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Second session
Geneva, 22-25 October 2007

REPORT OF THE COMMITTEE ON TRADE ON ITS SECOND SESSION

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I. ATTENDANCE

1. The Committee on Trade held its second session from 22 to 25 October 2007. The Committee held an International Symposium: "Trade rules, Regulations and Standards: Different Levels of Rule-making and Their Impact" on 23 October. (The report of the Symposium can be found in document ECE/TRADE/C/19/Add.1).
2. Representatives of the following countries participated in the sessions of the Committee: Armenia, Czech Republic, France, Italy, Kazakhstan, Pakistan, Russian Federation, Switzerland and Turkey.
3. The representative of Uganda participated in the sessions under Article 11 of the Terms of Reference of the United Nations Economic Commission for Europe (UNECE).
4. The meeting was also attended by a representative of the European Union.
5. Several representatives from the business community and civil society participated at the invitation of the secretariat.

II. ADOPTION OF THE AGENDA (Agenda item 1)

ECE/TRADE/C/2007/1 Provisional agenda

6. The Committee adopted the Agenda as proposed (Decision 1).
7. The Committee appointed Mr. Zimyanin (Russian Federation) and Ms. Ory (France) as Rapporteurs (Decision 2).

III. FOLLOW-UP TO THE 2007 SESSION OF THE COMMISSION (Agenda Item 2)

8. The Committee noted the presentation by the secretariat on recent developments. It was recalled that the Working Party on Regulatory Cooperation and Standardization Policies (WP.6), at its previous session, adopted a document on its vision and mission, as requested by the UNECE Reform Plan (E/ECE/1434/Rev.1).

IV. SUBSIDIARY BODY REPORTS (Agenda item 3)**A. Trade facilitation and electronic business (Agenda item 3(a))**

ECE/TRADE/C/CEFACT/2007/4	Report on the UN/CEFACT Forum activities since the 12 th Plenary session
ECE/TRADE/C/CEFACT/2007/29	Report of the UN/CEFACT Plenary session
ECE/TRADE/C/2007/2	Recent developments under UNCEFACT
ECE/TRADE/C/2007/17	Draft programme of work of UN/CEFACT – 2008-2009: Work items
ECE/TRADE/C/2007/3	Renewal of UNCEFACT subgroups

9. The Chairperson of the UN/CEFACT Forum presented the achievements of UN/CEFACT since the last meeting of the Committee, as well as the issues and challenges for the coming year.

10. The delegate of Switzerland stated that his delegation had the impression that UN/CEFACT work was driven by technical groups, rather than by policy and business requirements. The Chairperson replied that policy and business requirements constitute the basis for the development of technical standards. He took note of the intervention of the delegate of Switzerland and confirmed that the issue would be taken up by UN/CEFACT.

11. The secretariat provided information on a joint conference to be organized by the International Electrotechnical Commission (IEC), the International Standards Organization (ISO), the International Telecommunications Union - Telecommunications Standardization Sector (ITU-T), the Organization for the Advancement of Structured Information Standards (OASIS), the United Nations Economic Commission for Europe - United Nations Centre for Trade Facilitation and Electronic Business (UNECE-UN/CEFACT) and the Universal Postal Union (UPU) on “Advancing public-private partnership (PPP) for e-business standards”, to be held on 18-19 September 2008 in Geneva. In this context, it was noted that work on PPP issues done in other UNECE fora could be relevant for the preparation of this conference.

12. The Chairman of the UN/CEFACT Forum Management Group presented the results of the thirteenth plenary session of UN/CEFACT and the work undertaken during the Forum sessions held in Dublin (26–23 March 2007) and Stockholm (24–28 September 2007). The Centre has updated its Open Development Process (ODP) and the Mandates and Terms of Reference of its Permanent Groups. The workflow and internal procedures of the Centre also were being refined to improve coordination between the Permanent Groups. The UN/CEFACT project portfolio contains more than 80 projects that have been reviewed and will be worked on during 2007-2008.

13. UN/CEFACT is negotiating a Trade Facilitation Guide project to be funded by the Swedish Development Agency (SIDA). Another project, United Nations electronic Documents (UNeDocs), had been evaluated using an in-kind contribution of expertise from Norway.

14. The challenges that the Centre is facing remain the same. Additional resources, both human and financial, would need to be identified to match priority tasks. At the same time, a capacity-building programme would need to be built based on what UN/CEFACT could deliver.

15. The UN/CEFACT Chairman had launched a new initiative, “Electronic Business, Government and Trade (eBGT)”, focusing on a key set of end-to-end products to provide a core of interoperable standards for the entire buy-ship-pay process. Additional financing would need to be identified for this project.

16. The Centre requested the Committee to endorse the Report of the 2007 UN/CEFACT Plenary session” (ECE/TRADE/C/CEFACT/2007/29) and its programme of work for 2008-2009 (ECE/TRADE/C/2007/17), as well as to renew the mandates of the five UN/CEFACT subgroups for a further two years (ECE/TRADE/C/2007/3).

17. The Committee endorsed the “Report of the 2007 UN/CEFACT Plenary session” (ECE/TRADE/C/CEFACT/2007/29) (Decision 3).

18. The Committee endorsed the programme of work of UN/CEFACT for 2008-2009 as contained in document ECE/TRADE/C/2007/17 (Decision 4).

19. The Committee endorsed the request for the renewal of the mandate of the UN/CEFACT subgroups for a further two years as requested in document ECE/TRADE/C/2007/3. The request will be submitted to the UNECE Executive Committee for approval (Decision 5).

20. The Committee noted the following documents (Decision 6):

(a) “Report on UN/CEFACT Forum activities since the 12th Plenary session” (ECE/TRADE/C/CEFACT/2007/4)

(b) “Recent developments under UN/CEFACT” (ECE/TRADE/C/2007/2)

B. Regulatory cooperation and standardization policies (Agenda item 3(b))

ECE/TRADE/C/WP.6/2006/13 Report of the 2006 session of WP.6

ECE/TRADE/C/WP.6/2006/13/Add.1- Conclusions, summary of presentations and discussions
ECE/TRADE/C/2006/18/Add.2 of the UNECE International Forum on Common
Regulatory Language for Global Trade

ECE/TRADE/C/2007/4 Regulatory cooperation and standardization policies:
Recent developments under WP.6

ECE/TRADE/C/2007/16- Regulatory cooperation and standardization policies:
ECE/TRADE/C/WP.6/2007/4 Questions from the Russian Regulatory Authority and
preliminary replies

21. The secretariat provided information on the main activities since the last session of the Working Party in June 2006. As a follow-up to the Forum organized during that session, discussions were held with the Russian regulatory authorities, which led to an agreement to organize a panel discussion during the November 2007 annual session on practical ways to resolve regulatory problems. Delegates were also informed that an International Seminar on Product Safety and Counterfeiting would be held as part of the same meeting.

22. Information on various Working Party activities was also provided by the secretariat. The market surveillance segment of the programme of work raised significant interest from countries, in particular in view of the proposed EU reforms in this area. Since its last report, the MARS Group had held two meetings in September 2006 and October 2007. At the most recent meeting, the delegates agreed to continue the work on definitions and to begin the preparation of guidelines on market surveillance.

23. The MARS Group also proposed a new recommendation (Recommendation “M”) on the use of market surveillance against counterfeit goods, to be discussed at the International

Seminar on Product Safety and Counterfeiting and to be adopted at the annual session of WP.6 in November 2007. This project is an example of work on cross-sectoral issues, namely the Working Party and the UNECE Team of Specialists on Intellectual Property.

24. The Committee endorsed the report of the 2006 session of WP.6 (ECE/TRADE/C/WP.6/2006/13) (Decision 7).

25. The Committee noted the following documents (Decision 8):

- (a) "Recent developments under WP.6" (ECE/TRADE/C/2007/4)
- (b) "Questions from the Russian regulatory authority and preliminary replies" (ECE/TRADE/C/2007/16)
- (c) "Conclusions, summary of presentations and discussions of the UNECE International Forum on Common Regulatory Language for Global Trade" (being a document with 2 symbols: ECE/TRADE/C/WP.6/2006/13/Add.1, and ECE/TRADE/C/2006/18/Add.2)

C. Commercial agricultural quality standards (Agenda item 3(c))

26. The secretariat presented the activities of the Working Party on Agricultural Quality Standards since the June 2006 session of the Committee on Trade. The Working Party has adopted 17 new/revised texts of standards/recommendations: eight for fresh fruit and vegetables; eight for dry and dried produce; one for seed potatoes and five for meat products. The Working Party also held four workshops to promote the standards.

27. The secretariat informed the delegates about the progress toward implementing the request to concentrate work on commercial agricultural quality standards within the UNECE, as stated in the UNECE Reform Plan (E/ECE/1434/Rev.1). The secretariat clarified resource implications for the transfer of work from the OECD Scheme on Fruit and Vegetables to the UNECE, as well as the steps to be taken by both organizations in this regard.

28. The Committee endorsed the "Report of the 2006 session of WP.7" (ECE/TRADE/C/WP.7/2006/20) (Decision 9).

29. The Committee requested that the new terms of reference for WP.7 be circulated for intersessional approval by the Committee after they are approved by WP.7 (document ECE/TRADE/C/WP.7/12) and subsequently submitted to the UNECE Executive Committee for approval (Decision 10).

30. The Committee noted the documents (Decision 11):

- (a) "Recent developments under WP.7 and changes to the programme of work for the 2008-2009 biennium" (ECE/TRADE/C/2007/5)
- (b) "Progress report on the concentration of work on commercial agricultural quality standards within UNECE" (ECE/TRADE/C/2007/6).

V. ACTIVITIES DIRECTLY UNDER THE COMMITTEE (Agenda Item 4)

ECE/TRADE/C/2007/7	Report on activities directly under the Committee
ECE/TRADE/C/2007/8	Report on cooperation with the Committee on Inland Transport
ECE/TRADE/C/2007/9	Report on cooperation with other organizations

31. The secretariat provided information on the completion of the United Nations Development Account (UNDA) 4th Tranche project, "Interregional partnership for promoting trade as an engine of growth through knowledge management and taking advantage of information and communication technology".

32. The final event under this project will be the joint United Nations Economic Commission for Europe (UNECE) – United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) workshop in Bangkok to be held from 10 to 14 December 2007. The purpose of the Workshop is to enhance the knowledge and skills of Government officials and trade facilitation practitioners on paperless trade for Single Window implementation and to inform them on standards and best practice for trade documents, such as United Nations Electronic Trade Documents (UNeDocs) and the World Customs Organization (WCO) Data Model.

33. Delegates noted with appreciation that the implementation of the UNECE reform plan was advancing as well as the information provided concerning the Committee's activities that foster policy dialogue and the mapping of the role of the UNECE in trade with respect to other organizations. They also requested increased cooperation between the Committee on Trade and the Committee on Inland transport.

34. The Committee requested that the Secretariat develop, as soon as possible, specific proposals for joint activities with the Committee on Inland Transport (ITC) for review by the Bureaux of the Committee on Trade and the Inland Transport Committee (Decision 12).

35. The Committee noted the documents (Decision 13):

- (a) "Report on activities directly under the Committee" (ECE/TRADE/C/2007/7)
- (b) "Report on cooperation with the Committee on Inland Transport" (ECE/TRADE/C/2007/8)
- (c) "Report on cooperation with other organizations" (ECE/TRADE/C/2007/9).

VI. CAPACITY-BUILDING (Agenda item 5)

ECE/TRADE/C/2007/10	Report on Capacity building
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36. The Regional Advisor on Trade Facilitation gave a presentation on his activities over the past year. He recalled that the work of the Regional Advisor is demand driven. It focuses on the

implementation of UNECE norms, standards, recommendations, tools and best practice, notably among the economies in transition in South-eastern Europe (SEE) and Eastern Europe, the Caucasus and Central Asia (EECCA). The work aims at providing practical development tools for the economies in transition.

37. The major projects and initiatives supported by the Regional Advisor:
- (a) General support for trade and transport facilitation, notably the implementation of UNECE standards
 - (b) Enhancement of trade policy
 - (c) Support for Single Window implementation
 - (d) Data harmonization initiatives
 - (e) Extra-budgetary and United Nations Development Account (UNDA) projects
 - (f) Focus on South-eastern Europe (SEE)

38. The Committee noted the document: "Report on capacity building and implementation activities" (ECE/TRADE/C/2007/10) ([Decision 14](#)).

39. The Committee noted the document "Subsidiary body reports: Commercial Agricultural Quality Standards" (ECE/TRADE/C/2007/18) and is satisfied that it was being translated into all official languages so that it can be used for capacity building purposes ([Decision 15](#)).

VII. PROGRAMME OF WORK AND ITS EVALUATION (Agenda item 6)

A. Programme of work (Agenda item 6(a))

ECE/TRADE/C/2007/12 Changes to the 2008-2009 programme of work

40. The Committee took note of the amendment to the 2008-2009 programme of work.

41. The Committee approved the "2010-2011: Draft Strategic Framework" for the Trade sub-programme, as contained in document "2010-2011: Draft strategic framework and evaluation plans for the 2008-2009 biennium" (ECE/TRADE/C/2007/14) ([Decision 16](#)).

42. The Committee approved the changes to its programme of work for the forthcoming biennium as contained in document "Changes to the 2008-2009 programme of work" (ECE/TRADE/C/2007/12) ([Decision 17](#)).

B. Evaluation (Agenda item 6(b))

ECE/TRADE/C/2007/13 Draft accomplishment accounts for the 2006-2007 biennium

ECE/TRADE/C/2007/13/Add.1 Accomplishment accounts for the 2006-2007 biennium:
Status of planned outputs

ECE/TRADE/C/2007/14 Draft strategic framework 2010-2011 and Evaluation
plans for the 2008-1009 biennium

43. The Chief of the UNECE Programme and Planning Unit gave a presentation on the principles of the UNECE evaluation process.

44. The Committee discussed the strategic framework for its programme of work for the 2010 - 2011 biennium. It also discussed the accomplishment accounts for the 2006 - 2007 biennium and the new UNECE procedures for the evaluation of subprogrammes for the upcoming 2008 - 2009 biennium.

45. The Director of the Trade and Timber Division gave an overview of the United Nations Budget and Evaluation process. The secretary to the Committee presented the programme of work and its evaluation for the period in greater detail.

46. Delegates thanked the secretariat for the documents and explanations. Several delegates posed questions regarding the expected accomplishments and indicators of achievement, in particular, whether the expected accomplishments were clearly linked to the expected results of the work of subsidiary bodies, and whether the indicators in general were not too quantitatively connected. The Chair explained that the indicators were discussed and agreed at the Extended Bureau meeting where the subsidiary body Chairpersons had been present. The secretariat also explained that the indicators would likely be achieved and that the indicator for new and/or updated instruments included revisions to existing instruments. The Chair noted the concerns of delegates with respect to indicators.

47. After a discussion, the Committee expressed a desire for a stronger link between the strategic framework and the subsidiary bodies' programmes of work in order to ensure that the technical work follow the direction provided by the strategic framework. As a result, the Committee asked the Working Parties to clearly demonstrate that their programmes of work are in line with and implement the strategic framework. Delegates also indicated that they would like closer contact with the work of the subsidiary bodies.

48. On a related point, delegates also expressed strong concern over the small number of countries represented at the Committee meeting, given the strong support for its work expressed by member States during the recent UNECE reform. Several suggestions were offered to remedy this situation:

- (a) Find a more active role for the Committee - rather than administrative issues (United Kingdom)
- (b) Engage in a deeper dialogue on policy issues related to trade (Switzerland)
- (c) Introduce more general, non-technical issues for consideration (United Kingdom)
- (d) Speak with the Missions regarding the work of the Committee (France)

- (e) Shorten the Committee meetings (Switzerland)

49. The Committee noted the “Draft accomplishment accounts for the 2006-2007 biennium”, as contained in document ECE/TRADE/C/2007/13.

50. The Committee approved the proposed evaluation plans for the 2008-2009 biennium as contained in document ECE/TRADE/C/2007/14 (Decision 18).

51. To better support the United Nations strategic planning processes, the Committee requests that, at future sessions, the subsidiary bodies include in their reports an evaluation of how their work is supporting the strategic framework (Decision 19).

52. The Committee noted the documents (Decision 20):

- (a) “Draft accomplishment accounts for the 2006-2007 biennium” (ECE/TRADE/C/2007/13)
- (b) “Draft accomplishment accounts for the 2006-2007 biennium: Status report on planned outputs” (ECE/TRADE/C/2007/13/Add.1)

VIII. PROCEDURES AND ORGANIZATION OF FUTURE SESSIONS (Agenda item 7)

ECE/TRADE/C/2007/15 Committee on Trade: Guidelines and procedures

ECE/TRADE/C/2007/18 Requirements for transition countries to export meat to the European Union: Report by the secretariat

53. The Committee approved its revised guidelines and procedures as contained in document ECE/TRADE/C/2007/15 (Decision 21).

IX. ELECTION OF OFFICERS (Agenda item 8)

54. According to its newly adopted procedures, the Committee elected its new officers for a two-year period, until the end of the 2009 session. The following officers were elected: Mr. Rob van Kuik (Netherlands) as Chairperson, and Mr. Mikhail Antipov (Russian Federation), Mr. Malcolm McKinnon (United Kingdom), Mr. Alexander Safarik-Pstrosz (Czech Republic), Mr. Georgi Stoev (Bulgaria) and Mr. Hasan Yalçin (Turkey) as vice-Chairpersons (Decision 22).

X. ANY OTHER BUSINESS (Agenda item 9)

55. The Committee will hold its third session from 13 to 17 October 2008 (Decision 23).

XI. ADOPTION OF THE DECISIONS (Agenda item 10)

56. The Committee approved its decisions and asked the secretariat to produce the final report of the session according to the Committee’s procedures as found in document ECE/TRADE/C/2007/15 (Decision 24).