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Item 14 of the provisional agenda

**CAPACITY-BUILDING AND TECHNICAL COOPERATION IN SUPPORT  
OF THE PROGRAMME OF WORK**

**DOCUMENT FOR INFORMATION**

Note by the secretariat

This document contains a brief descriptions of the most significant capacity building and technical cooperation activities undertaken by the secretariat in support of the programme of work.

In presenting this document the secretariat wishes not only to inform, but also to:

- Draw the attention of delegations from transition economies, and especially lower income transition economies, to capacity building activities that could potentially be implemented or replicated within their national contexts.
- Draw the attention of delegations to existing and potential capacity building activities to which they could contribute financially, in the form of contributions in kind or through the loan of experts.

## **SUBPROGRAMME: ACTIVITIES IN SUPPORT OF TRADE DEVELOPMENT**

### **I. Joint Project for Technical Assistance in Trade Facilitation by UNECE and the Czech Republic**

1. Since 1997, the UNECE and the Czech Republic have jointly been providing technical assistance in trade facilitation, through the project, "Support to Trade Facilitation Measures and UN/EDIFACT Implementation in Selected Eastern European Countries".

#### Project Objectives

2. In beneficiary countries, this project seeks to:

- Bring together representatives of relevant government authorities and institutions and the business sector in order to create an understanding among them of the cooperation required to implement trade facilitation measures;
- Establish national trade facilitation bodies to provide relevant services both to the national trading community and to foreign partners;
- Contribute to the implementation of trade facilitation measures in beneficiary countries and foster cooperation among them;
- Raise awareness with regard to trade facilitation and electronic business.

#### Outcome and Results to Date

- Practical assistance has been provided to six Eastern European countries: Belarus, Latvia, Lithuania, Republic of Moldova, Ukraine and Uzbekistan.
- The project complements and extends UNECE's technical work on trade facilitation and electronic business recommendations and standards. UNECE's expertise in these areas has subsequently become more widely known and accepted in beneficiary countries.
- The involvement of beneficiary countries in UNECE's trade facilitation and electronic business work has increased, in particular through the countries' active participation in the annual sessions of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) and related events.

3. The Ministry of Industry and Trade of the Czech Republic and UNECE have proposed extending the project until 2005. A formal request for extension has already been submitted to the Government of the Czech Republic.

4. The project administration is assisted by UNCTAD.

## **II. Capacity-Building to Improve Trade Finance and Investment Prospects for the Sustainable Development of the Russian Timber Sector**

### Project Objectives

5. This project, initiated at the request of the Russian Federation, seeks to strengthen the trade performance of the Russian forest sector by contributing specific trade facilitation expertise of UNECE.

6. The project focuses on:

- Sustainable development;
- Direct cooperation at the enterprise level;
- Regional cooperation at the level of the North-Western regions of the Russian Federation;
- Trade, timber and environment issues;
- Cross-sectoral work.

### Principal Activities

7. The main project activities are:

- Sustainable management practices for timber enterprises;
- Improved trade procedures in the timber industry;
- Innovative trade finance techniques;
- Capacity building for improved foreign investment;
- Sustainable use of biomass;
- Timber port operations and logistics.

8. These activities are based on the most urgent needs of the Russian forest sector. Experts from Timber Committee and the Committee for Trade, Industry and Enterprise Development (CTIED) are working together closely on this project for the benefit of Russian timber enterprises. The project activity “Improved Trade Logistics for the Sustainable Use of Biomass” is a good example of the practical results achieved to date. The project work on the development of the sustainable use of biomass produced by the Russian forest industry as a substitute for fossil fuel has become a leading activity in the field.

### **III. Asian Seminar on Safe and High Quality Food for International Trade, New Delhi, 4-5 April 2002**

9. This seminar was organized jointly by the Government of India (Department of Commerce, Ministry of Commerce & Industry), the UNECE, the Economic and Social Commission for Asia and the Pacific (ESCAP), the Asian and Pacific Centre for Transfer of Technology (APCTT), EAN International (International Article Numbering Association) and EAN India and the Confederation of Indian Food Trade and Industry (CIFTI) (the food branch of the Federation of Indian Chambers of Commerce and Industry, FICCI).

10. Speakers represented the organizers as well as the World Trade Organization, European Union, the Organisation for Economic Co-operation and Development (OECD), the United States Department of Agriculture, EUREPGAP (Euro-Retailer Produce Working Group for Good Agricultural Practice) and several national and international trade organizations.

#### Project Objectives

- To raise awareness about new developments in international food trade and emerging public and private safety and quality standards.
- To address the concerns of manufacturers in the region related to Hazard Analysis and Critical Control Point (HACCP) compliance as well as to quality and safety food standards, in order to achieve harmonization and greater market access.
- To promote value-added food exports through access to international supply chains.

#### Impact of the Seminar

11. The seminar highlighted the important contribution that the agricultural sector and trade in agricultural commodities and food products makes facilitating the participation of Asian countries in the international economy and increasing their share of international markets. This has enabled all countries to benefit from globalization and contributed to poverty alleviation through enhanced economic development, as called for in the United Nations Millennium Declaration.

12. In addition, the seminar raised awareness of the importance of aligning Asian food supply chains with global supply chains, using international standards and international best practices to achieve greater product acceptance and market access. It stressed the importance of disseminating and implementing these international standards in the region as a means to add value to agricultural and food products, and thus increase employment and income. Harmonization and traceability were recognized as the two major elements in facilitating compliance with international food safety and quality requirements. Finally, it was agreed that the adoption of international identification standards was the best way to achieve efficient and cost-effective implementation of these requirements.

13. The collaboration between UNECE, ESCAP and EAN International in the region was welcomed. This partnership will jointly prepare a programme for follow-up activities.

#### **IV. Capacity-building in Trade Facilitation and Electronic Business in the Mediterranean**

14. This project is funded by the United Nations Development Account. From 29 to 31 January 2003, UNECE, in partnership with the Economic Commission for Africa (ECA), the Economic and Social Commission for Western Asia (ESCWA), the World Bank Group and a number of other international organizations, held the launching Seminar for the project “Capacity Building in Trade Facilitation and Electronic Business in the Mediterranean” (E-Med Business). The project covers Egypt, Jordan, Lebanon, the Occupied Palestinian Territory and the Syrian Arab Republic (ESCWA region), Algeria, Morocco and Tunisia (ECA region) and Israel, Malta and Turkey (UNECE region).

15. The project aims at increasing the competitiveness of companies in the Mediterranean region in regional and global markets through simplifying and harmonizing trade procedures throughout the transaction chain; implementing automated processes and information technology for administration and commerce; and facilitating the participation of small and medium-sized (SME) enterprises in electronic business. It focuses on trade among the non-European Mediterranean countries, members of UNECE, ESCWA and ECA. The implementation of the project is expected to result in:

- Broader application of the United Nations standards for trade facilitation and electronic business in Mediterranean countries that are not members of the European Union;
- Establishment of a network of expertise between national institutions, the United Nations regional commissions and UNCTAD for trade facilitation and electronic business, which will also undertake to better understand the work done in this area by other international organizations;
- Strengthened cooperation between the countries of the region with regard to trade facilitation and electronic business;
- Enhanced capacity for small and medium-sized enterprises in the region to join the international supply chain; and for trade facilitation and electronic business

#### **V. United Nations Extensions for electronic Trade Documents (UNeDocs)**

16. The project “United Nations electronic Trade Documents (UNeDocs)” was put in place by the UNECE Trade Development and Timber Division to provide solutions for paper and electronic trade documents based on UNECE trade document standards and best practice. UNeDocs documents provide the basis for automated document processing and validation and the harmonization of documentary procedures.

17. In the course of 2002 the project developed and implemented the FIATA Freight Forwarding Instructions (UNeDocs FFI) as proof of concept. The solution provided a data model of the document, a paper document aligned to the United Nations Layout Key and an electronic equivalent in XML and UN/EDIFACT syntax. FIATA (the International Federation of Freight Forwarders Associations) assessed the document and endorsed the solution. The document is available on the UNeDocs Web site.

18. The expert group on the computerization of the TIR procedure requested UNeDocs assistance in developing an electronic TIR document. UNeDocs will support the expert group through the UNECE Transport Division.

19. UNeDocs researched new solutions for integrating electronic code lists into trade documents and for automated data validation. The project provides important code lists for international trade in XML format and a tutorial for Internet based document validation on its Web Site

20. UNeDocs developed a Web Service for Digital Documents accessible on the Internet. The Web Service allows the transformation of an electronic UNeDocs document into a UNLK aligned paper document from any standard personal computer. The Web Service underlines the UNeDocs concept of "Digital Paper" and demonstrates the accessibility of UNeDocs for SMEs and transition economies.

21. The first stakeholder meeting of the project "Capacity-building in trade facilitation and electronic business in the Mediterranean (UNeMed)" requested a UNeDocs capacity component in UNeMed. UNeDocs will develop a high-level training component on the documentary aspects of international trade.

22. The project is also developing the "UNeDocs Deployment Plan in South Eastern Europe and the Mediterranean Region in support of sub-regional integration and know how transfer", which will provide a strategic regional perspective for the project until 2006.

## **VI. Trade Facilitation and Heightened Security**

23. As a follow-up to the UNECE 2003 International Forum on Trade Facilitation (Geneva, 14-15 May), the conclusions, ideas and recommendations resulting from the Forum will be presented and discussed in a meeting in Turkey in summer 2003. The meeting will focus on heightened security and trade facilitation issues and will be organized jointly by UNECE, EAN International and the Government of Turkey.

## **VII. Proposals for Further Capacity Building Activities**

24. The following are possible technical cooperation projects in trade development for transition economies which have already been drafted, but for which funding has not yet been identified:

- Development of trade finance facilities, contracts and documents in trade;
- Improvement of trade logistics information exchange in the Republic Moldova;
- Capacity building for trade logistics in Georgia, Armenia and Azerbaijan;
- Improvement of the implementation of UNECE standards on fresh fruit and vegetables in wholesale markets;
- Improvement of trade logistics for the sustainable use of biomass.

25. The Trade Development subprogramme is undertaking a baseline study in 2003 to find out how the 30 UN/CEFACT recommendations on trade facilitation and e-business have been implemented in member States. When completed, the study will be used to identify support needs (for implementation projects and national policy work, for example) in member States. Future work in trade facilitation and e-business capacity building will be determined, in part, based on the results of the study.

### **VIII. Activities of the Regional Advisor on Trade Facilitation**

#### Focal Point for the Southeast European Cooperative Initiative (SECI) and the Stability Pact

26. As UNECE Focal Point, the Regional Advisor cooperates with SECI and the Stability Pact, especially with its Working Table II, which deals with economic reconstruction, development and cooperation, and with the Special Coordinator's office. The Regional Advisor is also involved in inter-divisional cooperation in activities related to UNECE and SECI.

27. The Regional Advisor also cooperates with the Trade and Transport Facilitation in Southeast Europe programme (TTFSE). In this context, he coordinates with the World Bank and the United States State Department.

#### Visa Regime Review: Facilitating the Obtainment of Visas by International Lorry Drivers

28. The Trade Development and Timber Division, the Transport Division and SECI are seeking to develop a uniform visa requirement for international lorry drivers in southeast Europe in order to facilitate border crossing in the region. The Regional Advisor is compiling a survey reviewing the existing visa regimes of southeast European countries.

29. Best practice recommendations are being drawn up in cooperation with the project expert group and the SECI Coordinator. A related UN/CEFACT recommendation may also be drafted.

#### UNECE/UNODC/SECI Joint Project: Professional Personnel Exchange and Training

30. The Regional Advisor provides ongoing support and advice to the project development and project implementation teams at the United Nations Office on Drugs and Crime (UNODC). He also advises the SECI Regional Center for the Fight Against Trans-border Crime (SECI Regional Center) and coordinates with the SECI and the Stability Pact Coordinator and UNODC.

### Sustainable Development of the Customs Services in South East Europe

31. UNECE is conducting an awareness campaign in the framework of the Stability Pact's Working Table II, SECIPRO<sup>1</sup> and the Trade and Transport Facilitation in Southeast Europe programme, in order to reinforce a holistic approach to Customs reform in line with the EU Customs Blueprints so as to facilitate the creation of the emerging South East Europe (SEE) Free Trade Area.

32. The UNECE provides support to the Trade Working Group (Working Table II) for the implementation phase of bilateral Free Trade Agreements in southeast Europe.

### Bulgarian Customs Reform Programme

33. In the area of trade facilitation and Customs reform, the UNECE has focused its support on furthering project development and cooperation with the Bulgarian Ministry of Finance and Customs Administration, in the framework of the Program Steering Committee under the Ministry of Finance.

34. The UNECE promotes a sustainable and holistic reform process, in line with Customs Blueprints. UNECE is involved in the monitoring and coordination of the project with regard to relevant SECI and Stability Pact strategies and developments

### PRO Trade Facilitation Capacity Building

35. The Regional Advisor cooperates with and provides support to the coordination of the PRO committees (SECIPRO). He also builds operative links between SECIPRO and EUROPRO, with a view to establishing direct cooperation, information exchange and know-how transfer to SEE.

### Development of New PRO committees

36. The Regional Advisor develops cooperation with the Black Sea Economic Cooperation (BSEC) and supports emerging PRO Committees in the South Caucasus countries by facilitating know-how transfer from SECIPRO and EUROPRO, in cooperation with the World Bank.

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1 SECIPRO is a network of national PRO Committees in Southeast Europe. A "PRO Committee" is a national body that aims to increase business and investment through the simplification and modernization of PROCedures and information exchange in administration, commerce and transport.



## **SUBPROGRAMME: ACTIVITIES IN SUPPORT OF INDUSTRIAL RESTURCTURING AND ENTERPRISE DEVELOPMENT**

### **IX. Capacity Building for Women's Entrepreneurship**

37. Further information on activities in support of women entrepreneurship is provided in the document on cross-sectoral activities (TRADE/2003/15).

38. The Regional Advisor co-organized the Training Course for Women's Entrepreneurship, which was initiated by ICE cooperation with CEI, IMO and the Austrian Chamber of Commerce. There, she made a key note presentation at the opening of the course and delivered a training session on "The Role of Networks in Promoting Women's Access to Markets" (4-6 November 2002, Trieste, Italy).

### **X. Activities of the Regional Advisor for Investment Promotion**

39. The capacity building and implementation activities carried out by the Regional Adviser for Investment promotion relate to the Real Estate Advisory Group (REAG) Land for Development programme, the Intellectual Property Advisory Group programme on the enforcement of intellectual property rights and the Public-Private Partnership Alliance programme. A summary report of these activities can be found in document TRADE/2003/3.

### **XI. Activities of the Regional Advisor on SMEs and Entrepreneurship**

40. SME-related operational activities are implemented by the Regional Adviser on Entrepreneurship and SMEs and the principal activities undertaken during 2002 are described below.

#### Small and Medium Enterprise Policy

41. During 2002, the Regional Advisor participated in the development of SME policies by:

- Drafting the Terms of Reference for the new BSEC Working Group on SMEs. The first meeting of the Working Group took place from 16-17 May 2002 at BSEC Headquarters;
- Preparing a UNECE document on "Developing Entrepreneurship and a Sustainable SME Sector in the BSEC Countries" (ECE/TRADE/292) containing the conclusions and recommendations made at the BSEC workshops on SME-related issues.

#### Increasing the Competitiveness of SMEs through Implementation of Quality Management Systems

42. The Regional Advisor assisted in organizing the Team of Specialists on Quality Management Systems. This is a joint team of specialists report both to the Working Party on Technical Harmonization and Standardization Policies (WP.6) and to the Working Party on Industrial Restructuring and Enterprise Development (WP.8). The first meeting of the Team of Specialists was held on 13 February 2002 (document

OPA/AC.28/12). The Regional Advisor also prepared a progress report for the Team of Specialists, highlighting the activities of the Team during 2002 (TRADE/WP.8/2003/5).

43. The Regional Advisor also created a web page on Quality Management Systems to highlight the joint activities of the above mentioned two Working Parties. The Internet address of the page is <http://www.unece.org/operact/quams.htm>.

44. In addition, the Regional Advisor drew up a new project proposal with members of the Team of Specialists from the Russian Federation, for the development of approaches, guidelines and recommendations on how enterprises, and especially SMEs, could develop and monitor quality, environmental, social and other aspects of a company's activities as a part of the sustainable development process.

45. At the annual session of WP.6, the Regional Advisor presented a discussion paper on "The Way to Total Quality Management: New Approach to Integrated Management Systems' Certification" (TRADE/WP.8/AC.5/2002/1) (28-31 October 2002, Geneva). This paper proposes a joint project between the Team of Specialists and WP.6.

46. He is currently coordinating the preparation of a new UNECE guide on the "Model of Integrated Management System".

#### Women's Entrepreneurship

47. The Regional Advisor on SMEs and Entrepreneurship initiated the "Excellent Woman Entrepreneur" award, comprising six categories.

48. In addition, the UNECE virtual Gallery of Excellent Women Entrepreneurs was established, which presents successful women-entrepreneurs. The Portrait Gallery is located at the following web address: <http://www.unece.org/indust/sme/gallery.htm>.

49. At the 13<sup>th</sup> WASME International Conference on SMEs, the Regional Advisor made a presentation on the UNECE's approach to the development of women entrepreneurship (7-9 April 2002, Gibraltar).

50. At the the Conference of the All-Ukrainian Association of Women-entrepreneurs "Women's Alliance" (24-25 September 2002, Kiev), the Regional Advisor presented UNECE activities in the field of enterprise and SME development.

#### Other Advisory Missions

51. The Regional Advisor co-organized the BSEC Workshop on "Internet, E-commerce and SMEs" with the BSEC Secretariat and the Konrad Adenauer Foundation (1-3 May 2002, Istanbul).

52. The BSEC Workshop on “SMEs as Supplier of Big International Companies” was organized by UNECE and the BSEC Secretariat and the Konrad Adenauer Foundation from 22 to 25 September 2002 in Kiev. In addition, advisory services were provided to the State Committee of Ukraine for Regulatory Policy and Entrepreneurship, the Ukrainian Association for Quality and All-Ukrainian Association of Women-entrepreneurs.

## **XII. Activities of the Regional Advisor on Gender and Economy**

### Small and Medium Enterprises

53. The Regional Advisor on Gender and Economy implements SME-related operational activities that are related to women's entrepreneurship.

### Team of Specialists on Women's Entrepreneurship

54. The Regional Advisor serves as the Secretary of the Team of Specialists on Women's Entrepreneurship, established on 21-22 March 2001 by the Working Party on Industry and Enterprise Development (WP.8).

55. She carries out activities in the framework of this Team of Specialists as described in progress report TRADE/WP.8/2003/7 are below.

### Women's Entrepreneurship

56. The Regional Advisor carried out the following activities related to ICT for Women Entrepreneurs:

- Organization of a discussion on ICT for women entrepreneurs, as a round table session at the Ministerial Conference of CIS countries (Bishkek, 9-11 September, 2002);
- Organization of a side-event on Building a Gender Sensitive Information Society at the Pan-European Ministerial Conference (Bucharest, 7-9 November, 2002);
- Presentation of recommendations from these two events at the plenary sessions;
- Discussion of problems related to ICT use for women's entrepreneurship at round table sessions at the CEI Economic Summit (Skopje, 13-15 November 2002);
- Presentation at the Workshop on Business Alliances for Women-Guided SMEs and Technology Centers, organized by ICS-UNIDO-CEI (Zagreb, 28-29 October 2002).

### UNECE Forum of Women Entrepreneurs

57. The Regional Advisor prepared the second UNECE Forum of Women Entrepreneurs. The Forum was initially scheduled for 21-22 October 2002 but was postponed until 17-18 March.

### Publication

58. The Regional Advisor on Gender and Economy prepared the first publication in the new UNECE series Entrepreneurship and SMEs, presenting key trends and issues related to women's entrepreneurship in Eastern Europe and CIS countries (OPA/AC.29/1; sales no E.03.II.E.3) and including selected papers prepared for the First Forum of Women Entrepreneurs (October 2001) and meetings of the Team of Specialists on Women's Entrepreneurs.

### Related Activities

59. The Regional Advisor has created a UNECE home page for Women's Entrepreneurship ([www.unece.org/operact/entrep/women](http://www.unece.org/operact/entrep/women)), which includes a network of Women's Business Associations, a page on the Forum of Women and a page for the Team of Specialists.

### Other Advisory Missions

60. The Regional Advisor on Gender and Economy undertook numerous advisory missions in 2002. She first made a presentation on the "Gender Impact of the Transition Process", at the International Conference "Impact of Privatization and Structural Adjustment on Women's Position in the Economy", organized by the Women's Center for Democracy and the Soros Foundation (22-24 February 2002, Subotica, FYR Yugoslavia).

61. On 12-14 April 2002, in Ohrid, FYR Macedonia, she presented the opening address at the Second International Conference on "Women in the 21<sup>st</sup> Century: Their Role in the Development of Democracy in South-East Europe", at the Second International Conference at the invitation of the First Lady on FYR Macedonia. At the Conference, the Regional Advisor made a presentation on "Trends in Women's Employment and Entrepreneurship in the ECE region".

62. The Regional Advisor delivered a training session on "Women and Entrepreneurial Opportunities in a Global Economy" at the Economic Literacy Workshop organized by UNIFEM and KARAT, within the framework of the Memorandum of Understanding between UNECE-UNIFEM (25-28 April 2002, Warsaw, Poland).

63. At the Workshop on Rethinking Gender, Democracy and Local Initiatives (21-23 May 2002, Modena, Italy), the Regional Advisor made a presentation on the "Gender Aspects of Macroeconomic Policies". This workshop was organized by UNIFEM and VADO, within the framework of MoU between UNECE-UNIFEM.

64. In October, the Regional Advisor participated in the seminar on the Convention on the Future of Europe, organized by the European Women's Lobby and attended a discussion with members of the cabinet of Ms. Diamantopoulou, Responsible for Gender Issues on Establishing Cooperation with EC (Commission for Employment and Social Affairs) (Brussels, Belgium).

65. Finally, the Regional Advisor co-organized the Training Course for Women's Entrepreneurship, which was initiated by ICE in cooperation with CEI, IMO and the Austrian Chamber of Commerce. There, she made a key note presentation at the opening of the course and delivered a training session on "The Role of Networks in Promoting Women's Access to Markets" (4-6 November 2002, Trieste, Italy).

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