REV of INF.6!

United Nations electronic Trade Documents (UNeDocs)

Implementing digital trade facilitation

SOURCE: UN/ECE secretariat
STATUS: 
ACTION: For information, 8th UN/CEFACT session
        Agenda Item 4
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Implementing digital trade facilitation

Every year goods to the value of more than US$ 5,500 billion are sold on international markets. In today’s open and global economies the exchange of these goods is managed through increasingly specialized supply chain processes, relying on sophisticated logistics and information and communication technologies. However, when analysing the information exchange that takes place between the supply chain operators one will find a rather surprising situation: the core information exchange that steers and controls the acquisition, transport and payment processes is still relying on traditional, paper-based documents. The collision between the digitalized in-house information processing technology and a historic, paper-based document system introduces enormous costs in the international supply chain: the cost for paper-based trade documentation usually is estimated as 5% to 10% of the value of the traded goods.

From the beginning the UNECE (together with its Centre for Trade Facilitation and Electronic Business – UN/CEFACT) has recognized the crucial role of trade documentation and has developed recommendations and standards in support of efficient international trade, specifically:

- Recommending a common standard for the layout of trade documents (United Nations Layout Key), ISO 6422
- Developing a semantic repository for document data (United Nations Trade Data Element Directory, ISO 7372)
- Developing a standard for electronic business (UN/EDIFACT)
- Recommendations that countries and businesses simplify and standardize documentary trade procedures

Today, documentary standards developed in the UNECE and other international organizations have been widely adopted by the advanced trading countries and are an important structural component of the global trading system. However, the UNECE and other United Nations regional commissions recognize that further efforts are necessary to implement modern trade standards and technologies for trade documents in SMEs, transition economies and developing countries. The low level of trade procedure standardization and the low penetration of electronic business in these countries are one important aspect of the digital divide and are an obstacle to the integration of SMEs and transition economies into advanced markets and supply chain processes.

In June 2001 the UNECE initiated the United Nations electronic Trade Documents (UNeDocs, Internet: www.UNeDocs.org) project. In the framework of this UNECE activity, UNECE will facilitate the alignment of national trade documentation systems to international standards and provide tools to generate the electronic equivalent of the aligned paper documents. By combining existing trade document standards with standard Internet technologies, the UNECE aims to provide a solution that is accessible to SMEs and transition economies and opens a migration path into electronic business environments.

The UNECE believes that UNeDocs will complement the development of trade standards and best practices carried out in UN/CEFACT and international trade facilitation bodies by supporting the practical implementation of these standards. The UNECE has received interest and support for the UNeDocs project from other United Nations regional commissions such as ESCWA and ESCAP, as
well as the private sector. The first UNeDocs project phase is financed by the Government of Switzerland through the Secrétariat d’Etat à l’économie (SECO). The Government of the United Kingdom, through SITPRO Ltd., has recently signed a Memorandum of Understanding with the UNECE, which provides the WebElecTra system as a donation in kind to UNECE. WebElecTra is an Internet-based software solution that allows traders to generate, verify, communicate and print aligned trade documents, either in paper or in standard electronic format, (XML and UN/EDIFACT). Together with SITPRO the UNECE intends to integrate the system into UNeDocs and to implement it in the framework of technical cooperation projects.

At the UN/CEFACT Plenary in May 2002, a revised structure of working for UN/CEFACT was agreed which will lead to improved focus and delivery and to some re-allocation of resources and projects.

Delegates expressed their strong support for UNeDocs and it was agreed that the new Working Group, in particular TBG, should give this work high priority.

This is designed to support UNECE in the early delivery of UneDocs, with the aim to provide an early, effective service to all sizes of country and of business together with its ongoing enhancement as standards evolve (e.g. new administrative and negotiable documents, ebXML, Simp.eb etc.)