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EXTRABUDGETARY ACTIVITIES IN SUPPORT OF THE WORK PROGRAMME

Note by the secretariat

1. The purpose of this note is to present the extrabudgetary activities implemented by the secretariat. It covers the period from mid-February 1998 to the end of February 1999.
2. The UN/ECE Trade Division is currently implementing the extrabudgetary activity "Capacity Building to Improve Trade Finance and Investment Prospects for the Russian Timber Sector". The purpose of this activity is to improve the ability of participating enterprises to obtain trade finance and to attract investment. The long-term objective is to improve the trade performance of the Russian forest sector by contributing specific trade facilitation, export finance and investment components for the development of the sector.
3. This activity was initiated at the request of the Russian Federation and is in response to the general request by the member countries to extend UN/ECE expertise to the private sector. Private sector and government organizations participate actively.
4. The focus is on contact promotion activities such as expert meetings and forums designed to benefit the private sector in the Russian Federation by extending UN/ECE norms, standards and recommendations for the benefit of the timber export industry.

5. The main activities are:

- sustainable management practices at the enterprise level
- improved trade procedures in the timber industry
- innovative trade finance techniques
- capacity building for improved foreign investment
- timber port operations.

The project is open to participation from government institutions and private sector enterprises who want to share their expertise with the Russian timber sector.

6. The expertise of the UN/ECE Trade Division is actively disseminated to the project participants through the sections as outlined below.

7. The Trade Facilitation Section assists in the implementation of improved trade procedures. UN/CEFACT experts have contributed to the establishment of a working group in St. Petersburg that examines existing trade procedures in the export of timber and makes recommendations to simplify these procedures.

8. The Trade and Investment Promotion Section extends its expertise on trade finance and investment.

9. The Timber Section contributes expertise on best practices in the timber industries of member countries.

10. The Enterprise Development Section gives guidance on aspects of small and medium-sized enterprise development in the timber industry.

11. The most recent activity was a Forum on "Improving Trade Finance and Investment for the Timber Sector in Russia and the CIS" held at the Palais des Nations on 26 February 1999. The Forum brought together high-level representatives from financing institutions and the private sector and laid the basis for a new approach to financing the trade activities of medium-sized timber enterprises in the north-western region of the Russian Federation. At the request of the participants, follow-up activities will be organized in St. Petersburg and Arkhangelsk.
