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**Meeting with the Chair of the
UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT)**

Report by the Chair

Report by the Chair of the UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

The Chair of the UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT), Mr. Lance Thompson is pleased to submit his report to the ninety-second meeting of EXCOM on 23 June 2017.

I. Introduction

1. The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT), a subsidiary, intergovernmental body of the UNECE Committee on Trade, is mandated to develop a programme of work of global relevance to achieve improved worldwide coordination and cooperation in these areas. It aims to help business, trade and administrative organizations from developed, developing and transition economies to exchange products and services effectively. To this end, it focuses on simplifying national and international transactions by harmonizing processes, procedures and information flows related to these transactions, rendering these more efficient and streamlined, with the ultimate goal of contributing to the growth of global commerce.

2. The UN/CEFACT Programme of Work 2015-2016 (ECE/TRADE/C/CEFACT/2015/8) was approved by the twenty-first session of the Centre for Trade Facilitation and Electronic Business (Geneva, 16-17 February 2015) and was focused on six main areas: reviewing and revision of international trade procedures, regulatory work, supply chain, sectoral subject-matters, methodology and technology and support.

3. Annex I to the document presents the organizational structure of UN/CEFACT.

4. This report outlines the main achievements of UN/CEFACT in implementing the Programme of work 2015 – 2016, as well as key developments related to the work of UN/CEFACT through May 2017. More information is contained in the report of the twenty-third session of UN/CEFACT, which was held on 3-4 April 2017 in Geneva, Switzerland - document ECE TRADE/C/CEFACT/2017/2.

II. Achievements since the last session

Trade Facilitation

5. Highly relevant to the work of UN/CEFACT the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA) entered into force on 22 February 2017, following its ratification by two-thirds of the WTO membership. The Agreement provides a clear legal framework for the simplification of regulatory procedures for cross-border trade, a powerful boost to the political will to advance trade facilitation, and support to developing countries' requests for technical assistance for the implementation of the Agreement's provisions.

6. UNECE has been active in supporting the implementation of the Agreement. Several new and revised UNECE recommendations directly support the implementation of WTO TFA measures, particularly those included in Articles 2, 10 and 23 of the Agreement. These include:

- (a) Revised recommendation n°1 on the UN Layout Key (adopted at the twenty-third Plenary session in 2017);
- (b) Revised recommendation n°4 on National Trade Facilitation Bodies (adopted at the twenty-second Plenary session in 2016);

- (c) UNECE Recommendations 33 to 36 on Single Window (Recommendation n°36 on Single Window Interoperability adopted at the twenty-third Plenary session in 2017);
- (d) UNECE Recommendation n°40 on Consultation Approaches (adopted at the twenty-second Plenary session in 2016);
- (e) UNECE Recommendation n°42 on Trade and Transport Facilitation Monitoring Mechanisms (TTFMM – adopted at the twenty-third Plenary Session in 2017);

7. A number of UN/CEFACT standards are also relevant to the WTO TFA provisions, including the Core Component Library (UN/CCL), UN/EDIFACT (for electronic data interchange), Code Lists, various Business Requirements Specifications (BRS), Requirements Specification Mappings (RSM) and XML schemas.

8. The UNECE secretariat and UN/CEFACT have been active in supporting the implementation of the TFA. A selection of such activities is outlined in sections V and VI.

9. The UN Trade Facilitation Implementation Guide (TFIG) is a web-based interactive tool that helps countries put in place Trade Facilitation reforms. With about 30.000 pages, available in five languages (English, Arabic, Spanish, French and Russian), TFIG has become a major reference resource for government officials and traders around the world. At the same time, it is a core tool for Trade Facilitation planning and training. With the support of the Swedish Government (which sponsored the original development of the TFIG), the secretariat undertook a major review of the TFIG in 2015 - 2016. This consisted of a) the addition of new learning contents - including two new itineraries on the establishment of National Trade Facilitation Committees and the development of National Trade Facilitation Roadmaps, and a wide number of case stories on good country practices -, and b) the update of existing contents. Since its launch in September 2012, the rate of use of the Guide has grown exponentially. In 2016, TFIG received over 10 million hits and in 2017, up to mid-May, TFIG received over 5 million hits.

10. In 2017, jointly with the other United Nations Regional Commissions (UN RCs), UNECE has undertaken the second Global Survey on Trade Facilitation and Paperless Trade, involving data collection and analysis for all Member States of the UNECE region. The results of the survey are expected to provide useful information to support the implementation of the WTO Trade Facilitation Agreement, as well as emerging global and regional initiatives on paperless trade and e-trade, such as the new Framework Agreement on Facilitation of Cross-Border Paperless Trade in Asia and the Pacific. The survey puts emphasis on measures of particular importance to small and medium enterprises (SMEs) and the agricultural sector. The outcome of the survey will lead to the production of the UN Regional Commissions' Global Trade Facilitation Report 2017, to be officially launched at the WTO Global Aid for Trade Meeting on 12 July 2017.

Sustainable Development Goals

11. The Sustainable Development Goals (SDGs) put significant emphasis on the role that trade can play in promoting sustainable development, and the work of UN/CEFACT can directly contribute to the achievement of several SDG targets, particularly for SDG 8 on decent work and economic growth, SDG 10 on reduced inequalities, SDG 12 on responsible production and consumption, SDG 13 on climate action, SDG 14 on life below water, SDG 15 on life on land, and SDG 17 on partnerships for the goals.

12. UN/CEFACT recommendations, standards and tools make it simpler, faster and cheaper to trade between countries, thus contributing to growth, productivity and employment. The electronic tools like Single Window and paperless trade systems promoted by UN/CEFACT make it easier for companies to trade, while reducing the need for paper documents and increasing Government revenue collection, which directly contributes to SDG 8.

13. The conservation and sustainable use of oceans, seas and marine resources is an essential element in promoting sustainable development. Amid growing concerns about the grave problem of overcapacity in and overfishing by today's modern fishing fleets, which is addressed by SDG 14 on life below water, UN/CEFACT has developed a set of standards for the electronic exchange of fisheries data. UN/CEFACT is also proposing the establishment of a Team of Specialists for the promotion of sustainable fisheries standards on a global scale (see section IV below).

14. Governments and trade are increasingly looking to traceability standards to confirm that the production, transportation and distribution of goods and services is in conformity with high-level policy objectives and civil society values which directly relate to SDG 12 on responsible production and consumption. The UN/CEFACT agriculture expert group has developed an international technical standard to trace animal products, plant products, animal/plant bi-product, and has developed a traceability framework to provide a structured approach to help stakeholders to describe and discuss the major functional components of a regulatory traceability solution.

15. UN/CEFACT has been working closely with the Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP) in the development of UNECE Recommendation 41 on PPP in Trade Facilitation, which has been adopted in 2016. During the twenty-eighth UN/CEFACT Forum in Bangkok, UNECE arranged a workshop with CICPPP on People-first PPPs, which can make a major contribution to SDG 17 on partnership for the goals. The workshop highlighted how PPPs can contribute to Trade Facilitation, including in non-traditional areas such as a Single Window system, a National Trade Facilitation Body, infrastructure support for port communities, trade and transit corridors, and coordinated border management.

16. The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) has developed an electronic version of its trade declaration using the Core Component Library of UN/CEFACT and generating an XML message according to the specifications of UN/CEFACT. CITES is an international agreement aiming at ensuring that international trade in specimens of wild animals and plants does not threaten their survival. The CITES declaration is used in customs clearance procedures in all countries around the globe. It allows countries to control the trade in certain environmentally sensitive commodities and endangered species, and to combat illegal trade, which contribute to the achievement of specific targets under SDG 15.

17. UNECE is also seeking to support SDG 5 on gender equality through a project on women and trade facilitation. UN/CEFACT has been developing a white paper on women in trade facilitation. This white paper outlines the difficulties that women face in trade as they are related to trade facilitation such as Single Window and National Trade Facilitation Bodies; it proposes some concrete steps forward, especially ensuring that statistics compile relevant data to women in trade measures. The project team held a successful mini-conference during the twenty-eighth Forum in Bangkok. The UNECE secretariat has prepared a background paper on gender equality, which was presented at the twenty-third Plenary session.

18. In support of SDGs 8, 9 and 10, UN/CEFACT has also developed a Green Paper on Trade Finance as a tool for Trade Facilitation, which identifies specific points of the value chain, at which financing in the trade facilitation process can be streamlined for greater efficiency and effectiveness.

III. Major activities planned for 2017 and beyond

19. UN/CEFACT puts particular emphasis on developing standards and guidance material that will assist countries and stakeholders to implement both the WTO TFA and the UN SDG. Overall, the key focus areas for 2017-2018 demonstrate the following:

- (a) An emphasis on efforts to identify, develop or revise trade facilitation recommendations and standards;
- (b) An emphasis on acting as a semantic hub through efforts to advance the development of technology-neutral semantic (data definitions) and interoperability; and
- (c) Support to member States and stakeholders who wish to address requirements in trade facilitation and electronic business that can take full advantage of UN/CEFACT's family of standards (a "one-stop-shop").

20. To support this, UN/CEFACT plans to continue developing recommendations, e-Business standards and guidance material. Guidance and standards may be developed in areas such as financial value chain solution, accounts reconciliation, transport carbon emissions accounting, traceability of manufactured goods, sustainable agriculture, supply chain, transport and tourism.

21. UN/CEFACT also plans to update a number of its recommendations and e-Business standards such as the Business Requirements Specifications (BRS) and Requirements Specification Mapping (RSM) and models of the Supply Chain area, a revival of UNECE recommendation n°2 on codified data, and the United Nation's Trade Facilitation Implementation Guide (TFIG).

22. UN/CEFACT plans its 30th Forum to be held in Rome 2-6 October 2017 as well as its 31st Forum to be held in Geneva 23-24 April 2018. It is also likely that a third Single Window Symposium will be held in Geneva 22-23 November 2017.

IV. Any proposed change to the subsidiary structure of the Committee

23. UN/CEFACT has prepared a strategy document called "Prospective Directions, contained in ECE/TRADE/C/CEFACT/2016/20, that was approved at the twenty-second Plenary session. This strategy document was conceived as a long-term strategy, which will not require to be updated every other year, unlike the previous strategy document. The focus on the WTO TFA and the SDGs are clearly outlined, as are the efforts for communication and collaboration with other organizations. The Programme of Work 2017-2018, contained in ECE/TRADE/C/CEFACT/2017/19 and approved at the Plenary twenty-third session, is based on this document.

24. UN/CEFACT also proposed a consolidated Mandate and Terms of Reference, contained in ECE/TRADE/C/CEFACT/2017/15. The purpose of this consolidation is to streamline and facilitate access to UN/CEFACT policies and procedures. It also aims to eliminate any redundancy or potential conflicts that might have existed in the existing terms of references within UN/CEFACT.¹ The current text is a compilation from existing documents¹.

¹ Previous documentation:

- ECE/TRADE/C/CEFACT/2010/15/Rev.5: Mandate, Terms of Reference and Procedures for UN/CEFACT
- ECE/TRADE/C/CEFACT/2010/17/Rev.4: The rules of procedure for the UN/CEFACT Bureau.
- ECE/TRADE/C/CEFACT/2016/10: Election Procedure for the UN/CEFACT Bureau.

25. The Terms of Reference of a Team of Specialists in the area of Sustainable Fisheries, contained in ECE/TRADE/C/CEFACT/2017/16, has been approved by the Plenary twenty-third session. In support of the SDG 14 on life under water, UN/CEFACT has developed a set of electronic messages on fisheries and catch declarations. The related project, led by the European Commission, has been successful. EU Member States and other countries around the world are already implementing this standard and are interested to eventually develop further guidance and standards in this area. In order to support this effort and ensure that the standard is implemented in a consistent manner – which in turn will support interoperability between countries – the project team has requested the creation of a Team of Specialists.

26. An Advisory Group on the United Nations Code for Trade and Transport Locations (UN/LOCODE), contained in ECE/TRADE/C/CEFACT/2017/17, has been approved by the Plenary twenty-third session. UN/LOCODE is an integral part of international trade allowing trading partners and governments to identify provenance, itinerary stops, destinations, inland provenance/destinations, and all other major places linked to international trade. This coding system was created in 1981 and includes over 103,034 locations in 249 countries and installations in international waters. Maintenance is assured by the UNECE secretariat through a network of national Focal Points that approve and manage their respective national UN/LOCODE. This Advisory Group aims to ensure a harmonized application of UN/LOCODE rules, maintaining UN/LOCODE workflow, develop training material, exchange on best practices and provide support to activities related to UN/LOCODE, especially the revision of Recommendation n°16 on UN/LOCODE.

V. Inter-sectoral activities: new activities and/or progress in existing inter-sectoral activities

27. In order to ensure the coherence of guidance provided by UN bodies in the spirit of the “One UN” principle, UN/CEFACT works closely with UN bodies such as United Nations Commission on International Trade Law (UNCITRAL); United Nations Conference on Trade and Development (UNCTAD); International Trade Centre (ITC); United Nations Industrial Development Organization (UNIDO); International Telecommunication Union (ITU); Universal Postal Union (UPU); International Maritime Organization (IMO). UN/CEFACT has also sought to enhance, through its secretariat, collaboration with all UN Regional Commissions, and particularly with ECLAC and ESCAP.

28. UN/CEFACT has worked closely with the Team of Specialists on Public-Private Partnerships on the development of the UNECE recommendation n°41 on Public Private Partnership in Trade Facilitation. Both secretariats have jointly organized a workshop on People-First PPPs in Bangkok, Thailand on 23 September 2016 to discuss the draft guiding principles of PPP good governance and the UNECE proposed recommendations on PPPs and Trade Facilitation.

VI. Technical cooperation activities

29. The UNECE Secretariat has done extensive work to support the Trade Facilitation Agreement (TFA). Specific activities have included:

- (a) UNECE support to WTO advanced courses on Trade Facilitation for National Trade Facilitation Committees (6 to 10 June 2016 and 28 November to 9 December 2016 in English, 30 January to 10 February 2017 in French, 20 to 31 March 2017 in Spanish,

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- ECE/TRADE/C/CEFACT/2010/15/Rev.3/Add.1.: Revised UN/CEFACT intersessional approval process.
 - ECE/TRADE/C/CEFACT/2011/7/Add.1/Rev.2: UN/CEFACT Country Heads of Delegation: Guidance on responsibilities, duties and procedures.
 - E/ECE/1464: Guidelines on procedures and practices for ECE bodies adopted by the Economic Commission for Europe (ECE) at the fifth meeting of its sixty-fifth session on 11 April 2013.

12 April in English, 2 to 5 May in French, 15 to 19 May in French). These courses brought together Chairs and other key members of National Trade Facilitation Bodies to provide them with practical skills and an opportunity to share good practices and experiences. Participants also prepared action plans for establishing or strengthening their national trade facilitation bodies;

- (b) UNECE support to UNCTAD Empowerment Programme for National Trade Facilitation Bodies 2 to 5 May 2017 in Cameroon, 15 to 19 May 2017 in Gabon, to help countries to implement, in a coordinated manner, trade facilitation reforms. UNECE participation in these trainings also promoted UN/CEFACT standards and recommendations that support Trade Facilitation.
- (c) UNECE's active role in the meetings of the Annex D+ Organizations² organized by the WTO to coordinate the efforts of international organizations to support the TFA implementation;
- (d) UNECE's collaboration in the organization of the Global Facilitation Partnership for Transportation and Trade (GFP)³ Annual Forum in Shanghai in June 2016 – "Inclusive participation for effective Trade Facilitation Reforms" (<http://www.unece.org/?id=39561>);
- (e) UNECE acting as co-organizer of the GFP Steering Committee Meeting in Geneva on 19-20 January 2017;
- (f) UNECE also participates in the establishment of the recently launched multi-stakeholder E-Trade for All platform, a new information-hub to help developing countries to connect with potential partners, learn about trends and best practices, and access up-to-date e-commerce data in order to drive development through e-commerce.

30. UN/CEFACT and its secretariat have been actively participating in meetings and partner organizations in order to disseminate the recommendation and standards work of UN/CEFACT, especially in view of greater trade facilitation implementation. These meetings include:

- (a) EU DG-MOVE Digital Transport and Logistics Forum (DTLF), November 2015, March 2016, September 2016, February 2017; March 2017;
- (b) UNCTAD Capacity building meeting, May 2016;
- (c) Semantic Interoperability Conference (SEMIC) June 2016;
- (d) Single Window training in Albania, June 2016;
- (e) Working Party meeting on Customs Questions Affecting Transport (UNECE WP.30), June 2016;
- (f) UNCTAD XIV, July 2016;

² On 1 August 2004, the WTO General Council adopted a Decision on the Doha Agenda work programme. Annex D to that Decision relates to the Modalities for negotiations on trade facilitation. Those Modalities recognize the importance of technical assistance and capacity building support for developing and least-developed countries to enable them to fully participate in and benefit from the negotiations. In order to make technical assistance and capacity building more effective and operational and to ensure better coherence, certain relevant international organizations have been invited to undertake a collaborative effort in this regard. The international organizations concerned are referred to as the "Annex D+ Organizations". At present the Annex D + group is comprised of the following organizations: IMF, ITC, OECD, UNCTAD, UNECE, UNIDO, WEF, WB, and WCO.

³ GFP Members includes the World Bank, International Chambers of Commerce (ICC), International Trade Centre (ITC), OECD, UNCTAD, UNECE, UNESCAP, UNIDO and the World Customs Organization (WCO) - see <http://www.gfptt.org/partners> for the full list.

- (g) Asia-Pacific Economic Cooperation (APEC) Electronic Commerce Steering Group, August 2016;
- (h) 5th edition of the International Single Window Conference / African Single Window, September 2016;
- (i) Semaine Economique de la Méditerranée, November 2016;
- (j) IMO FAL Meetings, November 2016, January 2017, March 2017, May 2017;
- (k) ITU Maritime Working Party, December 2016;
- (l) UNECE WP.6 meeting, December 2016;
- (m) Nigerian National Sensitization Workshop on Trade Facilitation, February 2017;
- (n) UNESCAP Cross Border Trade meeting, March 2017.

VII. Cooperation with other organizations

31. UN/CEFACT has continued to cooperate with the International Organization for Standardization (ISO), the International Telecommunication Union (ITU) and the International Electrotechnical Commission (IEC) under the umbrella of the joint Management Group on eBusiness: The main objective of this partnership is to create a framework for cooperation between these organizations. The UNECE Secretariat with support from UN/CEFACT Bureau and experts has actively participated in the joint meetings in order to ensure the long-term coherence of UN/CEFACT standards with those of the other three organizations.

32. An MoU with the Asia Pacific Council for Trade Facilitation and Electronic Business (AFACT) was signed in April 2017. AFACT's key aim is to promote the commitment and development of trade facilitation, electronic business policies and activities in the Asia Pacific region, mainly focusing on those promoted by UN/CEFACT. It strives to guide, stimulate and develop the ability of business, trade and administrative organizations to exchange products and relevant services effectively. The MoU was established in order to jointly promote trade facilitation and e-business solutions, enhance consultation, cooperate with other international bodies – particularly UNESCAP and perform outreach activities.

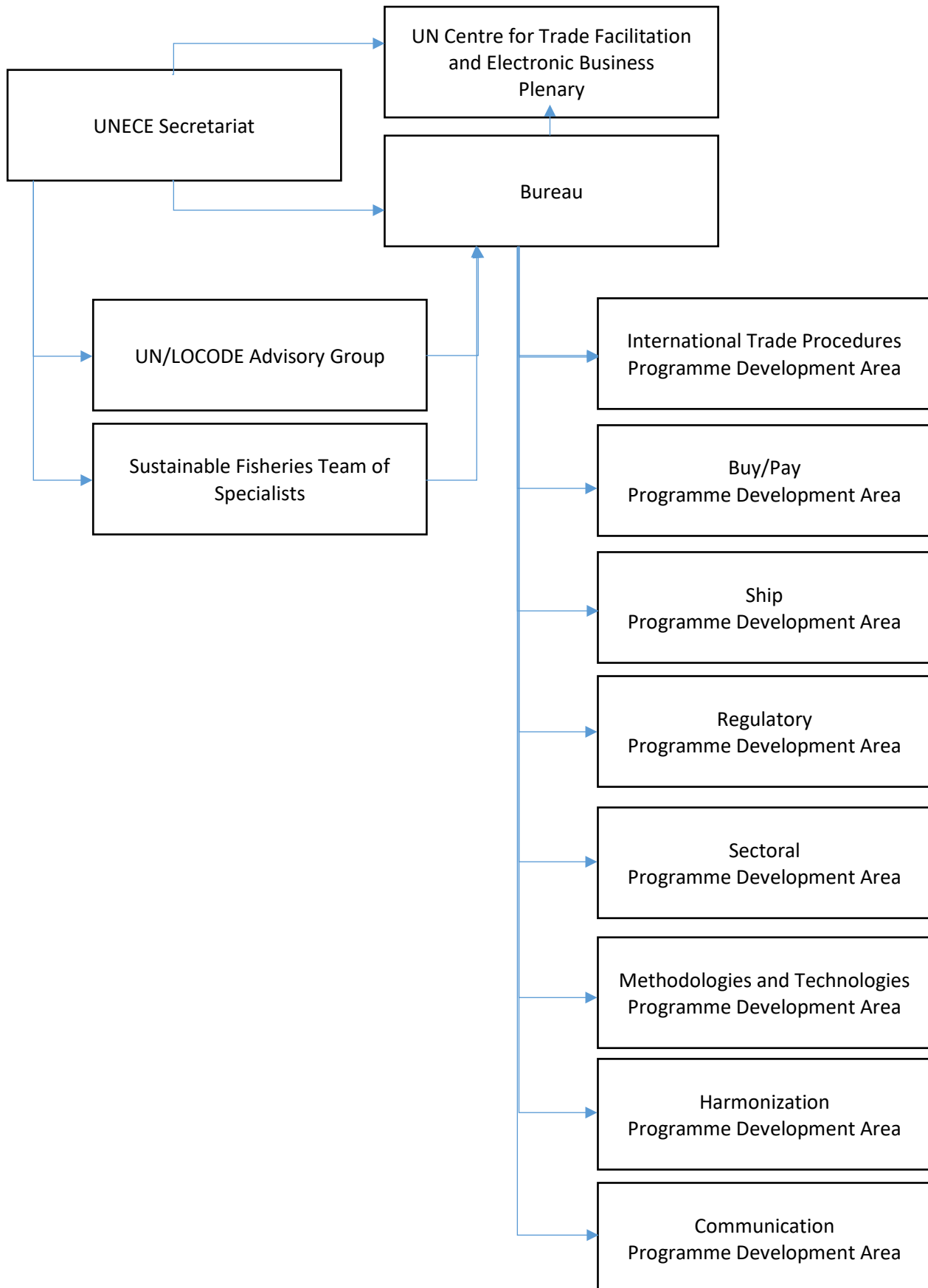
33. UNECE and UN/CEFACT have worked jointly with the WCO on the alignment of the International Maritime Organization's (IMO) FAL (facilitation of international maritime traffic) forms. We have also ensured a presence in some of the key meetings of the WCO such as the electronic commerce initiatives and the Information Management Sub Committee meeting.

34. UNECE has worked with the International Air Transport Association (IATA) to jointly promote trade facilitation and electronic business standards. One of the key points of interest with IATA has been an alignment between UN/LOCODEs and IATA airport codes. Harmonizing existing codes is proving to be difficult, but we are working to ensure that all future codes are aligned.

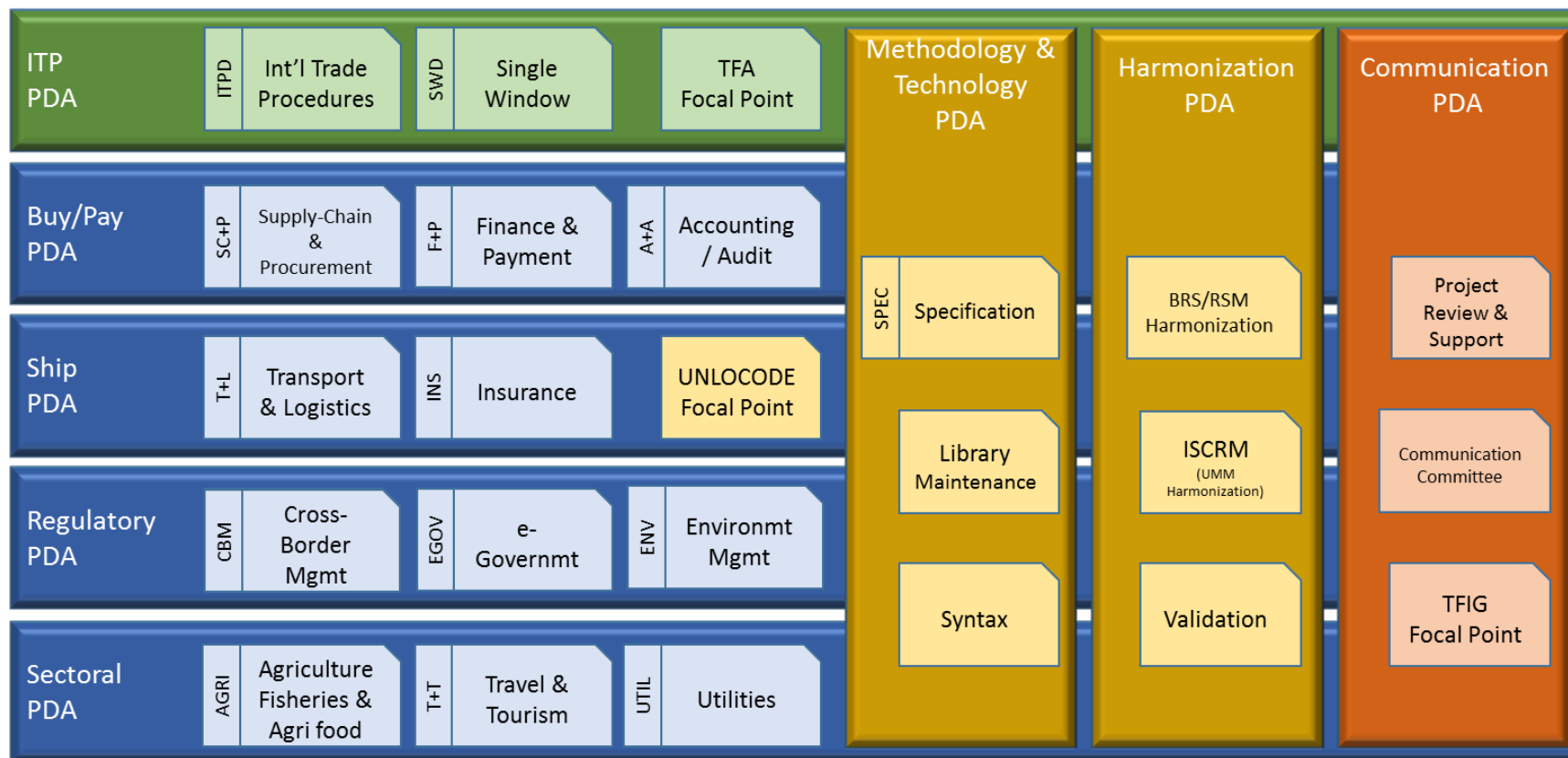
35. In continuance of UNECE's ongoing work with trade facilitation partners ITC, UNCTAD and WCO, UNECE co-organized two high profile trade facilitation events at the E-Commerce Week in Geneva (24-28 April 2017), which focused on the theme of E-Commerce Challenges and Solutions. The events featured panelists from several international bodies (UNECE, WEF, World Bank, UNCTAD, ITC, WCO) and the private sector (DHL, FIATA), and made several concrete recommendations relating to the opportunities and challenges of E-Commerce and Trade Facilitation.

36. Along with its regional partner the African Alliance for E-Commerce, UNECE also co-organized at the Ecommerce week in Geneva (28 April 2017), an event on “Single Window as an Enabler for E-Commerce Development”. The event launched the African Alliance for E-Commerce guide, which is based on UN CEFACCT recommendations. Specifically, UN CEFACCT Recommendations 33-36, which deal with various aspects of the Single Window concept, were relevant to this process.

Annex I. Organizational structure of UN/CEFACT



UN/CEFACT structure



PDA: Programme Development Area. Each PDA is divided in Domains.