REPORT OF THE UN/CEFACT RAPPORTEUR FOR ASIA

Submitted by the UN/CEFACT Rapporteur for Asia*
Asian Region

1. The 17th AFACT Management Team, Joint Working Groups and Plenary met on September 6-8 ‘99 back to back with the EDICOM/99, an EDI/EC promotional event which took place in Seoul, Korea. This was the first meeting to take place after the formal re-engineering of the AS/EB (Asia EDIFACT Board) at the 16th session in Tehran, Islamic Republic of Iran, on July 4-8 1998. A total of 138 participants were registered, and included representatives from the following countries and economy: Chinese Taipei, India, Indonesia, Iran, Japan, Korea, Malaysia, Philippines, P.R.C., Singapore, Sri Lanka, Thailand, and Hong Kong. Messrs. Ray Walker, Klaus Dieter Naujok and Peter Wilson, present at a special invitation, represented UN/CEFACT.

2. At this meeting, AFACT formally approved the draft Bylaws prepared by the AFACT Management Team held on September 6th 1999 (see Annex 1) as well as its new acronym AFACT, “the Asia Pacific Council for Facilitation of Procedures and Practices for Administration, Commerce and Transport”. According to the new Bylaws schema approved, Australia was welcomed as the 13th member of AFACT at the Plenary.

3. As per the revised Bylaws (Article 8), two HoDs were appointed by the Plenary to hold office as members of the Steering Committee for a term of two years. The HoD of India (Mr. T. A. Khan) and the HoD of Malaysia (Mdm Siti Aminah Abdullah) were appointed at the Chair’s recommendation. Further, with the establishment of the Steering Committee, the AFACT Management Team was dissolved.

4. The new AFACT organisation is composed of the Plenary meeting, the EDICOM Conference and Exhibition for EDI/EDIFACT promotion in the region and the Steering Committee (see Annex 2). In addition, the ten existing joint working groups, TAG, Financial, Awareness and Education, Customs, Purchasing, Security, Environment Protection, Legal, Transport and Air-transportation decided to continue their activities under the AFACT organisation, and the establishment of two new joint working groups, Electronic Commerce and XML/EDI proposed by Korea, was approved.

5. The Steering Committee is composed of the following members:

   Chair: - Current Chair
   Two Vice-Chairs - Previous Chair and Next Chair (Chair elect)
   Rapporteur - (as advisor)
   Two HoDs - elected from HoDs to AFACT

6. The ASEB Internet homepage is being updated by the Korea Institute for Electronic Commerce under the URL http://www.afact.org. The meeting minutes as well as progress reports from joint working groups, the AFACT Bylaws and the organisation structure are available on that homepage.
7. **Members Progress Updates**

Many EDI related projects are under development in member countries and economies and were reported by the HoDs. Full reports are available on the AFACT homepage.

8. **Internetworking Implementation Committee (IIC) meeting**

Ms Siti Aminah Abudullah, Hod of Malaysia and Chair of IIC, gave a good summary of IIC activities as follows:

1) The project started in June 1996 following the decision made during the 12th. ASEB (Asia EDIFACT Board) meeting that was held in Manila. At that same meeting, the Internetworking Implementation Committee of ASEB (now ASEB has evolved into AFACT) had endorsed the Asia Region Customs EDI Project. The ultimate objective of the project is to enable the exchange of electronic messages, in particular EDI and e-mail, between various Customs Administrations. The pilot project is expected to start at the end of 1999.

2) The project is self-financing, which means that participating countries will have to bear all costs pertaining to the project, i.e. the cost for the necessary hardware and system software, message and application development, cost for attending technical working group and ASEB/AFACT meetings, etc. Malaysia, for example, has spent around USD 1.5 million so far for the project.

3) Some of the challenges involved are not technical in nature because it is proven that inter-VAN connectivity has already been achieved between Korea's KTNet and Malaysia's Dagang*Net, and, to a certain extent, between Taiwan's TradeVan and Malaysia's Dagang*Net. The challenge lies in the policy decisions as to what kind of data are to be exchanged between the two trading countries and also the legal framework governing such exchange. Hence, the content of the bilateral MoU or agreement is subject to a lot of discussion between the two countries.

4) Role of UN/CEFACT - the overall objective of the project is to facilitate international trade and Customs enforcement capabilities and since Customs is the only non-discretionary element in the international trade cycle, it is very important that Customs Administration simplify, harmonise and facilitate trade transactions. This project also concerns standardisation since the UN/EDIFACT format is used for the exchange of messages. UN/CEFACT’s objective is to contribute to the growth of world trade through the development and promotion of simple, transparent, effective processes for global commerce. Hence the similarity and this project is one of the small steps towards that CEFACT objective.

9. **EDICOM/99**

The EDICOM/99 was held in the Convention & Exhibition Center, Seoul, Korea on September 9-11 1999. The EDICOM aims at promoting and stimulating EDI/EDIFACT in the Asian region and was initiated by Singapore in 1990. This year’s EDICOM focussed on two sessions that were held in parallel: B to B and B to C electronic commerce. About 100 participants, mainly from business sectors and universities, were
present at the BtoB session and 80 at the BtoC session.

Messrs. Ray Walker, Klaus Dieter Naujok and Peter Wilson participated as key-note speakers and made presentations on UN/CEFACT and future EDI trends, XML (eXtensible Markup Language), UML (Unified Modeling Language), SCM (Supply Chain Management) etc.

With regard to BtoC, major issues presented were: Internet Marketing, Internet Shopping Mall, Electronic Signature and Authentication and various security issues.

At the exhibition corners, 33 booths were held by Korean EDI/EC vendors, Network providers and Software vendors. In total, over 6,000 visitors visited the exhibition corners during the 3 day exhibition.

10. IT Conference/Workshop in Colombo, Sri Lanka

The IT (Information Technology) Conference and related Workshop were well organised by the CINTEC (Council for Information Technology) on October 4-8 1999 in Colombo, Sri Lanka. The following is the summary of the Conference/Workshop. From UN/CEFACT side, Messrs. Ray Walker, David Marsh, David Dobbing and Kenji Itoh were invited to make a presentation as keynote speakers. A total of 550 participants attended the five day Conference and Workshop and exchanged their experiences and knowledge about new Information Technologies.

1) Workshop on "From E-Commerce to E-Business" 4th October 1999

As the EDI/EC Focal Point and the AFACT contact point in Sri Lanka, the main objective of this workshop was to create a general awareness on EDI/EC issues, with special focus on standards, including EDIFACT standards for those wishing to implement EDI, and to make the audience aware of the present situation on e-business in the Asian region and the initiatives taken in Sri Lanka.

2) Workshop on "Information Technology - the Legal Issues" 5th October 1999

The main objective of this workshop was to create a general awareness on IT related legal issues, to get an input on electronic commerce related legal issues, as CINTEC is planning to set up a certification authority in Sri Lanka, and to draw attention to the initiatives being taken in Sri Lanka, such as the proposed legislation on data protection and the CINTEC sub-committee on Electronic Commerce and Law.

The above two workshops were organised by the CINTEC.
3) The IT Conference - "IT - the Challenges for the 21st Century"

The annual IT Conference was launched mainly for awareness purposes, in 1998, as part of the activities related to the Year of IT, declared by the Government of Sri Lanka. The universities organised the following workshops under the IT Conference too:

3.1) Advances in networking technologies (No. of participants – 41)
3.2) Building your web-site (No. of participants – 35)
3.3) New trends in Internet technologies (No. of participants – 42)
3.4) Databases and data warehousing (No. of participants – 40)

11. EDICON '99 (November, '99, Mumbai, India)

EDICON '99 - A Conference and Exhibition on EC/EDI was organised by the Ministry of Commerce, India from 11th to 12th November, 1999 in Mumbai (Bombay).

The theme of EDICON '99 was "Electronic Commerce - A window for new millennium" and the comprehensive conference program led by a galaxy of technology/management leaders was designed to provide an insight into the opportunities and challenges of Electronic Commerce and emerging markets and technologies. The focus of the conference was on International Trade Facilitation. This Conference extensive exhibition provided an overview of the solutions, services and products available from leading vendors. The Conference was attended by around 300 participants who included participants from various SAARC countries also.

The objectives of organising this conference/exhibition were

- To create awareness in the potential EC/EDI functionaries/users.
- To expose Indian trade and industry to the worldwide developments in EC/EDI.
- To provide an opportunity to Indian Organisations to discuss their projects/problems/issues with the EC/EDI experts invited from all around the world.

The conference was inaugurated by the Minister of State for Commerce & Industry, Mr. Omar Abdullah and the inaugural session was addressed by Mr. P. P. Prabhu, Commerce Secretary, Government of India as well as by Mr. Ray Walker, Chairman, CEFACT Steering Group.

Following sessions were conducted in the conference:
- EC in National Administration
- Model for Domestic E-Commerce
- Supply Chain Management
- Legal and Administrative Framework for EC
- Payment System for Internet Commerce

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1 SAARC stands for "South Asian Association for Regional Cooperation". The SAARC member countries are- India, Srilanka, Pakistan, Bhutan, Maldives, Nepal and Bangladesh.
Internet Commerce Technology Update
E-Commerce in India - A joint endeavour of private industry and Government
(Free Discussion)

A special session for the CEOs of top Indian companies was also organised to underline the urgent need of adoption of EC/EDI solutions by the trade and industry to be competitive in the global trade. The session was well received and was attended by around 100 CEOs. The session was also addressed by Mr. D. J. Marsh, Legal Liaison Rapporteur, UN/CEFACT along with Minister of State for Commerce & Industry and Commerce Secretary, Government of India.

12. Meeting Schedule

<table>
<thead>
<tr>
<th>Event</th>
<th>Date/Year</th>
<th>Location</th>
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<tbody>
<tr>
<td>The Steering Committee</td>
<td>January/April 2000</td>
<td>Taipei</td>
</tr>
<tr>
<td>The 18th AFACT &amp; EDICOM/2000</td>
<td>Sept. 11-15, 2000</td>
<td>Taipei</td>
</tr>
<tr>
<td>The 19th AFACT &amp; EDICOM 2001</td>
<td>Oct/Nov 2001</td>
<td>Indonesia</td>
</tr>
<tr>
<td>EWG</td>
<td>Sept. 4-8, 2000</td>
<td>Taipei</td>
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Annex 1
BYLAWS OF AFACT

Article 1
Name

The name of this organisation shall be the Asia Pacific Council for the Facilitation of Procedures and Practices for Administration, Commerce and Transport (hereinafter referred to as “AFACT”).

Article 2
Mission Statement

AFACT aims to support in the Asia Pacific region policies and activities, especially those promoted by UN/CEFACT (United Nations Centre for the Facilitation of Procedures and Practices for Administration, Commerce and Transport), dedicated to stimulate, improve and promote the ability of business, trade and administrative organisations, to exchange products and relevant service effectively in a non-political environment.

Its principal focus is to facilitate international transactions, through the simplification and harmonisation of procedures and information flows, and so contribute to the growth of global commerce.

Article 3
Terms of Reference

The principles of the mission statement are to be achieved by:

• Analysing and understanding the key elements of international transactions and working for the elimination of constraints;

• Developing methods to facilitate transactions, including the relevant use of information technologies such as UN/EDIFACT and Electronic Commerce;

• Promoting both the use of these methods, and associated best practices, through channels such as government, industry and service associations;

• Coordinating its work with UN/CEFACT and other relevant international, regional and non-governmental organisations; and
• Enhancing the co-operation among the AFACT members and promoting the objectives of the mission statement in the Asia Pacific region.

Article 4
Structure

AFACT shall be a non-profit, non-political, voluntary and independent organisation.

Article 5
Membership

Membership shall comprise two categories shown in Appendix 1 hereto:

• Member – The countries and economies in the Asia Pacific region represented by the agency assigned to promote and develop trade facilitation and Electronic Commerce. Such agency is recognised as the single focal point for UN/EDIFACT or UN/CEFACT related activities. Agencies of the United Nations can also be members.

All existing members and associate members in the ASEB shall be automatically recognised as members of AFACT.

• Associate member – Any other organisation from the Asia Pacific region or relevant international organisation located in the region, committed to similar objectives as AFACT.

Any country, economy or organization wishing to join AFACT must submit an application for membership in writing to the Secretariat who shall circulate it to the Steering Committee members for consideration and approval, as well as to all members and associate members for consultation. If approved, the Steering Committee shall report to the Plenary on the approval of the application.

The Chair for the Plenary may also invite non-member countries, economies and experts as observers or special invitees.

Article 6
Plenary

The Plenary shall include members, associate members and observers, represented by their Heads of Delegations. A simple majority of the members is required for a quorum.

The Plenary Meeting shall be a forum to exchange views on any areas of common interest including the latest developments in each member or associate member, under the ambit of the Mission Statement.
The Plenary shall be the highest decision making body of AFACt and shall have the responsibility of ratifying all major decisions and monitoring the execution of the adopted resolutions.

The preferred way of reaching decisions shall be by consensus. However, the Chair shall have the authority to call for a vote if, in his view, consensus cannot be reached on a particular issue. In such cases, a simple majority of all voting members constitutes a decision.

Only members are eligible to vote. The vote shall be cast by the Heads of Delegations or their designated representative.

For dissolution of AFACt, the adoption of the Bylaws or a change to the Bylaws, a two-third majority of all voting members is required.

Absent members can have the option to vote by email or other means, or by proxy entrusted to the Chair or a fellow AFACt member.

The Plenary shall meet at least once a year.

Article 7
Officers and Secretariats

Annually AFACt shall identify a member to host the organisation (hosting member).

The officers of AFACt shall be the Chair, two Vice-Chairs and the Secretary. The term of office for each post shall be one year.

The Chair shall be nominated by the hosting member, with one Vice-Chair being nominated by the next hosting member (Chair elect) and the immediate past Chair acting as the other.

At the start of each Plenary, the identity of next hosting member and the Chair elect shall be approved.

The hosting member shall nominate a person who shall be the Secretary of AFACt.

Their term shall start immediately after the close of the previous Plenary meeting. In order to ensure a smooth hand-over between the two Secretaries, a Joint Secretariat shall exist for an agreed period, after the previous Plenary meeting.
Article 8
Steering Committee

The Steering Committee is responsible for the management and coordination of AFACT between the Plenary meetings. The Steering Committee also supervises the progress status of the decision made by the Plenary meeting.

The composition of the Steering Committee shall be as follows:

- Chair (of AFACT)
- Two Vice-Chairs (of AFACT)
- UN/CEFACT Rapporteur for Asia (Advisor)
- Two Heads of Delegation appointed by the Plenary who will hold office as members of the Steering Committee for a term of two years. The first two such members shall be appointed at the Plenary meeting on 8th September 1999.

The Steering Committee is chaired by the Chair of AFACT.

The Secretary shall be present in all Steering Committee meetings.

The agenda for the Steering Committee meeting shall be circulated to the Heads of Delegations and Chairs of Working Groups for comments.

The Chair may invite Chairs of Working Groups for specific meetings, as appropriate and all Heads of Delegation shall be entitled to attend meetings of the Steering Committee.

Where required, the Steering Committee shall be empowered to take decisions on behalf of AFACT between Plenary meetings. In such cases, every effort shall be made to consult with the Heads of Delegations.

Steering Committee decisions shall be made by consensus.

The Steering Committee shall meet at least twice a year. This can be either in the form of a physical meeting or a virtual meeting.

Article 9
Working Groups

Working Groups may be established to focus on a specific area of interest, under the ambit of the Mission Statement.

To establish a Working Group, the interested parties shall submit a proposal, including the Terms of Reference, to the Steering Committee for approval and subsequently, to the Plenary for ratification.
Each Working Group shall appoint its own Chair and Secretariat. The term of service for the Chair and the Secretariat shall be for a period of two years.

Each Working Group shall submit its Work Programme to the Steering Committee for endorsement.

The Working Group shall meet at least twice a year. This can be either in the form of a physical meeting or a virtual meeting.

The Chair of each Working Group shall report to the Plenary.

All Working Groups under the ASEB shall be automatically recognised as a Working Group under the AFACT. Each Working Group shall review and submit their Terms of Reference to the Steering Committee for approval and subsequently, to the Plenary for ratification.

**Article 10**  
**Focal Point**

Each AFACT member is required to have a single focal point, dedicated to the promotion, dissemination and implementation of AFACT objectives.

The focal point shall identify the Head of Delegation and a contact person who shall be responsible for communication with the AFACT Secretariat and all related parties.

**Article 11**  
**EDICOM**

EDICOM is the annual conference and exhibition of AFACT. It features the latest technology and information on Electronic Data Interchange (EDI), Electronic Commerce (EC), UN/EDIFACT and other related activities including trade facilitation.

EDICOM shall be organised by the hosting member, adjacent to the Plenary, in consultation with the Steering Committee.

**Article 12**  
**Relationship Between AFACT and UN/CEFACT**

As set out in its Mission Statement, AFACT seeks, amongst other objectives, to promote the aims, objectives and activities of UN/CEFACT within the Asia Pacific region. To this end, Asia Pacific delegations
to UN/CEFACT provide a strong link between AFACt and UN/CEFACT.
The UN/CEFACT Rapporteur for Asia provides another significant linkage. The Rapporteur shall be appointed by the Plenary of UN/CEFACT on the recommendation of the AFACT Plenary. (The Mandate of the UN/CEFACT Rapporteur for Asia is attached as Appendix 2).

AFACT is also strongly encouraged to identify and nominate potential members to the UN/CEFACT Steering Group. These nominations shall take place after full consultation with AFACT and shall normally be made on behalf of AFACT, to the UN/CEFACT Secretariat, by the delegation holding the Chairmanship of AFACT or by a delegation designated by the Chair.

Close co-ordination between AFACT Working Groups and UN/CEFACT Working Groups is strongly encouraged and both bodies shall use their best endeavours to ensure this co-ordination. This is most effectively achieved when there is a formal relationship between the respective groups.

Article 13
Expenses

The hosting member shall cover all the costs incurred while serving as the Chair and the Secretariat of AFACT.

The hosting member shall cover all expenses involved in organising the Plenary Meeting, the Steering Committee Meeting and the meetings for the various Working Groups held adjacent with the Plenary Meeting.

The hosting member is entitled to charge a participation fee for each delegate. The amount to be charged shall be decided in consultation with the Steering Committee.

Article 14
Working Language

The working language of AFACT shall be English.

Article 15
Effectiveness

These Bylaws enter into effect on September 8th 1999, upon ratification by the AFACT Plenary.
Appendix 1

List of Members and Associate Members as of September 8, 1999

Members:
- Australia
- Chinese Taipei
- India
- Indonesia
- Iran
- Japan
- Korea
- Malaysia
- Philippines
- P.R.C
- Singapore
- Sri Lanka
- Thailand

Associate Members:
Appendix 2

**Mandate**

**UN/CEFACT Rapporteur for Asia**

Within Asia, the Rapporteur shall:

- Promote and represent CEFACT’s interest and activities to governments, intergovernmental organizations, relevant trade associations and business and trade facilitation organizations;

- Encourage the participation of experts in CEFACT’s work programme and stimulate the implementation of CEFACT’s Recommendations;

- Coordinate CEFACT’s activities in the area.

**Liaison Relationships**

This mandate shall be carried out, where appropriate, in liaison with Heads of delegations to CEFACT coming from Asia as well as in liaison with the secretariat of ESCAP and the Chairs of CEFACT’s Working Groups.

**Reporting Relationships**

A report shall be presented by the Rapporteur to each CEFACT Plenary. The Rapporteur also has the right to raise issues directly with the CEFACT Steering Group (CSG) and shall be entitled to attend the CSG as an observer.

**Duration of Appointment**

Initially for three years, thereafter renewable every two years.
Annex 2

AFACT ORGANISATION

DIAGRAM

Chair
(served by the Host Member)

Steering Committee
Chair
Previous Chair
Chair elect
Rapporteur
Two nominated HoDs

Secretariat
(Host secretariat)

EDICOM
(Presentation & Exhibition)

AFACT
(Plenary)

Joint Working Groups