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EXTRABUDGETARY ACTIVITIES IN SUPPORT OF THE WORK PROGRAMME*

Note by the secretariat

This document has been submitted to the Committee for information only.

1. 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". This activity is aimed at strengthening the capacity 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 sustainable development of the sector.
2. 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.

* The current note covers the period from the end of February 2000 to the end of February 2001.

3. 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.

4. 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.

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

6. The UN/ECE Trade Division actively disseminates its expertise to the project participants through its various sections, as outlined below:

- (a) The Trade Facilitation Section assists in implementing 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. In the past year the focus has been on improved trade logistics for the sustainable use of biomass and on sustainable development and certification in the Russian forest industry.
- (b) The Trade and Investment Promotion Section extends its expertise on trade finance and investment.
- (c) The Timber Section contributes expertise on best practices in the timber industries of member countries for the benefit of timber enterprises in North West Russia.
- (d) The Enterprise Development Section gives guidance on aspects of small and medium-sized enterprise development in the timber industry.

7. Recent activities include:

- High-level expert meetings on sustainable development and certification in the Russian forest industry. Russian and European experts exchanged information on best practice in sustainable forest management.
- High-level expert meetings on improved trade logistics for the sustainable use of biomass.
- Customs cooperation was also further developed within the context of the project.

8. A calendar of activities for 2001 is being drawn up in collaboration with all project partners.

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