

**25th OSCE Economic And Environmental Forum
 Concluding Meeting**

6-8 Septembre 2017
 Prague, Czech Republic

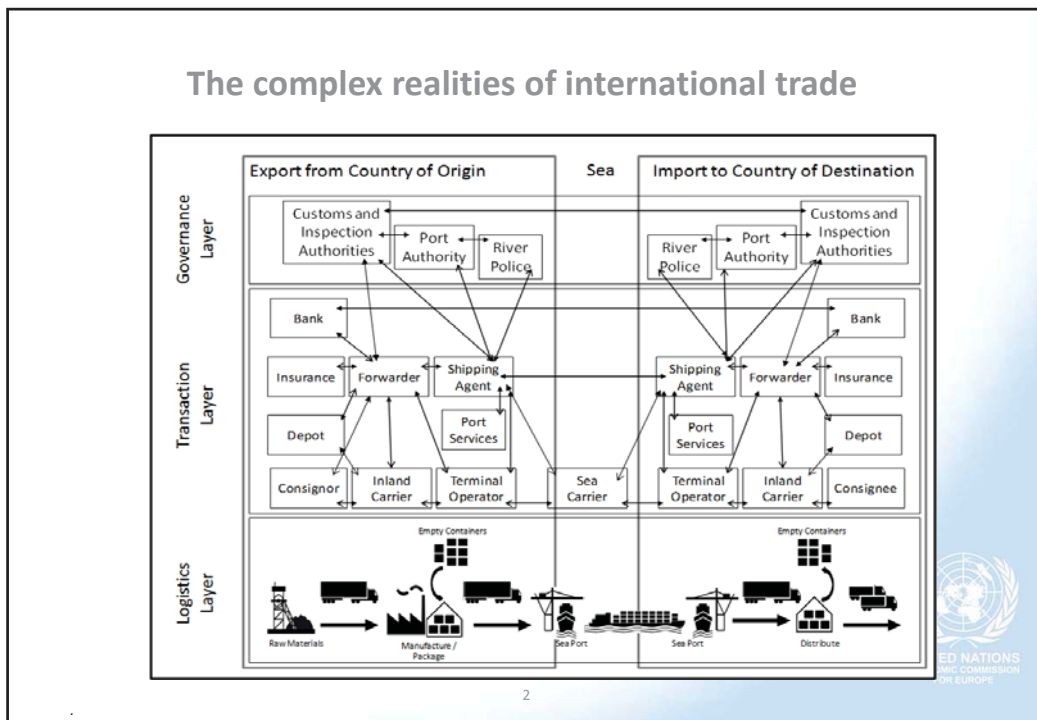
**Promoting Connectivity and Building Trust and
 Business Partnerships in the OSCE Area**

*What role for trade?
 Evidence from ECE region*

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 Ambassador
 Chair, UNECE Steering Committee on Trade Capacity and Standards

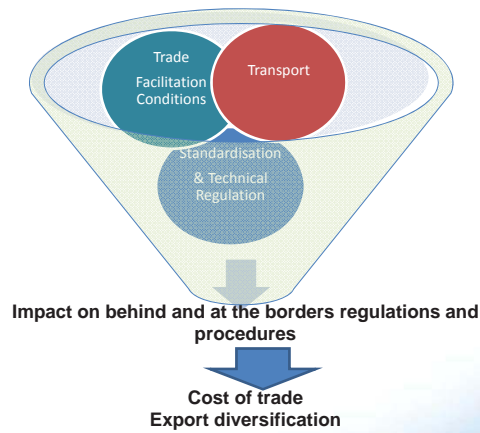


UNITED NATIONS
 ECONOMIC COMMISSION
 FOR EUROPE



Trade and economic connectivity

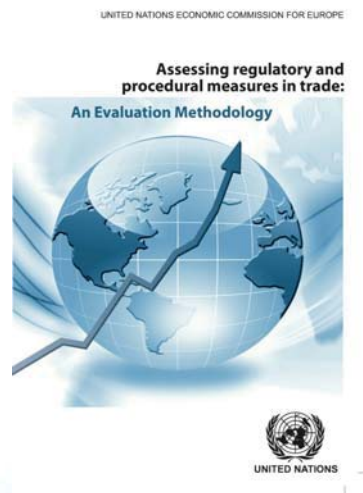
Comprehensive Evaluation Methodology



The development implications of regulatory and procedural trade barriers

ECE compendium of evidence-based analysis

- **Focuses** on behind and at border regulatory and procedural barriers to trade
- **Survey based:** all supply chain actors are interviewed to discern immediate and long-term needs
- **Participatory approach:** implemented in close consultation with national stakeholders
- **Implemented (since its launching in 2010)** in: Albania (2016), Belarus (2012), Kazakhstan (2014), Kyrgyzstan (2015), Moldova (Republic of, 2017) and Tajikistan (2014). Ongoing: Armenia and Georgia.



Trade and connectivity Evidence from ECE region



Fragmented reforms

Need	Recommendations
Lack of adequate facilities at the main border crossing points	<ul style="list-style-type: none"> Improve road networks leading to main border crossing points Improve traffic management Build of non-intrusive inspection equipment
Establish a comprehensive cross-border risk management system	<ul style="list-style-type: none"> Enshrine the concept of integrated border management in existing legislation based a holistic approach, which balances supply chain security and trade facilitation (e.g., WCO's Standards to Secure and Facilitate Global Trade) Establish inter-agency risk management committees
Reconsider the pace of moving to paperless trade	<ul style="list-style-type: none"> In several countries there is a rush towards establishing Single Window (SW) facilities (in one undertaking) as a first step to consolidating paperless trading systems. Coordinate SW implementation with other partners. This is critical for data exchange associated with regional trade/transit.

Capacity shortfalls

Needs	Recommendations
Strengthen capacities of testing laboratories	Develop the capacities of testing laboratories based on a cost-benefit analysis, and in consultation with trading partners
	Intensify efforts to enable accreditation bodies to establish the Multilateral Agreements (MLA) with the European Cooperation for Accreditation (EA) and the International Laboratory Accreditation Cooperation (ILAC).
Help enterprises comply with international quality and safety regulatory requirements	Enterprise development programs should target both labor-intensive industries and those with technology intensive activities and could be tailored to create: (i) horizontal collaboration, such as sharing the costs of expensive equipment or research and development; (ii) vertical collaboration through facilitating the decentralization of the production process; and/or (iii) exchange of information on technology and common problems

Mutual trust: the first casualty of trade barriers

Needs	Recommendations
In country	
A coherent treatment of economic issues	<ul style="list-style-type: none"> Whole-of-government approaches: shared goals and integrated responses to trade and economic development challenges
Build mutual trust and partnership between customs and the trading community	<ul style="list-style-type: none"> Provide State agencies with the tools to implement legislative reforms Encourage traders to carry out regular self-assessments using a checklist provided by the Customs. Implement the Authorized Economic Operators schemes. In addition, establish a customs to business partnership programme, whereby traders who pass the Customs audit could then be accorded significant benefits similar to those provided to Authorized Economic Operators.
With trading partners	
Attract foreign direct investment	<ul style="list-style-type: none"> Promoting public-private partnerships for domestic and foreign investment
A conducive environment for consultations with trade partners	<ul style="list-style-type: none"> More than anytime in the past, regional and international platforms are needed for the exchange of views, particularly for the benefit of developing, least developed and land-locked countries Discussions should be evidence based, taking into account the specific conditions of these countries and their stage of development.

Binding constraints



- **Lack of funds: business community and State agencies**
- **Geography: dependence on the transport facilities of nearby countries and the language barrier**
- **Dwindling demand in main target markets**



Thank you

Steering Committee on Trade Capacity and Standards

<https://www.unece.org/trade/meetings.html#/0/0/0/39818>

Studies are available at:

<https://www.unece.org/tradewelcome/studies-on-regulatory-and-procedural-barriers-to-trade.html>

