation (which, through an Memorandum of Understanding with the M. Ryskulbekov Kyrgyz Economic University (KEU) and its Centre of Competence for Trade Facilitation developed a comprehensive training course on trade facilitation) with the objective to place KEU as a leader and knowledge hub in Central Asia.

Decision 2022-14

89. The Steering Committee noted the good level of implementation of the programme of work that was under way and commended the secretariat's contribution to the ECE cross-

cutting theme of circular economy and the sustainable use of natural resources, including through the establishment of the Teams of Specialists on Environmental, Social and Governance Traceability of Sustainable Value Chains in the Circular Economy under UN/CEFACT (Plenary decision 21-24 of the twenty-seventh session of UN/CEFACT on 19–20 April 2021) and which held its first successful meeting in November 2021.

(b) Trade subprogramme’s programme of work for 2023 and outline of key components of the programme of work for 2024

90. The secretariat presented the Trade subprogramme’s draft programme of work for 2023 and outline of key components of the programme of work 2024. This is based on the Trade subprogramme’s proposed programme plan and performance indicators for 2023, reviewed by the ECE Executive Committee in December 2021 as part of the ECE proposed programme budget for 2023, and submitted for consideration by the seventy-seventh session of the United Nations General Assembly. The draft programme of work document reflects the annual budget format introduced in 2020 in line with General Assembly resolution 72/266, with enrichments reflecting General Assembly Resolutions 74/251 adopted on 27 December 2019 and 75/243 adopted on 31 December 2020.

91. At its meeting on 5 March 2021, the ECE Executive Committee adopted a document entitled “Sequential review of the proposed programmes of work of ECE subprogrammes” (Informal document 2021/8). In line with the sequential review procedure, the secretariat also presented the “Outline of key components of the programme of work of the Trade subprogramme for 2024” (ECE/CTCS/2022/INF.1/Rev.1). The Chair explained that the revised document reflects a modification in the format we were advised to use and the content is substantially the same as the initial version. No comments or questions were raised.

Decision 2022-15

92. The Steering Committee endorsed the Trade subprogramme’s programme of work for 2023 (ECE/CTCS/2022/8). Recognizing the challenges in trade capacity and standardization which are arising in the international trading community today, it requested the secretariat to explore the possibility of a conference on a theme chosen by the Steering Committee Bureau in parallel to the 2024 annual session with interpretation to provide an opportunity for exchange and help focus the future direction of the subprogramme work. It endorsed the Outline of key components of the Trade subprogramme’s programme of work for 2024 (ECE/CTCS/2022/INF.1) with the request to make the Steering Committee official meeting six three-hour sessions (instead of three). It requested the secretariat to prepare the programme of work for 2024, together with an outline for 2025, for review and endorsement at the 2023 session.

XIV. Agenda item 12. Stakeholder needs and priorities

93. The ambassadorial level representative of Azerbaijan informed about its chairmanship of SPECA in 2023 and thanked ECE and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) for their support to Azerbaijan and the SPECA sub-region. He stressed that digitalization, transport and trade facilitation are important areas for the SPECA sub-region and that these areas will form the basis of Azerbaijan’s chairmanship priorities. To facilitate this work, he said that ECE initial assessment of regulatory and procedural barriers to trade and transit, along existing trade corridors will be appreciated. This work could help to determine the current state of play with regard to digitalization in the country and assess an impact. He hoped to count on ECE support with conducting this study, also taking into account the digitalization dimension along the transport corridors.

94. The high-level delegation of Uzbekistan expressed sincere gratitude for approving and welcoming the study on regulatory and procedural barriers to trade in Uzbekistan. It invited ECE and donor countries to continue working with Uzbekistan and provide assistance with regard to the following three areas: 1) implementation of recommendations and initiatives arising from the ECE study on regulatory and procedural barriers to trade in Uzbekistan; 2)

exploring possibilities with UNCTAD to review the existing Single Window for non-tariff measures in the light of the database framework and propose measures for further improvement of the system in Uzbekistan; 3) exploring the possibilities on the circular economy initiatives, digitalization, innovation and green technology, following discussions during the ECE high-level side-event on circular economy and trade. The delegation also expressed its interest in identifying specific initiatives and project of work with ECE and other partners, focusing on environmental issues, including in the Aral Sea region, both within the UN Multi-Partner Human Security Trust Fund for Aral Sea and the zone of environmental innovations and technologies being established by the Government and development partners. He expressed an interest to work with UNECE and other partners on concrete terms of reference of this work.

95. The delegation of Uzbekistan further noted about the importance of the UNECE work, including within SPECA, also recognizing the role of ECE ECTD Regional Advisor. She said that the active work was ongoing in relation to trade facilitation and highlighted the need to continue activities aimed at simplifying trade regulations, also as part of the WTO accession process, exploring the interface between trade facilitation and NTMs, and the role of digital tools, including building a related risk management system.

96. The representative of Kyrgyzstan expressed its gratitude for support with the country's socio-economic development and integration into global value chains. Referring to the recent high-level meeting between ECE Executive Secretary and the Minister of Economy and Commerce of Kyrgyzstan during the week of the WTO Ministerial Conference earlier in June 2022, he mentioned two specific projects, with which Kyrgyzstan is interested to receive ECE support. The first one is related to establishing the Kyrgyz Export Academy, which will support with training Kyrgyz farmers and the potential exporters and conducting analytical research on potential of exports. With the reference to the ECE work on trade facilitation in Kyrgyzstan including related work with academia, he believed that ECE has been well placed to support this work. The second priority project related to the export promotion of agricultural good, including through establishing an export roadmap. Referring to the ECE work on agricultural standards and Kyrgyzstan's earlier involvement with the Central Asian Working Group, he hoped that ECE will continue and expand supporting Kyrgyzstan with export promotion.

97. The representative of the Republic of Moldova expressed her appreciation of the work and technical assistance of ECE secretariat to the ECE region and particularly to the Republic of Moldova. She also thanked all development partners and organizations for their continued support. Referring to the Trade subprogramme's programme of work for 2023 (ECE/CTCS/2022/8), as mentioned in the Steering Committee Decision 15, she said that the Republic of Moldova is particularly interested in capacity-building in the areas of Information and Communications Technology, digitalization, trade and transport facilitation, including the need to create a Single Window in the context of the implementation of the WTO TFA. Other areas include supply chains, sustainability and traceability issues including in agriculture, circular economy with a focus particularly on MSMEs sector. Concluding, she referred to the need to take into consideration the new current realities and tensions within the region, as well as the changes related to the EU candidacy status of the Republic of Moldova and expressed her hope to continue efficient collaboration on ongoing or future projects.

98. The representative of Turkmenistan reminded that on 22 July 2020 Turkmenistan became an observer to the WTO and on 25 November 2021 the country applied for the WTO accession with the objective to facilitate the country's participation in the world economy. The participation in the WTO will positively contribute to the country's trade position and will provide transparency for foreign investors. Continuing, he referred to Turkmenistan's letter addressed to the Executive Secretary in 2019, requesting support for conducting a study on regulatory and procedural barriers to trade. In this regard, he further reiterated Turkmenistan's interest in conducting this study and asked the ECE to explore the possibility to initiate this work and explore necessary funding. Concluding, he informed about the forthcoming visit of the WTO Deputy Director General to Turkmenistan.

Decision 2022-16

99. The Steering Committee noted the needs and priorities expressed by Azerbaijan, Kyrgyzstan, the Republic of Moldova, Turkmenistan, Uzbekistan, and invited the Bureau to review them and decide how these could be addressed.

XV. Agenda item 13. Other business

100. The Chair opened the floor for any other business points. There were no requests for the floor. She announced the intent to have the next Steering Committee meeting in June 2023 and she reminded the upcoming dates of related ECE meetings: the WP.6 annual session on 6-8 November 2022; the WP.7 annual session on 14-16 November 2022; the WP.7 Meat Specialized Section annual session on 28-30 September 2022; and the UN/CEFACT 28th Plenary on 10-11 October 2022. She also thanked delegates in advance for responding to the post-event questionnaire, indicating that the link would be sent by email after the event.

Decision 2022-17

101. The Steering Committee decided to hold its eighth session in Geneva in the second quarter of 2023, subject to confirmation of room availability and interpretation services.

XVI. Agenda item 14. Adoption of the report**Decision 2022-18**

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

Annex

Agenda item 8. Report from the Economic Commission for Europe 27 June side event on circular economy

1. At its sixty-ninth session, ECE committed to step up efforts to promote circular economy approaches and the sustainable use of natural resources, by mainstreaming circularity and the sustainable use of natural resources in the existing relevant ECE sectoral work programmes as appropriate.
2. The Commission further requested the relevant sectoral committees and bodies reporting directly to the Executive Committee, and their subsidiaries, to consider how to enhance the impact of relevant existing ECE instruments, in order to foster circular and more resource-efficient approaches, including by proposing ways to identify, assess and fill gaps in governance and good practices (Decision B (69) Circular economy and the sustainable use of natural resources, contained in E/ECE/1497).
3. The Director of ECE ECTD provided a summary of the discussions during the side event to the Steering Committee on “Accelerating the Circular Economy Transition: Policy Options for Harnessing the Power of Trade and Economic Cooperation”. The side event featured three segments: 1) keynote presentation of the ECE policy paper on “Accelerating the Circular Economy Transition in the ECE Region: Policy Options for Harnessing the Power of Trade and Economic Cooperation” (ECE/CTCS/2022/5); 2) discussions on “Circular economy and trade: existing entry points, experiences and challenges in transition economies”; 3) discussions on “Circular supply chains: a concrete entry point for the circular economy transition”.⁴ She stressed that this side event provided extremely rich discussions with high ambassadorial, and expert-level contributions. Importantly, the event took into account the perspectives of developed and developing countries, including ECE transition economies. These discussions built on analytical and capacity-building work of ECE ECTD, also as part of the UNDA project on “Accelerating the Transition towards a Circular Economy in the ECE region” and collaboration with key players, such as the Ellen MacArthur Foundation and the Finnish Innovation Fund (Sitra).
4. She noted said that the event showed high relevance of the topic of the circular economy for the international community in Geneva and for ECE member States. Environmental agenda has been particularly pressing right now among others to prevent the triple crisis – climate change, biodiversity loss and pollution. At the same time, despite many benefits, today, the global economy’s circularity level is still in the single digits, with a negative trend (8.6 per cent in 2021, down from 9.1 per cent in 2018) and action to reverse this trend is needed.
5. The speakers during the side event stressed that in a global interconnected economy, international trade and economic cooperation can be important enablers of the circular economy transition. In this regard, several ambassadorial and ministerial level speakers referred the need of adopting the supply chain perspective and the event provided many examples, which can help scale up the circular economy transition, including waste, scrap, environmental goods and services. At the same time, the high-level speakers have also highlighted existing challenges, especially for transition economies, which include structural challenges, low productivity, challenging business environmental, depleted industrial base, reliance on primary commodity sectors. Furthermore, COVID-19 made these challenges even more difficult. Specific challenges relate also to the lack of data.
6. Continuing, she presented several entry points identified during the side event holding potential for integrating circular economy considerations into trade, including: 1) from trade

⁴ For additional information, see Steering Committee background material “Updated Detailed Programme - Side-event - Accelerating the Circular Economy Transition: Policy Options for Harnessing the Power of Trade and Economic Cooperation”, available at https://unece.org/sites/default/files/2022-06/new_DetailedProgramme-SideEvent_CE_E.pdf.

in primary to trade in secondary materials; 2) from global to more regional and local trade; 3) from dependence to more resilience; 4) from trade in goods to trade in services; 5) from analog to digital. Some of the potential focus sectors included: agriculture, textiles and services sector. At the same time, several speakers highlighted the importance of ensuring that environmental measures do not result in potential barriers to trade when such measures being designed or implemented.

7. In addition to the circular economy and trade interface, many references have also been made to areas of economic policy, related to trade, including financing/investment, digitalization, innovation and procurement. She further provided additional information on the discussions on the digitalization, given that digital and green transformations for sustainable development have been identified as a cross-cutting topic for the forthcoming session of the Commission. Many speakers during the side event stressed the need to ensure that digitalization and sustainability support each other and do not hinder each other. Several related digital tools were presented during the side event, including the EU Digital Product Passport. The ECE traceability work has been commended by many speakers, both from developed and transition economies and international experts.

8. She stressed that the event clearly showed that more needs to be done to support the circular economy transition at different levels – international, regional and national levels. For the international level, the WTO Deputy Director General and ambassadorial level representatives at the side event referred to several developments during the WTO Ministerial Conference, WTO Trade and Environmental Sustainability Structured Discussions (TESSD) and the work of the WTO Committee on Trade and Environment. At the regional level, references have been made to the work within SPECA, including the SPECA Principles on Sustainable Trade adopted in 2019. With regard to the national level, she reminded that under the UNDA project on “Accelerating the Transition towards a Circular Economy in the ECE region”, ECE will be working with the specific project countries on their transition to the circular economy.

9. Concluding, she stressed that for the way forward, the Division’s work streams on trade facilitation, traceability, market access, innovation and competitiveness, and public-private partnerships (PPPs) can contribute to supporting transitioning to circular economy. It has been also suggested by several speakers to explore the ECE work on procedural and regulatory barriers to trade from the circular economy perspective. In this regard, ECE, through its three core functions – development of norms, standards and legal instruments; hosting of a convening platform; and technical cooperation across a number of relevant sectors – will continue supporting its members States with transitioning to the circular economy. The importance of raising extra-budgetary funding has been also highlighted, especially taking into account the requests for technical assistance in this area from ECE transition economies.

10. The Russian Federation thanked the secretariat for preparing this document on circular economy and trade, and this short overview of the results of the high-level side event. He shared the presented recommendations, and importantly noted that there is a lack of national approaches to standardization to production in the circular economy, risk of trade barriers as well as financial issues.