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Geneva, 19-21 February 2008
Item 6 (a) of the provisional agenda

**IMPLEMENTATION OF THE PRIORITIES OF THE UNECE REFORM FOR
STRENGTHENING SOME ACTIVITIES OF THE COMMITTEE**

Border crossing and trade facilitation activities

“Road Map” on Strengthening UNECE Border Crossing and Trade Facilitation Activities

Note by the Secretariat

I. MANDATE

1. The “Work Plan on ECE Reform” calls upon the Committee on Inland Transport (ITC) to strengthen activities in the fields of border crossing and trade facilitation in cooperation with the Committee on Trade (CT) (E/ECE/1434/Rev.1, paragraph 35).
2. At its 69th session (6-8 February 2007), the ITC took note of a report on “areas and activities of mutual interest between the Committee on Trade and the Inland Transport Committee” prepared by the secretariat (ECE/TRANS/2007/4) and additional information provided by the Director of the Trade and Timber Division (ECE/TRANS/192, paragraph 17).
3. Following a first meeting of the Chairs of the ITC and CT on possible areas of cooperation between the two Committees (27 April 2007), the ITC Bureau asked the Transport Division, in cooperation with the Trade and Timber Division to draft a “road map” on the possible cooperation between the two Committees for consideration at its forthcoming session (TRANS/BUR.2007/5, paragraphs 7 and 8).
4. At its 2nd session (22-25 October 2007), the CT requested its secretariat to develop, as soon as possible, specific proposals for joint activities with the ITC for review by the two Bureaux.
5. In accordance with these mandates, the UNECE Transport and Trade Divisions have prepared this note.

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II. UNECE ORGANS IN BORDER CROSSING AND TRADE FACILITATION

A. Committee on Inland Transport (ITC)

6. The ITC is the UNECE's principal subsidiary body in the field of transport. Border crossing and trade facilitation issues most relevant for possible cooperation with the CT are addressed by the following subsidiary bodies of the ITC:

- (a) Working Party on Customs Questions affecting Transport (WP.30);
- (b) Working Party on Intermodal Transport and Logistics (WP.24);
- (c) Working Party on the Transport of Perishable Foodstuffs (WP.11);
- (d) Working Party on the Transport of Dangerous Goods (WP.15).

7. Most activities of these bodies are related to and based on the preparation and administration of international legal instruments (agreements and conventions) that provide technical and legal regulations as well as an internationally harmonized framework governing the international transport of goods, mainly in UNECE member States, but also in other Contracting States to these legal instruments.

8. In the area of transport of dangerous goods, the Transport Division provides secretariat services to the ECOSOC Committee of Experts on Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals (CETDG/GHS). This Committee issues and updates inter alia recommendations concerning the transport of dangerous goods documentation for all modes of transport and safety data sheets.

B. Committee on Trade (CT)

9. The CT is the UNECE's principle subsidiary body in the field of trade. Border crossing and trade facilitation issues most relevant for possible cooperation with the ITC are addressed by the following subsidiary bodies of the CT:

- (a) United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT);
- (b) Working Party on Regulatory Cooperation and Standardization Policies (WP.6);
- (c) Working Party on Agricultural Quality Standards (WP.7).

10. Work of these bodies is related to and based on the preparation and administration of norms, standards and recommendations reducing barriers to trade in goods and services in UNECE member States and beyond.

III. POSSIBLE AREAS OF COOPERATION AND STRENGTHENING OF ACTIVITIES

A. Simplification and Automation of Trade and Transport Documents

11. Over the years UN/CEFACT has developed important recommendations for the simplification and the electronic exchange of trade documents such as the United Nations Layout Key or UN/EDIFACT. The legal instruments of the ITC fully support these standards.

12. UN/CEFACT has now released the United Nations electronic Trade Documents (UNEDocs) standard for implementation and verification. UNEDocs allows the syntax independent definition of the information in trade documents. It is fully backwards compatible with existing document standards and integrates the most recent and important standards for Internet technology.

1. Objective of cooperation

13. Cooperation between the ITC (and ECOSOC CETDG/GHS) and the CT could aim to identify and develop UNEDocs information in transport and Customs documents that are stipulated in the legal instruments administered by the ITC or in the recommendations issued by the ECOSOC CETDG/GHS. Examples are the TIR, ADR, ADN and CMR conventions. Specific aspects and advantages of such cooperation, that might need to be further defined by the responsible Working Parties and respective Contracting Parties to these legal instruments, could be:

- (a) Precise definition of the information requirements and data structures;
- (b) Stable, standard-based and solution independent definitions;
- (c) Secure environment for investments in automation of data exchange and processing;
- (d) Harmonization of information exchange between administrations, business sectors and countries;
- (e) Increased trust and security in the international supply chain;
- (f) Promotion of UN/CEFACT Trade Facilitation Recommendations;
- (g) Electronic dangerous goods transport data.

2. Recommendation

14. As already suggested by the Bureau of the CT (24 April 2007), it is recommended that representatives of the CT and the ITC be invited to attend the sessions of the respective other body.

15. Further, it is recommended that the secretariats of the UNECE Transport Division and the Trade and Timber Division meet at regular intervals to ensure a continued exchange of information between CT, ITC and ECOSOC CETG/GHS as well as between their subsidiary bodies and to enhance transparency in all related activities.

B. Border Crossing Facilitation

“TIR” Convention

16. Cooperation could be strengthened in the computerization of the TIR Customs transit procedure (eTIR). As part of eTIR, Version N90 of the UN/CEFACT modelling methodology (UMM) is being considered for implementation. Cooperation could continue in the framework of the World Customs Organisation (WCO) Data Model where the TIR secretariat plays a leading role with regard to the transit part of the model. Further cooperation could be also established in the field of UNEDocs for digital paper.

1. Objective of cooperation

17. This cooperation should lead to:

- (a) Development of standard-based data structures for the computerization of the TIR procedure;
- (b) Harmonization of data structures for cross sector requirements (in particular transport, Customs and other governmental agencies) for their usage in different applications, integrating both existing UN/EDIFACT and Internet standards.

2. Recommendations

18. It is recommended that the CT mandates UN/CEFACT to organize the participation of experts from the UN/CEFACT Transport and Customs Groups (Trade Division) in sessions of the UNECE Ad Hoc Informal Expert Group on the Computerization of the TIR Procedure (Transport Division) and vice versa with the objective to ensure a regular exchange of information between these groups.

19. It is also recommended that staff of the Trade and Timber Division participate on a regular basis in the meetings of the UNECE Ad Hoc Informal Expert Group on the Computerization of the TIR Procedure (Transport Division) and in relevant transport expert groups in the framework of UN/CEFACT (Trade Division).

Convention on International Customs Transit Procedures for the Carriage of Goods by Rail under Cover of SMGS Consignment Notes

20. This Convention has just been opened for signature and is not yet in force. Cooperation could be initiated on the computerization of this rail Customs transit procedure applicable in SMGS member countries.¹ This cooperation could be extended to encompass the activities of the International Rail Transport Committee (CIT) and the Committee of the Organization for Co-operation between Railways (OSJD) in the computerization of the common CIM/SMGS rail consignment note (Target date for completion: 2009).

1. Objective of cooperation

21. Development of standard-based data structures for the simplification and automation of the information in the CIM/SMGS consignment note. The data structures should be harmonised for cross sector requirements (in particular transport, Customs and other border control agencies) and could be used in different applications. They integrate the existing EDIFACT infrastructure and Internet based technologies.

2. Recommendation

22. It is recommended that the secretariat of the Trade and Timber Division participates at the sessions of WP.30 (Transport Division) and, possibly, also at sessions of the CIT Steering

¹ SMGS member countries are the State Contracting Parties to the Agreement on International Goods Transport by Rail of 1 November 1951 administered by the Committee of the Organization for Co-operation between Railways (OSJD).

Committee on CIM/SMGS and other relevant organs. The two Divisions should also ensure a full exchange of information between these bodies and the UN/CEFACT Transport and Customs Groups.

International Convention on the Harmonization of Frontier Controls of Goods

Implementation of the “Harmonization” Convention and its technical annexes

1. Objective of cooperation

23. Make use of the experiences and expertise of UN/CEFACT as enshrined in the UN/CEFACT Trade Facilitation Recommendations with a view to assisting in the monitoring and implementation of the (presently) seven technical annexes of the “Harmonization” Convention in the fields of Customs control, medico-sanitary, veterinary and phyto-sanitary inspection, compliance with technical standards, quality control and road transport (a technical annex on rail transport is under preparation).

2. Recommendation

24. It is recommended that staff of the Transport and Trade and Timber Divisions cooperate in the organization of joint capacity building workshops and seminars at national and sub-regional level, upon request.

Additional technical annexes to the “Harmonization” Convention

1. Objective of cooperation

25. In line with Article 13 of the “Harmonization” Convention and on the basis of mandates to be provided by its Contracting Parties, additional annexes on frontier controls of goods could extend to the various standards and procedures contained in the UN/CEFACT trade facilitation recommendations and might facilitate their application at national levels. A specific example would be the establishment of single window facilities at border crossings that allow parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfil all import, export and transit-related regulatory requirements (UN/CEFACT Trade Facilitation Recommendation No. 33).

2. Recommendation

26. It is recommended that staff of the Transport and Trade and Timber Divisions cooperate to identify needs for and, if appropriate, prepare drafts of additional technical annexes to the “Harmonization” Convention for consideration by WP.30 (Transport Division) and the Administrative Committee of the “Harmonization” Convention (Transport Division).

C. Logistics

27. The Working Party on Intermodal Transport and Logistics (WP.24) (Transport Division) has started to consider the impact of modern transport chains and logistics on transport demand and modal split with a view to allowing Governments to develop efficient intermodal transport policies and regulations taking account of safety and security issues.

1. Objective of cooperation

28. Make use of the experience and expertise of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) as enshrined in the UN/CEFACT Trade Facilitation Recommendations with a view to identifying and specifying inter-governmental work in the field of “logistics” defined as a process of designing and managing the supply chain.

2. Recommendation

29. It is recommended that the CT mandates UN/CEFACT to undertake consultations with WP.24 (Transport Division) in this area in order to determine how UN/CEFACT could best contribute, starting with a presentation to WP.24 on relevant UN/CEFACT activities.

D. Perishable foodstuffs

30. The further development of the Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be used for such Carriage (ATP) might be enhanced by cooperation with experts in the field of fruits and vegetable standards, since such agricultural quality standards ensure the smooth functioning of the international supply chain, including transportation.

1. Objective of cooperation

31. As commercial quality food standards are used as a common trading language for buyers and sellers and as a reference for quality control, expertise in this field might assist WP.11 (Transport Division) and the Contracting Parties to the ATP Agreement to further develop and implement the technical provisions of this Agreement and guide a decision whether to extend the ATP Agreement to cover the transport of fruits and vegetables under controlled temperatures.

2. Recommendation

32. It is recommended that the CT mandate its Working Party on Agricultural Quality Standards (WP.7) to consider issues of cooperation and synergies in the further development of ATP provisions and procedures.

E. Technical assistance and capacity building

33. With a view to promoting Trade Facilitation (TF) as well as Trade and Transport Facilitation (TTF) in UNECE sub-regions, particularly in South-East Europe, Central Asia (SPECA) and, more broadly, along the Euro-Asian transport corridors, the development of a common technical assistance strategy in TF and TTF seems to be of high importance.

1. Objective of cooperation

34. The Regional Advisors on Transport and Trade should work closely together to promote Trade and Transport Facilitation matters and assist in capacity building in these fields. In order to be able to do so in a comprehensive and consistent manner, the Regional Advisor on Trade should be familiar with the TTF activities of the Transport Division, including the relevant international legal instruments, such as the TIR and the “Harmonisation” conventions. At

international conferences or on mission, she/he will promote accession to TTF related legal instruments and will assist in their monitoring and implementation. Similarly, the Regional Advisor on Transport should be familiar with the TF activities of the Trade Division, including work of the national trade facilitation bodies (PRO Committees), the single window concept, etc. At international conferences or on mission, she/he will promote their application.

2. Recommendation

35. The Regional Advisors on Transport and Trade, in cooperation with the staff of the Transport and Trade Divisions, are recommended to work closely together in Trade Facilitation (TF) as well as in Trade and Transport Facilitation (TTF) towards the development of a common technical assistance strategy and capacity building in these fields.

F. Globalization of trade and transport

36. In 2009, the second International Transport Forum will convene under the theme "Globalization of trade and its impact on transport and infrastructure". This Conference would not only address the impact of globalisation on transport infrastructure, safety and security, but also the potential links between the globalization of trade and transport.

1. Objective of cooperation

37. Taking account of the theme of the 2009 International Transport Forum, the Transport and Trade Divisions, together with relevant subsidiary bodies of ITC and CT, could also address these issues in line with their mandates and in a focused and streamlined manner with a view to highlighting the achievements and challenges of the UNECE region in this field.

2. Recommendations

38. It is recommended that, as part of the series of UNECE Trade Issue Conferences, a Trade and Transport Facilitation conference or workshop is organized in 2009 that would take stock of the accomplishments and challenges in the UNECE region in this field.

39. In addition, the UNECE should participate in the creation of Global Logistics Indicators, supported by small and focused research work, in line with its mandated activities in this field.

40. Finally, it is recommended that the CT and ITC consider organizing joint or parallel sessions in 2009.

IV. SUMMARY OF RECOMMENDATIONS

A. Simplification and Automation of Trade and Transport Documents

41. Representatives of the ITC and the CT should be invited to attend the sessions of the respective other body.

42. The secretariats of the Transport Division and the Trade and Timber Division should meet at regular intervals to ensure the exchange of information between CT, ITC ECOSOC CETG/GHS and their subsidiary bodies and transparency in all related activities.

B. Border Crossing Facilitation

1. “TIR” Convention

43. The CT should mandate the UN/CEFACT to organize the participation of experts from the UN/CEFACT Transport and Customs Groups at the sessions of the UNECE Ad Hoc Informal Expert Group on the Computerization of the TIR Procedure (Transport Division).

44. Staff of the Trade and Timber Division should participate, on a regular basis, at sessions of the UNECE Ad Hoc Informal Expert Group on the Computerization of the TIR Procedure (Transport Division)

2. Convention on International Customs Transit Procedures for the Carriage of Goods by Rail under Cover of SMGS Consignment Notes

45. Staff of the Trade and Timber Division should participate at sessions of WP.30 (Transport Division) and, possibly, also at sessions of the CIT Steering Committee on CIM/SMGS and other relevant organs. The two Divisions should also ensure a full exchange of information between these bodies and the UN/CEFACT Transport and Customs Groups.

3. International Convention on the Harmonization of Frontier Controls of Goods

46. Staff of the Transport and Trade and Timber Divisions should cooperate in the organization of capacity building workshops and seminars at national and sub-regional level, upon request.

47. Staff of the Transport and Trade and Timber Divisions should cooperate to identify needs for additional technical annexes to the “Harmonization” Convention for consideration by WP.30 (Transport Division) and by the Administrative Committee of the “Harmonization” Convention (Transport Division).

C. Logistics

48. The CT should mandate UN/CEFACT to undertake consultations with WP.24 (Transport Division) in this area in order to determine how UN/CEFACT could best contribute, starting with a presentation to WP.24 on relevant UN/CEFACT activities.

D. Perishable Foodstuffs

49. The CT should mandate its Working Party on Agricultural Quality Standards (WP.7) to consider issues of cooperation and synergies in the further development of ATP provisions and procedures.

E. Technical assistance and capacity building

50. The Regional Advisors on Transport and Trade, in cooperation with staff of the Transport and Trade Divisions, should work closely together in Trade Facilitation (TF) as well as in Trade and Transport Facilitation (TTF) towards the development of a common technical assistance strategy and capacity building in these fields.

F. Globalization of trade and transport

51. As part of the series of UNECE Conferences on Trade Facilitation, a Trade and Transport Facilitation conference or workshop should be organized in 2009 that will take stock of the accomplishments and challenges in the UNECE region in this field.

52. UNECE should participate in the creation of Global Logistics Indicators, supported by small and focused research work, in line with its mandated activities in this field.

53. The CT and ITC should consider organizing joint or parallel sessions in 2009.

V. FOLLOW-UP

54. The Bureaux of the ITC and the CT may wish to consider and possibly endorse the above areas of cooperation between the two bodies with a view to strengthening UNECE activities in the fields of border crossing and trade facilitation. They may also wish to request the secretariat to report on progress made in this area, possibly every two years.
