**PROJECT DOCUMENT TEMPLATE**
**14TH TRANCHE OF THE DEVELOPMENT ACCOUNT**

# 1 EXECUTIVE SUMMARY

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| Project Code and Title: | Enhanced capacities of selected countries in the ECE region for pandemic-resilient, sustainable cross-border trade and transport |
| Start date: | March 2022 |
| End date: | June 2025 |
| Budget: | $430,000 |
| Target countries: | Azerbaijan, Belarus, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan |
| Lead Entity: | ECE |
| Other UN DA Implementing Entity/Entities: | ESCAP in shared countries, |
| Other Collaborating Entities within the UN Secretariat and System: | ICAO as well as IMO, UN Resident Coordinators and UN Country Teams in the target countries, UNCTAD, UNDP |

Brief description: The project will help raise the efficiency and resilience of supply chains in the target transition economies by rolling out a package of harmonized electronic equivalents of key documents accompanying goods transported by sea, road, rail, air, and inland water transport, aligned to the UN/CEFACT standards. It will expand it to cover additional documents, certificates and permits, notably documents accompanying cargo, related to transparency in international trade and transport. The project will focus on the United Nations call to help its member States "build back better" after the pandemic by:

a. Raising awareness and enhancing knowledge of Governments in the target countries for policy formulation and implementation for the harmonized digitalization of supply chains, trade and transport operations, using UN standards and tools, increasing the efficiency of these operations and multimodal digital corridors, while raising their resilience to sanitary crises,
b. providing technical assistance for the rollout of a package of standards and standardized electronic document equivalents in selected economies in transition. So, the project will:
   i. mobilize expertise and technical cooperation activities to help local experts roll out the package of international standards for multimodal data and document exchange,
   ii. provide feedback to standard developers to continue filling in the gaps,
   iii. involve regional and sectorial organizations in the implementation,
   iv. organize capacity-building on specific streams in support of the project, e.g., for the package of standards and an electronic agricultural certificate

# 2 BACKGROUND

## 2.1 Context

The decrease of global GDP because of the negative impact of COVID-19 on economy and trade in 2020 was significant, even if less so than predicted at the beginning of the pandemic. The IMF indicated a drop of GDP of -6.9% in Western Europe, -3.5% in Eastern Europe; and slight growth of 0.5% in Central Asia and the Caucasus and 0.82% in East Asia. In 2021, the world economy showed an impressive capacity to rebound. The IMF expects GDP growth of 5% in the Euro area, 6% in Emerging and Developing Europe, 5.3% in Central Asia and the Caucasus, and 7.8% in East Asia.[1] The expected GDP growth for 2021 (as of the IMF World Economic Outlook in October 2021) for Azerbaijan is 3%, 2.1% for Belarus, 7.7% for Georgia, 3.3% for Kazakhstan, 3.5% for Ukraine, and 6.1% for Uzbekistan.

These encouraging signs emerge against the backdrop of a conscious effort to build back the world economy better than before the pandemic, fostering innovative ways of doing trade which support the resilience of supply chains. This project is no exception, and it will continue the UN assistance to member States to address the economic and social challenges emanating from the COVID-19 crisis. It relates to the increasing global understanding that digitalization is positive, but there are inefficiencies and risks stemming from fragmented efforts towards digitalization of transport and supply chains. The COVID-19 pandemic has offered an opportunity to address these inefficiencies together, notably by using United Nations semantic standards (the UN/CEFACT standards and reference data models). The project will build on this positive change of mindsets.

As the President of the UN General Assembly noted at the Special Session dedicated to the COVID-19 pandemic on 3 December 2020, the global community is at the beginning of the largest socio-economic recovery since the creation of the United Nations in 1945. If properly planned and coordinated, this recovery has the potential to jumpstart the SDGs, accelerate action on resilient infrastructure, improve access to education and healthcare, and better protect the natural world. The UN General Assembly Resolutions "Comprehensive and coordinated response to the coronavirus disease (COVID-19) pandemic" A/74/L.92[2] and "Global Solidarity to fight the coronavirus disease 2019" A/RES/74/270[3], which triggered this project, clearly indicate the new responsibility and mandate of the UN system to coordinate a coherent response to the challenge and lead in the reconstruction effort. The project also responds to the call of the Secretary General's report on "Shared responsibility, global solidarity: Responding to the socio-economic impacts of COVID-19",[4] which recommends safeguarding the well-functioning of transport chains and the free flow of goods in all regions; removal of barriers to trade; roll-out of innovative tools that allow for the exchange of electronic information without physical contact and facilitate the flow of goods across borders, notably for landlocked countries. UN's leading role, as defined in the GA documents, also covers the effort to build back better connectivity, trade, and transport logistics. This project contributes to the resilience and efficiency of supply chains through seamless exchange of information, digitalization of transport and supply chains in the target countries.

[1] IMF World Economic Outlook, October 2021. Online: https://www.imf.org/en/Publications/WEO/Issues/2021/10/12/world-economic-outlook-october-2021

[2] United Nations, omnibus Resolution 74/L.92, adopted by the General Assembly on 11 September 2020, available at https://undocs.org/A/74/L.92

[3] United Nations, Resolution 74/270, adopted by the General Assembly on 2 April 2020, available at https://undocs.org/en/A/RES/74/270

[4] United Nations, "Shared responsibility, global solidarity: Responding to the socio-economic impacts of COVID-19", March 2020, available at https://unsdg.un.org/sites/default/files/2020-03/SG-Report-Socio-Economic-Impact-of-Covid19.pdf

The project supports all five pillars of the UN Framework for immediate socio-economic response to COVID-19,[5] especially the third pillar: "Economic Response and Recovery; Protecting Jobs, Small and Medium-Sized Enterprises, and Informal Sector Workers". As any other UN activity aiming at "building back better" after the COVID-19 crisis, this project will consider how to address the need for better information exchange on environmental and other sustainable development issues through digitalization, how to create new and dignified jobs, tackle the disproportionate effect of the COVID-19 crisis on disadvantaged groups. This will be discussed in section 3.1 below.

## 2.2 Mandates, comparative advantages and link to the Programme Budget

The project will contribute to the achievement of the objective of ECE subprogramme 6 "Trade" and subprogramme 4 "Economic Cooperation and Integration" in times of a pandemic: namely, "to strengthen trade facilitation and electronic business, regulatory cooperation and standardization policies, agricultural quality standards and trade-related economic cooperation in the ECE region and beyond" and "to strengthen policies on innovation, competitiveness and public-private partnerships in the ECE region". The project will contribute to achieving Result 4 of subprogramme 6: "Enhancing digitalization of trade in the ECE member States". It is expected to contribute to achieving the expected results and relevant SDGs in the following areas in ECE's Proposed Plan for 2022: (a) simplified trade processes, increased digitalization, and greater productivity; (c) greater uptake of international standards by countries, to enable the implementation of internationally harmonized regulatory processes; and (d) support facilitating trade as a means for implementing the SDGs. "Digitally enabled solutions to trade-related services have played an important role during the pandemic period as physical distancing is a key protective measure against virus infection. Building back better requires innovative solutions that support a sustainable and resilient recovery" (from the ECE proposed plan for 2022).

The project will support ECE's interlinked (a) normative work on developing standards and recommendations in trade facilitation and e-business; and (b) capacity-building in this area (doc. A/75/6 (Sect.20), para 20.98). ECE and its subsidiary body UN/CEFACT reinforce trade facilitation and electronic business in the ECE region and beyond. ECE's normative work focuses on developing standards and recommendations in trade facilitation and electronic business. ECE also supports its members in implementing the standards set by UN/CEFACT: facilitating international policy dialogue on establishing paperless trading environments; disseminating and implementing the UN/CEFACT instruments: standards, recommendations, and guidelines (doc. A/75/6 (Sect.20), para 20.99). The project will enhance both the standard setting work and its implementation in the face of the COVID-19 pandemic. ECE, through its subsidiary body – the UN Centre for Trade Facilitation and Electronic Business UN/CEFACT - has been working for more than six decades on trade facilitation and electronic business with a focus on the standardization of data used in international trade in all UN member States. UN/CEFACT's mandate covers automation of procedures, dematerialization (avoiding person-to-person contact in supply chains, border crossings, etc.) and implementation of the 2030 Agenda. UN/CEFACT is the UN hub for semantic standards for international trade.

ECE also has a mandate to work on innovation for sustainable development in the transition economies, as well as on public-private partnerships, through the ECE Committee on Economic Cooperation. Both support for innovation and PPPs will be involved in the implementation of the project, which relates to the objective of ECE Subprogramme 4 "to strengthen policies on innovation, competitiveness and public-private partnerships in the ECE region" and its expected Result 4: "Improved capacity of selected member States to use innovation to achieve their sustainable development objectives". Automation of transport documents relates to relevant transport Conventions, protocols thereof and other legal norms serviced by ECE and partner

[5] https://unsdg.un.org/resources/un-framework-immediate-socio-economic-response-covid-19

organizations. Automation of some accompanying documents, such as dangerous goods declarations, invoices, phytosanitary, veterinary, and quality certificates, will be important in promoting the notion of digital transport corridors and data pipelines to support resilient supply chains. Therefore, an important stream planned in this project will be collaboration with the ECE Transport Subprogramme, the objective of which is "to advance a regionally and globally sustainable inland transport (road, rail, inland waterway and intermodality) system by making it safer, cleaner, more efficient and more affordable, both for freight transport and people's mobility", and UNECE's Working Party 7 on agricultural quality standards and prevention of food loss.

UNESCAP, which is a partner in the implementation of this project, has a mandate to analyze physical and non-physical barriers to trade and connectivity, to support initiatives for trade facilitation and address country-specific challenges in UNESCAP member States. The project is directly linked to the expected result 3 "making trade processes more efficient, transparent and safer through paperless and contactless trade of Subprogramme 2 "Trade, investment and innovation" in ESCAP's Proposed Programme Plan for 2022. ESCAP has a mandate to effectively harness the potential of trade, investment, innovation, technology, and enterprise development for sustainable development, notably at the time of the COVID-19 pandemic. In response to COVID-19, the subprogramme will support member States in advancing paperless and contactless trade. In addition, ESCAP is the secretariat of a UN treaty entitled Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA)[6], which aims at accelerating the implementation of digital trade facilitation measures for trade and development of ESCAP member States.

UNCTAD has a mandate to support the empowerment of national institutions in developing countries to achieve trade facilitation, notably in the light of the entry into force of the WTO Trade Facilitation Agreement in February 2017. The project will use some methodologies for needs assessment and implementation of trade facilitation measures, developed by UNCTAD. In compliance with Programme 10 "Trade and Development", Subprogramme 4 "Technology and Logistics" of UNCTAD's Strategic Framework for 2018-2019, UNCTAD will be requested to include information about the standards on digitalization of multimodal transport data and document exchange in their capacity-building and technical cooperation projects.

The project will contribute to maintaining the momentum of the 2030 Agenda on Sustainable Development by keeping the channels of international trade and transport open in a neuralgic region of transition economies between Europe and Asia. Open trade channels will continue to be an engine for growth. As for the concrete SDGs and targets, which will be positively affected by the project, see section 2.4 below.

The project, with its enhancement of resilient digital supply chains and digital multimodal transport corridors, will provide possibilities for testing the standards through pilot implementation cases and tests of interoperability of information exchange, which will be strengthened by innovative solutions. The intention is that this project will plant seeds from which national agencies, regional and sectorial organizations, and international development partners will grow trees. The project contributes to the ECE nexus on sustainable mobility and smart connectivity.

The International Civil Aviation Organization (ICAO) is a United Nations specialized agency whose mandate stems from the Convention on International Civil Aviation (https://www.refworld.org/pdfid/3ddca0dd4.pdf). Chapter VII, article 44 of the Convention stipulates that "the aims and objectives of the Organization are to develop the principles and techniques of international air navigation and to foster the planning and development of international air transport. The ICAO Facilitation Programme stipulates (among others) the following goals: "d) reduce staff and training costs by standardizing and simplifying document verification processes; e) enable interoperability and the use of standard technologies for identification management for

[6] https://www.unescap.org/kp/cpta

both States and industry, leading to efficient operations and cost reduction; f) increase States' confidence in their ability to verify that documents have been appropriately issued and have not been altered (https://www.icao.int/Security/FAL/Pages/default.aspx ; see also details on Annex 9 to the Convention at https://www.icao.int/Security/FAL/ANNEX9/Pages/default.aspx). In this project ICAO, will put together and implement in cooperation with UNECE and UN/CEFACT one of the pilot implementation projects (implementation of the standards created with UN/CEFACT for one or more of the following documents: airwaybill, dangerous goods declaration and consignment security declaration. Multimodal interoperability will be at the essence of this project.

ESCAP has a comparative advantage in the promotion of paperless trade in those target countries that are members of both commissions, through its work on its Framework Agreement on paperless trade in Asia and the Pacific and experience in this area. ICAO has an advantage in its broad network in the stakeholder community, which includes potential implementers of the standards in the air cargo industry.

In practice, international organizations and business associations active in the other modes of transport may follow the proactive stance of ICAO and take initiative for implementation of the standards in the areas of railway, inland water, maritime and road transport.

## 2.3 Country demand and target countries

The target countries include Azerbaijan, Belarus, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan, yet other UN programme countries in the ECE region might be involved into some project activities. Target countries were defined as pivotal countries in their subregions. We plan to invite other countries to subregional meetings and activities, as a means of dissemination of the project's results. Most activities will be focused on coordinated action of the countries, following a corridor-based approach. ECE has been working on trade data sharing in the Eurasian Economic Union (EAEU) and the Western Balkans for years, and this work will be linked to the project, involving those countries and experts from them in the project activities.

The rationale for country selection is based on a demand-driven approach and on the level of readiness to work on relevant solutions. Work on the development and implementation of the standards has started in Azerbaijan, Belarus, Ukraine, and Uzbekistan, notably for the digitalization of document and data exchange. Stakeholders in this area are the business community and regulatory agencies in these countries. They have stated their interest for implementing the standards and artefacts produced under the UNDA COVID-19 connectivity project, most of them subsequently adopted in the intergovernmental process as standards of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT). Stakeholders in Azerbaijan, Belarus, Georgia, Ukraine and Uzbekistan, as well as such organizations as the Eurasian Economic Commission (EEC), the Transport Corridor Europe Caucasus Asia (TRACECA), the Organization for Democracy and Economic Development (GUAM), the International Federation of Freight Forwarders Associations (FIATA) and the Organization for Co-operation between Railways (OSJD) have stated their interest at seminars organized by ECE in 2020 and 2021 (see for example https://unece.org/info/Trade/events/354726). The Governments of Azerbaijan and Uzbekistan, for example, have stated their interest to ECE to work on the implementation of the standards in their efforts at digitalization.

The target countries have been selected on the basis of both declared interest and their ability to participate in an international effort to digitalize multimodal transport and trade data and document exchange, as part of the overall drive to trade facilitation, more efficient and greener trade to the benefit of world society. As the demand for assistance has come from transition economies beyond the countries participating in the UN Special Programme for the Economies of Central Asia (SPECA), we changed the mention of "SPECA and other transition economics" in the fascicle to "selected transition economies" in this project document. Policymakers

and experts from Azerbaijan, Belarus, Moldova, and Ukraine, have expressed their willingness to work with UNECE on the development and practical implementation of the standards at the annual ECE trade facilitation seminars in Odessa. They already participated in pilot implementation projects, such as the Dnieper – Danube pilot multimodal transport project. Policymakers and experts from Kazakhstan and, especially, Uzbekistan have stated their readiness to work on these issues, notably at the annual SPECA events in 2019-2021.[7] The criteria for the selection include (1) declared interest or demand, substantiated by already existing cooperation with ECE and other partner agencies; (2) certain level of development of digitalization of foreign trade and transport procedures and operations; and (3) available internal expertise. The project will encompass several subregions of ECE, thus building on a cross-fertilization of expertise developed in the various transition economies in the last years. In this sense, the inter-regional approach offers clear advantages. The project pays special attention to landlocked countries – five of the seven target countries are landlocked transition economies. Situated in the middle between two powerful trade blocs – the European Union and East Asia – they face common challenges to their development.

## 2.4 Link to the SDGs

The General Assembly Resolution A/74/L.92 from 11 September 2020 clearly stated that the pandemic is making the prospect of achieving all Sustainable Development Goals more difficult, including eradicating poverty by 2030, ending hunger, and achieving food security and improved nutrition. It increases the risks of debt distress, which will impact on countries' abilities to invest in the implementation of the 2030 Agenda for Sustainable Development, disproportionately impacting vulnerable groups. In this sense, the rationale of this project is to alleviate the effect of the COVID-19 pandemic on trade and economic efficiency, using the opportunity of increased popular sensitivity to the need for collective action to face the challenges of COVID-19 for economic and social progress.

The primary SDG targets for this project are SDG 17.10 (promoting international trade rules) and SDG 17.11 (increasing the share of exports from developing countries in global exports). The project will contribute to raising awareness of and implementing the trade facilitation measures enshrined in the WTO Trade Facilitation Agreement. Implementing the UN standards and tools for the digitalization of multimodal transport and trade data and document exchange will contribute to a more orderly manner of doing trade and new developments in the international rules-based trading system, e.g., negotiations on an agreement on e-commerce. In addition, the project pays attention to SDG 9, notably target SDG 9.4 which calls for the upgrade by 2030 of infrastructure and retrofit industries to make them sustainable. The introduction of innovative ways of doing business, notably, in the digitalization of transport and trade information flows, has the potential to make international trade and transport processes and infrastructure better fit for limiting COVID-19 infections, while increasing efficiency in these processes. This target calls for increased resource-use efficiency and greater adoption of clean and environmentally sound technologies. This greening of international trade through automation of processes and procedures and elimination of paper-based ones is part of the project's objective. Various countries, including the transition economies and countries with lower level of development, will benefit from this project, in accordance with their respective capabilities.

Secondary SDG targets include: SDG 1.5: by 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters; SDG 2.1: by 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round; SDG 2.4: by 2030, ensure sustainable food production systems and implement resilient

[7] https://unece.org/speca

agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality; SDG 3.8: achieve… access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all; SDG target 5.b: enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women; SDG 8.2: achieve higher levels of economic productivity through diversification, technological upgrading and innovation; SDG 8.a: increase Aid for Trade support for developing countries; and SDG 15.7: take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products.

## 2.5 Lessons learned

As this project will build on the achievements of the United Nations Development Account rapid response to the COVID-19 project on Transport and Trade Connectivity in the Age of Pandemics. Notably, it will use (a) the package of standards and artefacts for the digitalization of multimodal data and document exchange and (b) the best practice experience from the initial pilot implementation projects[8] to take further the real-world implementation of the standards, tools and best practices developed under the UNDA COVID-19 connectivity project.

The first lesson learned is that the COVID-19 pandemic has opened a window of opportunity to understand that (a) digitalization of cross-border transport and trade operations is necessary, the approach should be multimodal (i.e. information exchange should not be limited to one mode of transport or sector) and (b) there is increasing understanding that international semantic standards (notably the United Nations standards developed by UN/CEFACT) for trade facilitation and electronic business should be the essence of a harmonized and standardized seamless flow of information in international supply chains.

The second lesson learned is that the fragmentation of efforts to digitalize international transport chains and supply chains has taken root before the pandemic and continues in the current situation. Companies and specialized business associations (such as FIATA, IATA, IRU, or CIT) increasingly realize the importance of linking the information exchange regarding movements of cargo between different modes of transport. Step-by-step, they join the effort to provide interoperability among their standards, using the UN/CEFACT semantic standards and reference data models. It is important to associate these entities to the work in this project, helping the transition economies in the implementation of the package of interoperability standards. One of the key activities to be planned under this project should be a high-level meeting, involving several layers of organized cooperation in support of the outcomes of this project, involving policymakers and experts from relevant: (1) government agencies; (2) UN organizations with responsibilities in this area; (3) international business associations; and (4) the business community.

The third lesson learned is that the expertise in the countries in transition varies significantly from country to country. In this sense, it is important to: (1) rely on expertise and resources in countries that have moved ahead in areas relevant to the project: e.g. Ukraine in terms of using the UN/CEFACT standards for the digital transformation of multimodal corridor data exchange, Belarus in terms of rail and road data exchange, etc.; (2) focus on building capacity, notably in countries that are joining the effort later; and (3) use forms of "south-south" exchange of expertise – involving experts from the more advanced countries to assist experts in the other countries.

[8] For both the package of standards and the reports of the initial pilot implementation projects, see https://unttc.org/stream/electronic-trade-and-transport-documents-and-data

The fourth lesson concerns the effect of the COVID-19 pandemic on the delivery of the norm-setting and capacity-building outputs of the project. Virtual delivery of capacity-building, utilizing an eLearning course on the use of the standards to create electronic document equivalents and data for the exchange of information should be explored and funds should be allocated to developing such an output. An eLearning tool and hybrid or online training will be needed more than before, using the experience of the UNDA COVID-19 connectivity project. Delegation of work to other agencies to enhance the implementation of the standards in other organizations' tools was also explored positively in the UNDA COVID-19 connectivity project.

## 2.6 Innovative aspects

The innovation aspect of this project relates to work with the business community, governments, regulatory and other agencies in the target countries to produce new solutions for information exchange in international trade and transport, change the methods and processes of exchanging this information. The aim of the project is to work from within, convince stakeholders in the countries in the advantages of moving away from a silo mentality to more collaborative solutions for multimodal data and document exchange, using the once in a generation opportunity that the pandemic has offered to build life back better. The project will aim at helping stakeholders to carry out new combinations that make use of the global standards for data exchange and allow for a broader set of stakeholders to benefit from access to harmonized and standardized data exchange.

Schumpeter famously illustrated his theory of innovation and economic development through his metaphor that Queen Elisabeth I had silk stockings, yet innovation of processes and reshuffling the combination of inputs mean an increase of efficiency in production and processes so that silk stockings would become available to factory girls.[9] In the case of this project, what will be made broadly available to the user community in the target countries and the business community are the UN/CEFACT standards, developed and maintained as international public goods. These standards are, however, complex and difficult to attain, so the developing and transition economies would need technical assistance to see how they can be used. Very big companies and business associations have the ability today to develop data pipelines. Using the global standards will hopefully allow for providing broader access to harmonized data and document exchange to small and medium-sized enterprises (SMEs) and countries with more limited resources. Many of the target countries possess the power for such innovation: relatively high level of education, experts and companies with IT skills, and a booming private sector. There is a need to develop enabling environment for this type of innovation in this project – the inclusion of SMEs, women and other vulnerable groups in the data and document exchange as an important result of this project. At least one of the activities under this project will be organized on this issue, in collaboration with the UNECE Innovation Section. The delivery of virtual and hybrid learning methods for capacity development will be part of the innovative aspects of the project.

# 3 ANALYSIS

## 3.1 Situation analysis

The main problem that the project aims to address is the disruption to trade introduced by certain inefficiencies in international trade practices, related to the low level of application of innovative and practical tools for automation of transport and trade information flows, augmented by the COVID-19 pandemic, as well as the fragmentation of efforts aimed at the digitalization of multimodal transport data and document flows.

The issues underlying this problem stem from certain long-term gaps in the implementation of trade

[9] Schumpeter, Joseph A. Capitalism, Socialism, and Democracy, Abingdon: Routledge 2010, 445 p.

facilitation, electronic business standards and best practices, and from the difficulties created by the COVID-19 crisis. Digitalization and automation of procedures, processes and accompanying information flows have been widely seen as a cure to the problem. Yet when this digitalization is managed piece-by-piece, following separate corporate, institutional, or national interest, this may create even further causes for disruption.

The digitalization of freight information exchange is necessary both to increase efficiency in international transport chains and to avoid the spread of COVID-19 infections through physical contacts. Yet a problem faced by all countries is the fragmentation of these digitalization efforts. There is also a lack of relevant expertise in the transition economies to deal with the digitalization using the global standards and best practices. The project will offer the target transition economies the possibility to use the key outputs from the United Nations Development Account rapid response to the COVID-19 project on Transport and Trade Connectivity in the Age of Pandemics to address the above challenges. ECE produced a package of standards for electronic document and data exchange for multimodal transport digital corridors and supply chains and a set of reports from initial pilot projects, which set out a list of best practices that can be followed by other transition economies. This package of data standards and artefacts (data subsets, data structures, and ready schemas) provides a basis for the development and use of interoperable electronic document equivalents and data sets of key documents accompanying goods moved by road, railway, air, maritime and inland water transport as well as some additional documents.

The complexity of the digitalization of trade and transport information flows and supply chains is often underestimated. It can create differences between those who are able and those who are not able to reap the benefits of progress in this area. For this reason, the project will contribute to one of the key principles of the 2030 Agenda for Sustainable Development – leaving no one behind – by targeting potentially disadvantaged countries and communities. The project will work with selected transition economies in the ECE region. It will build on an inclusive approach, looking for innovative ways to involve SMEs and disadvantaged communities in isolated parts of countries in the development work and the implementation. At least one roll-out project will involve a "secondary" region or province in a country. The human rights-based approach to the digitalization of international trade means that cross-border trade should help ensure that the conduct of international trade is consistent with international human rights norms and principles, notably regarding participation, transparency, privacy and accountability.

Inefficiencies in trade affect all of society – government agencies, the business community and consumers alike. Yet times of crises, like the COVID-19 pandemic, have indicated that vulnerable groups are especially affected by these inefficiencies. SMEs, small traders and vendors, many of which are operated by women or minority members, have felt disproportionately the impact of social distancing and quarantine measures. Young people – girls and boys – have been seriously affected by the crisis as their chances of getting high-quality jobs and developing professionally after graduating from school have been challenged. Harmonized and standardized digitalization of transport and trade information flows has the potential to affect these vulnerable groups positively, giving them a chance to integrate in innovative processes, engaging in new professional prospects that have not been available before.

The project will pay attention to building the resilience of the poor and those in vulnerable situations. More resilient supply chains, using the tools for digitalization of transport and trade offered by this project, will reduce the exposure of members of vulnerable groups to the vagaries of climate- or pandemic-related extreme events and other economic, social and environmental shocks and disasters. Strengthened and more efficient supply chains, especially in agricultural trade supporting food security, will help end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round. As the project enhances the use of enabling technology, in particular information and communications technology, it will aim at engaging women in the activities of the project,

notably, to use better their capacity in software engineering and IT implementation.

The pandemic has caused disruptions to international freight transport and trade, supply chains and travel, agricultural, industrial, and commercial systems, notably, in the countries with economies in transition, which form the bridge between Europe and Eastern and Southern Asia. These countries are the target beneficiaries for this project. The transition economies targeted by this project play the role of trade and transport links connecting powerful trading countries and blocs in Europe, East, North and South Asia. Some of these neighbours promote their own standards and tools for data and document exchange. In this sense, the project, which offers assistance in using the neutral UN standards, would help the beneficiary countries in more than one way. Enlisting support for the use of UN standards for data sharing would be an additional benefit for the small countries from the project. For this reason, stakeholders in the neighbouring countries will be invited to participate in the relevant activities under the project.

The disruptions during the pandemic have created unprecedented challenges for the achievement of the Sustainable Development Goals (SDGs) enshrined in the 2030 Agenda, threatening the very advancement of sustainable development, creating risks for the implementation of poverty eradication, ending hunger, improving livelihoods, food security, environmentally sound waste management, and access to medical equipment. Many of the issues that have come to the fore during the pandemic are expanded forms of pre-existing structural impediments to trade and transport, as evidence from the SPECA participating countries has shown. Such solutions as the expected outputs of this project have been envisaged by international organizations for years, yet efforts to harmonize the electronic exchange of data and documents from a multimodal and multisector perspective have been stymied by vested sectorial, corporate, national, or even individual interests. The global response to COVID-19 is expected to include intensified international cooperation to contain the economic effects of the pandemic on cross-border supply chains, parallel to improving the sanitary safety in the international supply chains. It implies better exchange of information, scientific and technical knowledge, and best practices.

A mindset change will be needed, away from the silo mentality of separate companies, modes of transport, countries, and sectors of the economy, to accept the advantages of harmonizing various standards and processes with the UN semantic standards as international public goods. The benefits of achieving seamless exchange of data in cross-border multimodal transport and trade operations are in building more efficient and resilient responses to crises affecting supply chains in the transition economies. Tests of interoperability among modes of transport and between the private sector (in the transport chain) and the regulatory authorities will be performed as part of the project. Pilot implementation cases of the new tools, based on UN standards, in the transition economies are envisaged.

The outreach part of the project will focus on the call to help United Nations member States “build back better” after the pandemic in two directions: (a) enhancing the capacity of Governments in the target countries for policy formulation and implementation with regard to the need to harmonize standards and solutions for the digitalization of supply chains, trade and transport operations, using UN standards and tools, increasing the efficiency of these operations and multimodal digital corridors, while lowering the risks of infection with the COVID-19 virus; (b) providing technical assistance for the rollout of the package of standards and standardized electronic document equivalents, as well as (c) disseminating best practices identified in the UNDA COVID-19 connectivity project in the selected economies in transition.

## 3.2 Country level situation analysis

| Country | Status of affairs | Realistic outcomes (grounded in the outcomes in the results framework in section 4.2) |
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| Azerbaijan | Azerbaijan has highly professional Customs service, which was at the origins of one of the first Single Window systems in the region. UNECE has provided support to Azerbaijan in trade facilitation, Single Window development, and data modelling. Currently, the Single Window needs a review and alignment with the latest standards and tools. The OECD Trade Facilitation Indicators report for Azerbaijan notes that the key areas for improvement involve internal and external inter-agency cooperation, which includes collaboration with entities involved in international transport. The OECD report urges Azerbaijan to improve the quality of telecommunications and IT supporting the automation of border processes.[10] The problem indicated in 3.1 above: fragmentation of digitalization efforts and lack of capacity to implement the global (UN/CEFACT) standards, is expressed in the different level of readiness between Customs and the other regulatory agencies and the business community. Another comment of the OECD report is the need for regulatory agencies to develop better cooperation with business.<br><br>In 2021, Azerbaijan completed its 3rd Voluntary National Review of implementing the SDGs. National development priorities include areas directly related to this project: "steadily growing competitive economy", accelerated economic diversification, clean environment, and green growth. For example, Azerbaijan noted its interest in "South-South and triangular regional and international cooperation on and access to science, technology and innovation", highlighting the Azerbaijan Digital Hub project in this respect. Azerbaijan has much to offer to its peers and much to receive from them. Cooperation for the implementation | Continue the collaboration initiated under various projects by UNECE with Customs, the Ministry of Transport, the business community in Azerbaijan, the GUAM and TRACECA organizations supporting multimodal transport corridors, and other stakeholders, to advance practical solutions using the package of standards, artefacts and best practice recommendations available at UNECE, ESCAP, the International Civil Aviation Organization (ICAO), the International Maritime Organization (IMO), the International Port Community Systems Association (IPCSA), and others, for this project. The realistic outcome would be pilot projects on the implementation of the tools, on which this project is built, supporting multimodal corridors passing through Azerbaijan East-West and North-South, as well as data sharing among ports in the Caspian Sea region. Azerbaijan can serve as a pivotal country for the region, involving countries which are not directly in the list of beneficiaries.<br><br>Within the timeframe of the project, Azerbaijan is expected to advance the automation of data and documentary flows in at least one corridor crossing the country, using the UN standards supported by the project. At least one regional network of experts may be supported through an event in Azerbaijan. |

[10] https://www.compareyourcountry.org/trade-facilitation/en/1/AZE

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| | of the package of standards and modelling methodologies has started between UNECE and Azerbaijani Customs and Ministry of Transport. Azerbaijan joined the CPTA in 2017 and is currently conducting a readiness assessment for cross-border paperless trade facilitation with the support of ESCAP. | As a result of the project, it is expected that Azerbaijan would be able to use the significant resources in its economy to work on the digitalization of transport and trade, in alignment with international standards. We expect a much higher digitalization of multimodal transport and trade flows at the end of the project. |
| Georgia | Georgia has made significant progress in trade facilitation and Customs reform in the last decade. A national Data Exchange Agency was established, which includes in its work plan Single Window for export and import clearance. On many trade facilitation indicators, Georgia performs better than similar middle-income countries: e.g., on documentary formalities, automation, border agency cooperation and information availability. However, the country still does not have an established system for advance ruling[11], a sustainable national TF body, nor a Single Window, and still must work on the implementation of international trade facilitation and e-business standards.<br><br>In its 2020 VNR, The Government has prioritized knowledge-based and innovation-driven economic development and actively supports the increase of innovative activities of micro, small, and medium-sized enterprises, including startups and individuals, and their participation in the digital economy. Georgia is currently conducting a readiness assessment for cross-border paperless trade facilitation with the support of ESCAP. | Georgia has established a good basis for progress in trade facilitation and the digitalization of transport. It has implemented many of the essential measures in the WTO Trade Facilitation Agreement (TFA) as the foundation of a comprehensive reform of trade and e-business procedures. The project will help establish a roadmap for the integration of the country in the digitalization of international multimodal transport and trade corridors and paperless trade. The project will involve Georgia in pilot projects with the GUAM and TRACECA organizations supporting multimodal transport corridors<br><br>The project will continue cooperation with Customs, the Ministry of Economy, the business community and other stakeholders to advance practical solutions using the package of standards, artefacts and best practice recommendations available at UNECE, ESCAP, ICAO, IMO, IPCSA and other |

[11] See the OECD report on trade facilitation indicators in Georgia: http://www.oecd.org/tad/facilitation/Georgia_OECD-Trade-Facilitation-Indicators.pdf

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| | | organizations to be used in this project.<br><br>Within the timeframe of the project, Georgia is expected to advance the automation of data and documentary flows notably in the multimodal corridor passing East-West through Georgia, using the UN standards supported by the project.<br><br>As a result of the project, it is expected that Georgia would be able to build on its advances in trade facilitation the last years to work on the digitalization of transport and trade, in harmonization with international standards. We expect a much higher digitalization of multimodal transport and trade flows along the GUAM corridor after the end of the project, focusing on at least one pilot project, involving the automation of information exchange in at least two modes of transport (e.g., rail and maritime). |
| Ukraine | The OECD trade facilitation indicators report states that Ukraine's performance has improved in 2017-2019 in the areas of automation of border processes and streamlining procedures. It recommends completing the development of a Single Window and automated risk management procedures, both currently under development. UNECE has supported the development of a Ukrainian Single Window for years.<br><br>Ukraine has noted in its VNR a vision for sustainable economic development: developing innovations and circular economy technologies…, digitalization of the economy and creation of new decent jobs. All of these can be positively affected by the implementation of the project. | The project can and should contribute to the completion of the development of the digital transformation of multimodal corridors passing through Ukraine and building a Single Window, as clearly demanded at the three latest annual UNECE "Odessa seminars" on trade facilitation, the Single Window and data sharing.[12] UNECE has strong collaboration with governmental and private stakeholders in Ukraine and this project can leverage a "south-south" cooperation in terms of transferring expertise and best practices from Ukraine to the other transition economies. |

[12] https://unece.org/sites/default/files/2021-08/Seminar_Recommendations_0.pdf

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| | Ukrainian experts have been at the heart of the implementation of similar projects in the past, so, Ukraine has much to offer to its peers in this project. | Within the timeframe of the project, Ukraine is expected to advance the automation of data and documentary flows notably in two multimodal corridors passing East-West (the GUAM corridor) and North-South (Black Sea – Baltic Sea corridor) through Ukraine, using the UN standards supported by the project.<br><br>As a result of the project, it is expected that Ukrainian government agencies will become more involved in the activities in this area that were already started by a very active private sector. As a result, it is expected that the country will build on its advances in trade facilitation and the digitalization of transport and trade to align them even further with the UN/CEFACT standards. It is expected that the results of this project will be used in the ongoing Single Window project in Ukraine, which involves Customs, Ministries of Finance, Economic Development and Trade and others.<br><br>We expect that Ukraine will accelerate the digitalization of multimodal transport and trade flows along the Black Sea – Baltic Sea and GUAM corridors, focusing on at least two pilot implementation project, involving the automation of information exchange in all five modes of transport (road, rail, maritime, inland water, and air). It is expected that Ukraine will act as a locomotive for other countries in the region (Belarus and Moldova), involving partners in the work on digitalization of multimodal transport data and document exchange. |

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| Uzbekistan | Uzbekistan has undertaken large-scale reforms in the framework of its national Action Strategy for 2017-2021 and its five priority areas, which serve as a pathway to achieving the SDGs. In its first VNR, in 2020, Uzbekistan stressed the need for strengthening the market economy and improving the business climate. The last three years, the country has been deepening cooperation with the other Central Asian countries especially for the sake of rational use of trans-boundary resources and trade. It has also strengthened collaboration with UN agencies and international financial institutions (SDG17).<br><br>There is a documented will in the Government of Uzbekistan to innovate and introduce new ways of moving goods internationally, notably through digitalization. UNECE is currently implementing a first project with a local consultant in Uzbekistan on the country's readiness to implement the package of standards for multimodal transport data exchange. Yet the two problems identified in section 3.1 – fragmentation of digitalization efforts and lack of capacity to implement the UN standards – are obvious in Uzbekistan more than the other beneficiary countries. Uzbekistan conducted a readiness assessment for cross-border paperless trade facilitation in 2019 with the support of ESCAP. | Uzbekistan has already asked UNECE to assist with the implementation of the UN/CEFACT standards for digitalization of multimodal transport and trade information flows and its Single Window for export and import clearance. The project will allow stakeholders in Uzbekistan (a pivotal country in Central Asia, which remained on the sidelines of regional development for more a decade) to catch up even faster with the regional dynamics. The new leadership of the country has taken steps to cope with the delay and re-position Uzbekistan at the centre of this regional dynamic, as clearly demonstrated at the SPECA events in Tashkent from 16 to 19 November 2021.<br><br>Uzbekistan can benefit from the knowledge and experience of its neighbours, and also play a key role in the development of digital corridors in Central Asia.<br><br>Within the timeframe of the project, Uzbekistan is expected to make the first important steps for the automation of data and documentary flows notably in the multimodal corridors crossing Uzbekistan East-West and North-South, using the UN standards supported by the project. In November 2021, Uzbekistan stated its demand to collaborate with UNECE and other devleoment partners on a Shymkent-Tashkent-Khujand digital corridor.<br><br>As a result of the project, it is expected that Uzbekistan would be able to develop a set of electronic document equivalents for rail, road, and air cargo transport, and start using them in pilot projects, notably with its |

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| | | neighbours – Kazakhstan and the other Central Asian countries. We expect the first steps in the practical implementation of at least four such electronic document equivalents during the project. |

## 3.3 Stakeholder analysis and capacity assessment

| **Non-UN Stakeholders listed in order of level of involvement in the project** | **Type and level of involvement in the project** | **Capacity assets** | **Capacity Gaps** | **Desired future outcomes** | **Incentives** |
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| Ministries of Transport, Economics, Trade, and Finance, Customs services in the countries. | Trade-related regulatory agencies have obligations to support trade facilitation and electronic business. Notably, Ministries of Transport and Customs have their digitalization programmes and the project must involve cooperation with these programmes. | Many agencies have a comparative advantage in implementing trade facilitation and digitalization standards in their specific sectors (transport documents accompanying goods, dangerous goods declarations, phytosanitary and other documents based on the broader UN/CEFACT standards, such as the Layout Key for trade documents). Best practices, such as successful | Some agencies are slower in implementing digitalization. Some agencies are slower than others in their response to the challenges of the COVID-19 pandemic. They may lack capacity or political will to change. The fragmentation of digitalization efforts clearly affects the work of the separate regulatory agencies.<br><br>As this project focuses on policy development and change | Increased capacity to participate in the digital transformation of multimodal transport and trade data exchange. The project will work with several regulatory agencies to increase their capacity to implement digitalization standards.<br><br>Improved interagency cooperation in digitalization and Single Window projects for the realization of international standards, data harmonization. | All involved regulatory agencies will benefit from their engagement in the project and digitalization of information flows in cross-border trade and transport, in terms of higher efficiency of control operations, enhanced trade volumes, while limiting the impact of the COVID-19 pandemic on their staff, and on society as a whole. The use of international standards will raise the efficiency of their work. |

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| | | Single Window projects, can be taken as examples for other agencies to follow. | mentality, qualified specialists in some agencies and countries may help others. Not many specialists can work on streamlining and automating documentary procedures and implementing international standards beyond the immediate requirements in their sectors. | The digitalization effort would lead to seamless information flow in multimodal transport and supply chains thus supporting the effort to eliminate the risks from the COVID-19 infection. | |
| National Trade Facilitation Committees (NTFCs) | The NTFCs will become a partner in the implementation of the project in each country. The project will contribute to the functional capacity of the NTFCs, but it will also use them as platform for advancing the implementation of standards, pushing the roll out of digitalization efforts based on the standards. | NTFCs can benefit from exchanges of best practice experience of the countries in implementing the UN/CEFACT standards. The entry into force of the WTO TFA boosted the establishment and functioning of NTFCs, and the implementation of international trade facilitation and e-business standards has always been a | NTFCs often lack the capacity to interpret and implement the international e-business standards and support digitalization as part of trade facilitation. In this sense, they are vulnerable to accept ad hoc solutions for the digitalization of transport and trade operations. This can be a | The desired outcome is a re-engagement of the NTFCs in the implementation of standards for digitalization of international trade and transport information exchange beyond the implementation of the WTO TFA. NTFCs should be able to work on the use of international standards for the digitalization of | The countries have an incentive to digitalize and dematerialize the information flows in international trade. WTO's work on trade facilitation and e-commerce, and the need to face the challenges of COVID-19 stimulate such work. NTFCs can find a stimulus in the call for them to work on the digital transformation of trade and transport information exchange. |

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| | | key function of these committees. | problem in the long run.<br><br>Unfortunately, the COVID-19 pandemic brought many NTFCs to a standstill, while they had to push for a rapid response, including based on the use of international standards and best practices. | information in multimodal transport and supply chains.<br><br>Practical use of the UNECE-developed guides on the use of UN/CEFACT standards for trade facilitation and e-business. | |
| The business community (Chambers of Commerce, freight forwarder, Customs broker and other business associations) | The business community in each country will provide input from the business perspective to all activities. In some cases, they can provide practical support to pilot implementation projects, expertise, constructive proposals, analysis of shortcomings and burdensome procedures in document and data exchanges; business | Business is the key provider of trade data and information, and it is the ultimate user of trade facilitation tools. Some enterprises and business associations have invaluable experience and knowledge in the development and implementation of digitalization solutions for transport chains.<br><br>Some business sectors (e.g. freight forwarders) perfectly grasp | The business community is often related to one of the two key problem addressed in this project: the fragmentation of digitalization efforts.<br><br>In addition, relations between regulatory agencies and the business community are often tight, lacking trust.<br><br>National business associations are often weak in the transition | Better understanding in the business community of the advantages of using UN (UN/CEFACT) standards for the digitalization of supply chains. More trust built between the public and private sectors, based on cooperation. Capacity of business associations to engage in concrete pilot implementation projects and capacity to work with them, increased. More | In the long run, the business community, notably SMEs, freight forwarders and other partners, has a genuine interest in the standardization of digitalization efforts for international transport and trade procedures and information exchange. Consequently, they have an interest in participating in the effort under this project.<br><br>The project may help raise awareness of the incentives to use a standardized approach, thus |

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| | process analyses. | the importance of harmonizing and standardizing the digitalization of transport and supply chains. In general, business has a key role to play in digitalization and this project. | economies. They may lack capacity to work on digitalization, and the link to relevant government agencies may be weak. | participation of the business community in the target countries in the real-world pilot implementation projects. | overcoming the limitations of short-term interests of businesses to go alone.<br>Both public and private sectors have an incentive to improve trust and build public-private partnerships in the digitalization endeavor. |
| International organizations dealing with documentary and data exchange | International organizations with mandates in document and data exchange (UNECE, ICAO, IMO, OTIF, OSJD, WCO, FAO, EU, EAEU, TRACECA, GUAM, etc.) have accumulated experience and concrete projects supporting the digitalization of international transport and trade. Some of these agencies have obligations to support trade facilitation and the digitalization of transport and trade. | Some IOs have worked on digitalization standards in their specific sectors (trade and transport documents, Customs and dangerous goods declarations, phytosanitary and other certificates). Synergies with these organizations are built to use the UN/CEFACT standards and reference data models. | A fragmentation of digitalization efforts clearly affects the work with international organizations. | Building synergies with these organizations is a priority. Seminars, brainstorming meetings, and discussions are a must. | The key UN and non-UN IOs dealing with document and data exchange benefit from the project as it gives them the holistic perspective of developing more efficient and safer (in the face of the COVID-19 pandemic) data exchange environment for seamless and more resilient supply chains. This is a contribution to building life better after the pandemic. |

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| International business associations dealing with the digitalization of data and document exchange for multimodal transport and trade. | International business associations, such as FIATA, IATA, CIT, IRU, etc., have accumulated experience and concrete solutions/ standards supporting the digitalization of international transport and trade. | We already work on the issue of developing standards for the digitalization of multimodal transport and trade data and document exchange. The point is to build synergies in such a way that these associations join the work on pilot implementation projects. | Unfortunately, the fragmentation of digitalization efforts seriously affects the work with these business associations. Some of them have serious resources and have invested a lot in digitalization efforts. | Experts in these associations are very well suited to understand the advantages of the approach suggested by us. Building synergies with these associations is a priority. Seminars, brainstorming meetings and discussions are a must. | Even if these associations have a short-run incentive to defend their sectorial interests, they see that in the long run the business community has a genuine interest in standardizing the digitalization of transport and trade data flows. |

# 4 PROJECT STRATEGY: OBJECTIVE, OUTCOMES, INDICATORS, OUTPUTS

## 4.1 Project Strategy

The overall aim of the project is to enhance the capacities of national stakeholders, both public and private, to advance the digital transformation of multimodal transport and trade information exchange, using the package of standards and set of best practice examples for multimodal transport and trade data and document exchange, developed under the UNDA project *Transport and Trade Connectivity in the Age of Pandemics* (https://unttc.org), notably in the segment https://unttc.org/stream/electronic-trade-and-transport-documents-and-data. By moving to further pilot implementation projects of the UN/CEFACT standards, the project will make a substantive contribution to increasing the efficiency of supply chains and, by limiting physical contacts in the transport chain, inspection of documents and data. It will contribute to the efforts to limit the spread of the current or future pandemics, while offering ways for increasing the overall efficiency of trade operations.

The first outcome of the project will focus on strengthening the methodological basis and policy coherence in the target countries for a digital transformation of data and document exchange for cross-border multimodal transport and trade. Using a wealth of material already developed by UNECE, other international organizations, such as ICAO, IMO, the other UN Regional Commissions and UNCTAD, the project will start from developing a methodology (OP.1.1) for the implementation of the UN standards for multimodal data and document exchange. A simple eLearning tool (with expert presentations on how to use the standards for the creation of real-life electronic document equivalents and data exchange, uploaded on the UNECE YouTube channel) will be prepared to serve in the further training exercises. Using the methodology prepared under OP 1.1, experts will carry out five national gap analyses of the readiness of countries to implement electronic document equivalents for key documents accompanying goods, analyzing the readiness of the countries to implement

these advanced tools (OP 1.3). Further, the project will organize two policy events: high-level policymaker forum on the digitalization of information flows in international supply chains to build political will for the realization of the proposed solution and a sub-regional workshop to present and advance a vision and methodology of digital multimodal transport corridor development (together with ESCAP), using the package of standards (OP 1.4). One option for this corridor (if the countries concerned agree to cooperate) would be, for example, a digitalization segment for the ongoing project in support of the railway connecting Kazakhstan with the Indian Ocean, which would be the most efficient route to a sea for the Central Asian countries. On this basis, the project will support one model pilot project with a sectorial or regional organization or digital corridor (OP 1.5), with three countries to digitalize one or more trade or transport documents used in those countries. Closer to the end of the project, (OP 1.6) a capacity-building workshop for all target countries will take stock of all the streams of action and validate an overall report of the project with recommendations for further action will be organized.

As the target countries are situated along important trade routes between significant trading centres, representatives of the relevant neighbouring country trading and transporter communities will be invited to join the relevant activities.

The second outcome will focus on capacity building for the practical implementation of the proposed standards for the digitalization of multimodal transport and trade in the target countries and subregions. The goal is to use the package of standards for digital multimodal corridors and paperless supply chains to enhance the capacity of countries to cope with the effects of the COVID-19 crisis. The UNECE will organize one hybrid seminar (OP.2.2) for all beneficiary countries and the business community to identify business requirements for digitalization of concrete documents and availability of technical skills to implement the international standards. A capacity-building session with a structured programme for building skills in the target countries to implement innovation practices, including technology transfer for the implementation of the electronic document equivalents aligned to UN standards and other tools. For these capacity-building activities, UNECE will develop, use at the seminars, and disseminate a training material (OP2.1) on (a) how to implement the package of standards for electronic document equivalents aligned to the UN standards, and (b) how to develop and use data models for digital multimodal transport corridors based on the UN/CEFACT Multimodal Transport Reference Data Model (MMTRDM) (to be published in English and Russian). In this vein, the project will organize three hybrid workshops (OP2.3) with combination of countries, possibly following a corridor approach, e.g., Belarus-Moldova-Ukraine; Azerbaijan-Georgia-Ukraine; Azerbaijan-Kazakhstan-Uzbekistan, or another combination of countries, to build national capacities and address key issues at the national level, review the substance and implementation of the methodology described above. Further, two model multi-country and multi-stakeholder pilot projects (e.g., in a digital corridor, implementing concrete documents) (OP2.4) will be put in place. To address the aspect of innovation, hybrid seminars and follow-up actions on necessary innovations for the implementation of the package of standards and methodology presented above (OP 2.5) will be organized, including an assessment of the cost and time necessary for implementation in pilot projects specified in OP2.4.

To secure political buy-in and enhance its sustainability, the project for countries of common membership with ESCAP will be implemented while building synergies with the activities of UN/CEFACT and the Paperless Trade Council and its subsidiary bodies of the CPTA. As the CPTA has specific provisions on use of international standards and pilot projects, linking implementation of pilot projects with activities of the Paperless Trade Council and its subsidiary bodies of the CPTA would help adoption of UN/CEFACT standards as well as buy-in for initiation of pilot projects in target countries with ESCAP membership.

Paradoxically, the COVID-19 pandemic has created a window of opportunity to overcome the limitations of the vested interests mentioned above, which have blocked the harmonization of standards under the UN umbrella. There is more understanding now of the urgency that sectorial and national agencies do not work in isolation and use shared standards as a common denominator to exchange data seamlessly. The knowledge and work

needed to achieve this harmonization and digitalization in the transition economies is daunting, and this project will help them do it. For this reason, a stakeholder meeting, involving major ECE member States, relevant sectorial organizations, and the business community will be held at an early stage of the project. Given the risk that some stakeholders may resist the efforts to provide a common foundation for the digitalization of data and document exchange in the international transport chain (as described in section 4.3 *Risk and mitigating actions*, the project manager and consultants will constantly reach out to stakeholders in relevant sectorial and regional organizations, national regulatory and specialized transport agencies, as well as international and national business associations.

To help the target countries implement such innovative solutions for the dematerialization of supply chains, trade and transport operations, a special stream in the project's activities will be dedicated to the work on improving the innovation systems in the target countries, so that the relevant agencies and private firms enhance their capacities to absorb the innovative solutions offered in this project. As innovation is broadly defined as new-to-the-market products, services and production processes that are important drivers of economic growth and sustainable development. The key challenge is to take the standards and solutions that have been developed elsewhere and use them well in the target countries, modifying them as appropriate. Innovation is also critical to finding new and better ways of using resources judiciously, mitigate and adapt to climate change, and combat waste and pollution, while ensuring job growth, poverty alleviation and prosperity.

The project will consider how to:

(a) address the need for better information exchange on environmental and other sustainable development issues in the overall effort to digitalize information sharing for cross-border trade and transport, as the project focuses on the automation of documentary procedures for consignment notes, bills of lading, certificates, permits, etc.,

(b) support the creation of new and more attractive jobs – digitalization should not simply eliminate jobs to increase efficiency (and unemployment) and the project will indicate ways to apply the potential of innovation to find new, even more rewarding jobs from a professional, moral, human, and material perspective,

(c) tackle the disproportionate effect of the COVID-19 crisis on disadvantaged groups, the unemployment it has created among these groups, its impact on human rights, discrimination, stigmatization, exclusion and inequalities. A special emphasis will be made on the new tools as enablers for the integration of SMEs in enhanced cross-border supply chains. On the one hand, SMEs have suffered disproportionately from the impact of the pandemic. On the other hand, successful SMEs indicate a stable middle class and basis for democratic development. In addition, as a major part of the project refers to the development and roll out of tools for digitalization and strengthening the resilience of supply chains, trade and transport operations, a conscious effort will be made to build on the expertise of women specialists in IT development and implementation,

(d) contribute to gender equality by involving women professionals in the highly professional work of developing and implementing solutions for digitalization, promoting the involvement of women professionals in the management and roll out of further pilot implementation projects,

These approaches will be utilized to promote and advance social inclusion and equality, so that no one is left behind.

## 4.2 Results Framework

| **Intervention logic** | **Indicators of achievement** | **Means of verification** |
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| **Objective:** To strengthen and green supply chains and enhance their resilience and inclusivity, based on harmonization and digitization of trade and transport information flows in selected transition economies, using UN standards. | | |
| **Outcome – OC1:**<br>Enhanced capacity of policymakers in selected countries with economies in transition to formulate policies to identify and fill in gaps in electronic exchange of trade and transport information, aligned with international (UN) standards. | **IA 1.1**: *Policy instruments to implement electronic exchange of trade and transport information, aligned with international (UN/CEFACT) standards, adopted in 4 out of 7 beneficiary countries*. | Reports and reactions from the target countries on the realization of the "Call for Action" for the use of UN/CEFACT standards. The results of the project's implementation reported at the annual sessions of the UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT) as well as the Steering Committee on Trade Capacity and Standards; relevant legislation on digitalization and e-commerce (beyond the scope of this project) would attest to the interest in this project and its deliverables. |
| | **IA 1.2:** The Methodology for the implementation of the global (UN) standards for multimodal data and document exchange developed under OP 1.1 promoted by the capacity-building activities and practically used in at least two target countries. | Reports from target countries on the implementation of the standards and pilot implementation projects, aligned with the Methodology of implementation of the standards (at national policy meetings or reports of events organized by the UN (ECE). The results of the project's implementation reported at the annual sessions of the UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT) as well as the Steering Committee on Trade Capacity and Standards. |
| **Output OP1.1:** Develop a methodology for the implementation of the global (UN) standards for multimodal data and document exchange. UNECE, working with ESCAP, partner agencies, including OSJD, ICAO, the Eurasian Economic Commission, etc., and consultants, will develop and practically use a methodology for the implementation of the standards, as well as a guide for their use. | | |
| **OP 1.2:** Develop further a simple eLearning course, using the experience of the UNDA COVID-19 connectivity project (a set of recorded PPt presentations made by experts and uploaded on the UNECE YouTube channel) that can be arranged in a logical manner to help the self-education of experts working on the digitalization of multimodal transport data and document exchange. As interactive eLearning courses, involving assessment of the students, tend to be too expensive for the budget of this course, we will limit this course to demonstrative learning material (like recorded expert presentations on how to use the standards to develop real-world electronic document equivalents) | | |

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| **OP 1.3:** Carry out 5 national gap analyses of the readiness of the countries to implement electronic document equivalents for key documents accompanying goods, notably: electronic maritime waybill, road, railway, and internal waterway consignment notes; invoice, certificate of origin. 5 out of the 7 beneficiary countries will be selected on the basis of willingness to work in this direction and demonstrated capacity by the time of the gap analyses. Special attention will be paid to enhancing the use of the electronic equivalents of transport documents, agricultural exports, food security, and environmental certificates, and to the involvement of disadvantaged groups and gender equality. Identify agencies and private sector entities, which have the relevant IT systems or are ready to build them and are ready for innovative implementation of the package of standards or relevant parts of it. (ESCAP to do the gap analysis for 2 countries with common membership in coordination with UNECE and UN/CEFACT). |
| **OP 1.4:** Organize a hybrid (physical and online) high-level policymaker forum on the digitalization of information flows in international supply chains to discuss further elaboration and implementation of the package of standards for digital multimodal and multisector information exchange. This will be a political event with the participation of policymakers in the target countries, as well as important players in world trade, the key UN agencies dealing with standards for trade documents and digitalization (UNECE, ICAO, IMO), international organizations involved in this area: the European Commission, the Eurasian Economic Commission, GUAM, TRACECA, ADB, OSJD, OTIF, etc., international business associations such as IATA, CIT, IRU, etc. The objective is to secure buy-in for the implementation of the package of standards for digitalization of multimodal transport.<br>Part of this event may be organized as a more technical workshop for policymakers dealing with digital corridors to present the vision and methodology of digital multimodal transport corridor development [in cooperation with ESCAP]. The objective is to enhance the broad acceptance of the products of OP 1.1 (methodology, guide and eLearning course) by the stakeholder community. |
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| **OP 1.5:** Organize one pilot project with a sectorial or regional organization (or a digital corridor) with three countries to digitalize a trade or transport document used in the countries (e.g., the FIATA multimodal Bill of Lading, the ICC Certificate of Origin, SMGS or CIM/SMGS railway consignment note or another document). The focus here is on the cooperation with a partner organization (ICAO, IATA, OSJD, Russian, Ukrainian, Lithuanian, or other railways, FIATA or other organizations) in order to ensure their buy-in for practical implementation of the standards. This is a different approach from the one in OP 2.4. Attention will be paid to the involvement of disadvantaged groups and gender equality. |
| **OP 1.6:** Organize a capacity building workshop for all target countries to take stock of all the streams of action and validate an overall report of the project with recommendations for further action. This will be a key capacity-building event for all target countries, possibly at the middle of the timeline of the project to take stock of advances and see how the work can be advanced. The targeted participants will involve more technical experts than the events listed above. |

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| **Outcome - OC2:** Strengthened national capacity in selected countries with economies in transition to implement a package of standards for digital multimodal corridors and paperless supply chains to cope with the consequences of the COVID-19 crisis. | **IA 2.1**: . At least 80% of experts and policymakers, including representatives of disadvantaged groups participating in the capacity-building activities, confirm that their knowledge has improved as a result of the project. | Evaluation forms filled at the end of capacity-building events and analyzed in evaluation reports based on these forms. |
| | **IA 2.2:** Four countries adopt at least three electronic equivalents each for key documents accompanying goods along digital multimodal corridors, aligned to the UN standards for digital multimodal transport information exchange, developed by national experts form the public and private sectors. | Reports from target countries on its implementation at national policy meetings or reports of events organized by the UN (ECE) – such as the annual ECE Odessa seminars on trade facilitation, annual sessions of the UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT) as well as the Steering Committee on Trade Capacity and Standards. |
| **Output OP2.1:** Develop, use at the seminars, and disseminate a training material on (a) how to implement the package of standards for electronic document equivalents aligned to the UN standards, and (b) how to develop and use data models for digital multimodal transport corridors based on the UN/CEFACT Multimodal Transport Reference Data Model (MMT RDM) (to be published in English and Russian). | | |

| |
|---|
| **OP 2.2:** Organize one hybrid seminar for all beneficiary countries (e.g., Azerbaijan, Belarus, Georgia, Kazakhstan Moldova, Ukraine, and Uzbekistan) and the business community to identify the (a) business requirements for digitalization of concrete documents and sectors of the supply chain and (b) availability of technical skills to implement the international standards in digital multimodal transport data and document exchange. A capacity-building session with a structured programme for building skills in the target countries to implement innovation practices, including technology transfer for the implementation of the electronic document equivalents aligned to UN standards and other tools. The participants in this seminar will include experts with technical skills from the relevant national agencies dealing with transport and transit procedures, trade regulations, the business community (traders, transporters, freight forwarders, IT developers, etc.) |
| **OP 2.3:** Organize 3 hybrid workshops (with combination of countries, following a corridor approach: e.g. Belarus, Moldova and Ukraine; Azerbaijan, Georgia and Ukraine; Azerbaijan, Kazakhstan, and Uzbekistan), involving neighbouring countries, to build national capacities and address key issues at the national level; review the substance and implementation of the methodology for developing digital multimodal transport corridors aligned with international standards (ESCAP to lead a workshop in coordination with UNECE and UN/CEFACT for a combination of counties which have also ESCAP membership). Countries will be selected for the 3 projects / workshops on the basis of willingness and demonstrated capacity to work on such corridor-based pilot projects. The participants in this seminar will also include experts with technical skills from the relevant national agencies and the business community in the relevant sub-groups of countries. |
| **OP 2.4:** Organize two multi-country and multi-stakeholder pilot projects (in a digital corridor or implementing concrete documents with the partner implementing entities – ESCAP, ICAO - e.g., in Belarus-Moldova-Ukraine; Azerbaijan-Georgia-Ukraine; Azerbaijan-Kazakhstan-Uzbekistan, Kazakhstan-Turkmenistan-Iran, or another combination of countries (ESCAP to lead a pilot project in coordination with UNECE and UN/CEFACT for combination of counties which have also ESCAP membership). The exact projects will be defined with the countries and the partners (ESCAP, etc.) and will be demand-driven. |
| **OP 2.5:** Organize two hybrid (physical and online) seminars (one for each group of countries participating in pilot projects specified in OP2.4 and follow-up activities on innovation (of processes and services) necessary for the implementation of the package of standards in the target economies, in IT systems of relevant regulatory agencies and business companies, and methodological support on how to build a system to support electronic document exchange, including an assessment of the cost and time necessary for implementation in the beneficiary countries, but also some neighbouring countries such as Turkmenistan and Iran, or another combination, if they are involved in relevant activities under this project. These seminars will be focused on concrete issues / groups of countries /corridors / modes of transport. The participants in these seminars will depend on the concrete focus of the seminars. |

The project's outputs are planned in such a way that if need be (if the COVID-19 restrictions to travel and meetings persist) the relevant activities can be easily transformed to allow for their implementation online.

The project delivery will involve qualified women specialists. Women have proven that they have excellent skills in the development of software solutions for trade facilitation and electronic business. UNECE and UN/CEFACT have always worked with women specialists in these areas. UNECE projects have always given way to equally qualified women specialists in the countries in transition (and they have good women specialists) to

work as consultants. We will continue this trend in the project.

Trade facilitation and electronic business, to which this project will contribute, support primarily the functioning and development of small and medium-sized enterprises (SMEs). Smooth operation of multimodal transport data and document exchange, which includes not only transport documents accompanying goods, but also other trade and logistics documents, such as certificates of origin, phytosanitary and sanitary, veterinary, and technical standards certificates, and many other documents.

## 4.3 Risks and mitigation actions

| Risks | Likelihoods of risks | Mitigating Actions |
|---|---|---|
| Policymakers and experts in both government agencies and the business community may get accustomed to the realities of COVID-19, and relapse to a situation of fragmented efforts to digitalization. infections in the target countries and the world may hinder the various components of the project, including the capacity-building events.<br><br>Sectorial, corporate, national, or institutional interests and separate solutions take prevalence, so that the target countries and business do not uptake the solutions offered in the project. | This risk remains high, as it reflects a mentality that was predominant before the crisis. Complacency with the challenges of the COVID-19 pandemic remain a likely risk. | The UN has acquired much experience in dealing with the COVID-19 situation. Online seminars and capacity-building events have become the new normal. As the project aims at increasing the efficiency and resilience of supply chains in the age of pandemics, interest in its results will not wane if policymakers ecome complacent or if the COVID-19 crisis worsens. On the other hand, we are expecting further waves of the disease, the current vaccination results indicate that they do not prevent the spread of the virus. In this sense, the project's objectives will remain relevant. |
| High turnover of staff in the target countries and agencies. Experts trained may move to other jobs or tasks. This risk aggravated in the case of IT specialists, who are in high demand for various projects in the target countries | In some of the target countries, regulatory agencies, and business community stakeholders, there is a shortage of specialists familiar with the offered standards and lack of capacity to turn them into feasible real-life solutions. | Rely on synergies built with similar efforts undertaken by resourceful partner organizations, such as the EU, EAEU, ICAO, IMO, sectorial international organizations, and business associations (such as OSJD, OTIF, CIT, IATA, etc.). The project will focus on a small number of implementation cases to achieve feasible results to serve as best practices in the future. |

## 4.4 Sustainability and scaling-up

The project is designed to foster the roll out of regional and national solutions for the digitalization of multimodal transport and trade, based on standards and best practice experiences. The results of the project will be used, in their turn, as best practice experience providing example and materials to follow to

other agencies in the countries and to other countries in the respective regions beyond the completion of the project. The objective is that regulatory agencies, business communities and international business associations active in the beneficiary countries advance with the digitalization of transport and trade data and document exchange. The pilot implementation projects (rolling out the package of standards and best practice of already accomplished pilot implementations of the standards for multimodal transport data exchange) will be further used as best practice examples for others to follow. Pilot implementation projects will refer to the activities of UN/CEFACT and for countries with common membership with ESCAP also to activities of the Paperless Trade Council and its subsidiary bodies of the CPTA to gain stronger political buy-in and to increase a chance for sustaining outcome of the pilots beyond completion of the project. Part of the project will be dedicated to updating and developing further the package of standards, so that they take into account the feedback from the implementation pilots.

The potential issue of high turnover of staff in regulatory institutions and the challenges associated with training only a select number of individuals will be dealt with by (1) ensuring political buy-in for the project's products and (2) the standards, eLearning tool(s) on their use and best practices can be replicated in other countries, regions, creating a multiplier effect. Interested stakeholders would be able to raise funds separately to implement the project in different regions, leveraging additional financial or in-kind funding to further the implementation of the project. The risks to replicating and expanding the project to other contexts are related to the overall risks of the project implementation: lack of political and business interest in implementing ubiquitous solutions (to overcome the usual fragmentation of efforts), lack of knowledge and capacity in the target economies.

# 5 MONITORING AND EVALUATION

## 5.1 Monitoring

The UNECE project manager, with input from the partnering implementing agencies, will be responsible for the regular monitoring of the project implementation. The project's progress will be reported each year by annual progress reports. The material and information related to the project will be publicly shared on a dedicated project website, managed by UNECE.

The reports will be provided according to the below timeline:

- By **31 January 2023**: 1st Annual Progress Report
- By **31 January 2024** 2nd Annual Progress Report
- By **31 January 2025**: 3rd Annual Progress Report
- By the **end of June 2026**: External Evaluation Report and Final Report

In addition, a questionnaire will be developed by the project manager to evaluate the impact, effectiveness and long-term sustainability of the project activities. The questionnaire will be circulated regularly after each workshop in the beneficiary countries among participants in the workshops.

## 5.2 Final Report

The project manager will collect data on the implementation of the project and will include it in a structured account of the implementation of the main elements of the project. The Final Report, which will follow the guidelines of the DA Team, will be submitted to the DA by the end of June 2026. If an external evaluation is

required ("projects to be evaluated will be selected at midpoint"), a draft of the Final Report will be submitted as early as possible to the external evaluator (preferably at the time of hiring the evaluator in January 2026).

## 5.3 Evaluation

If the project is selected for evaluation, the project will be evaluated in line with the Development Account Evaluation Framework and the ECE Evaluation Policy. The evaluation of the project will be conducted by an external evaluator during the last six months of the project. The evaluator will have access to project progress reports, workshop reports, as well as evaluation forms, which include a basic set of workshop evaluation questions in ECE and, to be completed by all participants in project workshops. The evaluator will also conduct interviews with key project stakeholders from target countries and partner organizations, conduct desk research and prepare the evaluation report. The ECE Programme Management Unit will provide guidance and oversee the conduct of the project evaluation. The results of the evaluation will be published at Open ECE and shared with ECE member States through the annual evaluation report.

# 6 MANAGEMENT, PARTNERSHIP AND COORDINATION AGREEMENTS

The project is relatively small, so, partnership with other UN organizations is limited. Cooperation has been discussed with ESCAP:

- The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) on the implementation of one or two multimodal corridor-based implementation cases (e.g. the railway corridor Kazakhstan-Turkmenistan-Iran and/or corridor projects involving Azerbaijan and/or projects on the implementation of the package of standards in other ESCAP subregions, as in the Mekong River basin, using the implementation best practice experiences of the standards in other regions. We will be working with the trade and transport divisions in ESCAP.

In addition, the standards and results of the intermediate pilot projects will be included in the UNCTAD capacity-building and technical cooperation tools. Coordination and cooperation will be established with the UN Resident Coordinators and relevant organizations in the UN Country Teams (UNCT) in the target countries and the other countries of the subregions, which will be involved in the pilot implementation activities. We will connect the project to the 'United Nations Sustainable Development Cooperation Frameworks' in those countries and make, as far as possible, the implementation of the UN standards the goal of other relevant UN organizations. Cooperation on concrete practical implementation issues will be developed with the UN Development Programme (UNDP).

Collaboration will be established with the International Civil Aviation Organization (ICAO) – a UN specialized agency, with which cooperation on a multimodal implementation corridor may be envisaged.

Other potential partners (not part of the core implementers of this project), with whom we can cooperate on the development and further implementation of the package of standards in different cases of multimodal corridors and data and document exchange, are: the other UN Regional Commissions and UNCTAD, the International Maritime Organization (IMO), the European Union, the Eurasian Economic Union, the Eurasian Economic Commission, TRACECA, GUAM, the Organization for Cooperation of Railways (OSJD), the Intergovernmental Organization for International Carriage by Rail (OTIF), the International Rail Transport Committee (CIT), the International Air Transport Association, (IATA), the International Road Transport Union (IRU) and others would logically be partners for cooperation in the implementation of the project.

# 7 ANNEXES

## ANNEX 1: RESULT-BASED WORK PLAN AND BUDGET DETAILS

**Table 1.1 – Results based work plan and budget**

| Outcome | Output # | Timeframe by output | | Budget class and Code *(budget classes listed in the table above.)* | | Amount (USD) |
|---|---|---|---|---|---|---|
| | | Year | Quarter | | | |
| OC1 | OP1.1 | 2022 | Q1, Q2<br>Q3, Q4 | Other Staff Costs (GTA) | **015** | 3,000 |
| | | | | Consultants and Experts | **105** | 13,400 |
| | | | | Contractual Services | **120** | 2,000 |
| | OP1.2 | 2022<br>2023 | Q3, Q4<br>Q1, Q2, Q3, Q4 | Other Staff Costs (GTA) | **015** | 4,000 |
| | | | | Consultants and Experts | **105** | 20,400 |
| | OP1.3 | 2022<br>or<br>2023 | Q4<br><br>Q1 | Consultants and Experts | **105** | 7,400 |
| | | | | Travel of Staff | **115** | 7,500 |
| | | | | Contractual services | **120** | 2,000 |
| | | | | General Operating Expenses | **125** | 1,125 |
| | | | | Grants and Contributions (Workshops/Study Tours/EGMs) | **145** | 14,000 |
| | OP1.4 | 2023 | Q1, Q2 or Q3 | Other Staff Costs (GTA) | **015** | 4,000 |
| | | | | Consultants and Experts | **105** | 13,700 |
| | | | | Travel of Staff | **115** | 10,000 |
| | | | | Contractual Services | **120** | 2,000 |
| | | | | General Operating Expenses | **125** | 1,125 |
| | | | | Grants and Contributions | **145** | 14,000 |
| | OP1.5 | 2024<br>2025 | Q1, Q2, Q3, Q4<br>Q1, Q2 | Consultants and Experts | **105** | 17,900 |
| | | | | Travel of Staff | **115** | 5,000 |
| | | | | Grants and Contributions (Grant to develop software to use in OPs 1.5, 2.2, 2.4) | **145** | 13,000 |
| | OP1.6 | 2025 | Q1, Q2 | Consultants and Experts | **105** | 11,200 |
| | | | | Travel of Staff | **115** | 7,500 |
| | | | | Contractual Services | **120** | 8,000 |
| | | | | General Operating Expenses | **125** | 1,125 |
| | | | | Grants and Contributions | **145** | 18,000 |

| | | | | | | |
|---|---|---|---|---|---|---|
| OC 2 | OP2.1 | 2022 | Q2, Q3, Q4 | Consultants and Experts | **105** | 24,100 |
| | | | | Contractual Services | **120** | 5,000 |
| | OP2.2 | 2023 | Q3 or Q4 | Consultants and Experts | **105** | 14,000 |
| | | | | Travel of Staff | **115** | 10,000 |
| | | | | Contractual Services | **120** | 2,000 |
| | | | | General Operating Expenses | **125** | 1,125 |
| | | | | Grants and Contributions | **145** | 14,000 |
| | OP2.3 | 2023<br>2024 | Q1, Q2, Q3, Q4<br>Q1, Q2, Q3, Q4 | Other Staff Costs (GTA) | **015** | 10,500 |
| | | | | Consultants and Experts | **105** | 24,200 |
| | | | | Travel of Staff | **115** | 12,500 |
| | | | | Contractual Services | **120** | 6,000 |
| | | | | General Operating Expenses | **125** | 3,375 |
| | | | | Grants and Contributions | **145** | 24,000 |
| | OP2.4 | 2023<br>2024 | Q3, Q4<br>Q1, Q2, Q3, Q4 | Consultants and Experts | **105** | 30,800 |
| | | | | Travel of Staff | **115** | 7,500 |
| | OP2.5 | 2024 | Q2 | Consultants and Experts | **105** | 12,900 |
| | | | | Travel of Staff | **115** | 7,500 |
| | | | | Contractual Services | **120** | 4,000 |
| | | | | General Operating Expenses | **125** | 1,125 |
| | | | | Grants and Contributions | **145** | 14,000 |

**Table 1.2 – Planned annual budget expenditure and cumulative financial implementation rate**.

| Year | Planned annual budget expenditure | Cumulative financial implementation rate |
|---|---|---|
| 2022 | $ 62,500 | 14.5% |
| 2023 | $ 177,950 | 55.9% (41.4% in 2023) |
| 2024 | $ 129,525 | 86.0% (30.1% in 2024) |
| 2025 | $ 60,025 | 100.0% (14.0% in 2025) |
| Total | $ 430,000 | 100.0% |

## ANNEX 2: DETAILED JUSTIFICATION BY CODE

**1. <u>Other staff costs -</u>** *GTA* **<u>(015)</u> $ 21,500 (Total)**

Temporary assistance to perform the tasks of logistical and administrative tasks in support of activities:
OP1.1 (1 work month) x ($3,000 per work month) = $3,000
OP1.2 (1 work month) x ($4,000 per work month) = $4,000
OP1.4 (1 work month) x ($4,000 per work month) = $4,000
OP2.3 (2.5work months) x ($3,800 per work month) = $10,500

**2. <u>Consultants and Experts (105)</u>: $ 190,000 (Total)**

(a) *International consultants*

International consultants for the task(s) of developing the national assessment methodology and action plan with performance indicators for the implementation of the rest of the project, preparing reports on assessments, providing substantive inputs to the capacity-building activities and the further development and implementation of the package of standards, in support of outputs: OP1.1 (2 months), OP1.2. (2 months) OP1.4 (2 months), OP1.5 (2 months), OP1.6 (1 months), OP2.1 (4 months), OP2.3 (2 months), OP2.4 (4 months), OP2.5 (2 months) = (20 months) x ($6,000 per month average) = $120,000.

(b) *National / Regional consultants*

National consultants for task(s) of implementing the national assessment methodology and action plan, substantive inputs to the capacity-building activities and the implementation of the package of standards in support of outputs OP1.2-6 (9 months) andOP2.2-3 (11 months) = (20 months) x ($2,500 per month) = $50,000.

(c) *Consultant travel*

10 missions by consultants for the purpose of collecting information for the various studies and training materials; support for the capacity-building activities in the beneficiary countries, notably, Azerbaijan, Georgia, Ukraine, and Uzbekistan; international consultants in support of outputs OP1.1-6 (2 missions),

OP2.2 (1 mission), OP2.3 (3 missions) ($2,000 average mission cost) x (6 missions) = $12,000; and national consultants in support of outputs OP1.3 (1 mission), OP1.5 (1 mission), OP2.2 (1 mission), OP2.4 (1 mission) ($2,000 average mission cost) x (4 missions) = $8,000. Total = $20,000.

**3. Travel of Staff (115): $ 67,500 (Total)**

(a) *UN Staff from the lead entity*

21 missions by UNECE staff in support of outputs OP1.3 (2 missions), OP.1.4 (3 missions), OP1.5 (2 missions), OP1.6 (2 missions), OP2.1 (3 missions) OP2.3 (4 missions), OP2.4 (3 missions), OP2.5 (2 missions). ($2,500 average mission cost) x (21 missions) = $52,500.

(b) *Staff from other UN DA implementing entities and collaborating entities within the UN Secretariat and System partnering on the project*

6 missions by other agency staff for activities OP1.3 (1 mission), OP1.4 (1 mission), OP1.6 (1 mission), OP2.1 (1 mission), OP2.3 (1 mission), OP2.5 (1 mission) (6 missions) x ($2,500) = $15,000

**4. Contractual services (120): $ 31,000 (Total)**

A provision of $31,000 is required for 11 services in support of outputs:
OP1.6 overall publication (editing, translation) $4,000.
OP2.2 (editing, translation) $5,000.
OPs 1.3, 1.4, 1.6, 2.1, 2.3(3), 2.5 – 8 seminars, forums, and capacity-building events (interpretation, etc. via UNDP financial authorization), the seminars for OP1.6 and OP 2.5 will be paid double – 10 x $2,000 = $20,000.
In support of various outputs – interpretation and translation: $2,000.

**5. General operating expenses (125): $ 9,000 (Total)**

(a) *Communications*

/.

(b) *Other general operating expenses*

In support of activities OPs 1.3, 1.4, 1.6, 2.1, 2.3(3), 2.5 – 8 seminars, forums and capacity building events (venue rental and other local expenditures, via UNDP financial authorization – some of them we will do online, but we still need to pay for the cost of online platforms) – 8 x $1,125 = $9,000.

**6. Grants and Contributions (145): $ 111,000 (Total)**

(a) *Workshops, seminars & Expert Group Meetings**

We will aim at organizing half of the meetings in online or hybrid mode. Consequently, only half of the planned participants will be sponsored for physical attendance of the planned hybrid meetings.

- High-level policymaker seminar / workshop on the digitalization of information flows in international supply chains to discuss further elaboration and implementation of the package of standards for digital multimodal and multisector information exchange in Ukraine or Azerbaijan, in support of OP1.3. Duration of workshop: 3 days; ($2,000 per participant) x (7 participants) = $14,000.
- High-level policymaker seminar / workshop for policymakers to present the vision and methodology of digital multimodal transport corridor development in Ukraine, Azerbaijan, or Uzbekistan, in support of OP1.4. Duration of workshop: 3 days; ($2,000 per participant) x (7 participants) = $14,000.
- Capacity building workshop for all target countries to take stock of all the streams of action and validate

an overall report of the project with recommendations for further action in Belarus or Kazakhstan, in support of OP1.6. Duration of workshop: 3 days; ($2,000 per participant) x (9 participants) = $18,000.

- Seminar for all beneficiary countries (e.g., Azerbaijan, Belarus, Georgia, Kazakhstan Moldova, Ukraine, and Uzbekistan) and the business community to identify the (a) business requirements for digitalization of concrete documents and sectors of the supply chain and (b) availability of technical skills to implement the international standards in digital multimodal transport data and document exchange, in support of OP2.1. Duration of workshop: 3 days; ($2,000 per participant) x (7 participants) = $14,000.
- Three hybrid workshops (with combination of countries, possibly following a corridor approach: e.g., Belarus-Moldova-Ukraine; Azerbaijan-Georgia-Ukraine; Azerbaijan-Kazakhstan-Uzbekistan or Kazakhstan-Turkmenistan-Iran, involving subregional country-partners, to build national capacities and address key issues at the national level for developing digital multimodal transport corridors using international standards, in support of OP2.3. Duration of workshop: 3 days; ($2,000 per participant) x (12 participants) = $24,000.
- Seminar and follow-up actions on innovation (of processes and services) necessary for the implementation of the package of standards in the target economies, in support of activity OP2.5 ($2,000) x 7 participants = $14,000.
- Develop software in support of activities OP1.5, OP 2.1 and OP2.4 grants to develop a simple software eLearning tool (without interactive examination functions, e.g., a series of PPt presentations uploaded on the UNECE YouTube channel) = $13,000

(b) *Study Tours**

No study tours envisaged due to possible ongoing COVID-19 pandemic.

## ANNEX 3: BREAKDOWN OF EXPENSES BY ENTITY

| Entity | Cost Centre | Functional Area | WBSE | Amount |
|---|---|---|---|---|
| **UNECE** | **13827** | **20AC0006** | | **380,000**[1] |
| **ESCAP** | **11536** | **19AC0002** | | **50,000** |
| **TOTAL** | | | | **430,000** |

[1] Which may include a possible grant to ICAO.

## ANNEX 4: Abbreviations

CIT - International Rail Transport Committee
EAEU - Eurasian Economic Union
EEC - Eurasian Economic Commission
ESCAP - United Nations Economic and Social Commission for Asia and the Pacific
EU - European Union
GUAM - Organization for Democracy and Economic Development GUAM
IATA - International Air Transport Association
ICAO - International Civil Aviation Organization (a UN specialized agency)
IMO - International Maritime Organization (a UN specialized agency)
IPCSA – International Port Community Systems Association
IRU - International Road Transport Union
MMT RDM - UN/CEFACT Multimodal Transport Reference Data Model
OSJD - Organization for Cooperation of Railways
OTIF - Intergovernmental Organization for International Carriage by Rail
SDGs - Sustainable Development Goals
SPECA - United Nations Special Programme for the Economies of Central Asia
TRACECA - Transport Corridor Europe Caucasus Asia
UNCT - United Nations Country Teams
UNCTAD – United Nations Conference on Trade and Development
UNDP - United Nations Development Programme
UNECE – United Nations Economic Commission for Europe
UNRC – United Nations Resident Coordinator
UN/CEFACT – United Nations Centre for Trade Facilitation and Electronic Business