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COMMITTEE FOR TRADE, INDUSTRY AND ENTERPRISE DEVELOPMENT

Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

Eighth session, 27-30 May 2002

Item 3 of the provisional agenda

**REPORT OF THE UN/CEFACT STEERING GROUP (CSG) MEETING
25-28 FEBRUARY 2002**

Submitted by the UN/CEFACT secretariat

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The present report is submitted to the Centre for discussion and noting.

CSG Chairman:

Ray Walker (RW), United Kingdom - UN/CEFACT
Vice-Chairman

CSG members present:

David Dobbing (DD), Australia - CDWG Chairman
Harry Featherstone (HF), United States
Pierre Georget (PJG), France – EWG Chairman
Peter Guldentops (PG), ICC
Dariush Haghighi-Talab (DHT), Islamic Republic of Iran
Kenji Itoh (KI), Japan - UN/CEFACT Vice-Chairman
Päivi Lehtonen (PL), Finland
Alexander de Lijster (AdL), Netherlands – ITPWG
Chairman
Santiago Milà (SM), IAPH/ Spain - UN/CEFACT
Vice-Chairman
Klaus-Dieter Naujok (KDN), Canada – TMWG Chairman
Grazyna Rzymkowska (GR), Poland
Teresa Sorrenti (TS), United States - UN/CEFACT Vice-
Chairperson
Christina Wallén-Rahlén (CWR), Sweden
Peter Wilson (PW), United Kingdom
Christoph Wolf (CW), Germany

At the invitation of the Chairman:

Rapporteurs and chairpersons of groups present:

David Marsh (DM), United Kingdom – LWG Vice-
Chairman and Legal Liaison Rapporteur
Mike Doran (MD) – BPAWG Chairman

Secretariat present:

Mario Apostolov (MA)
Tom Butterly (TB)
Carol Cosgrove-Sacks (CCS), Director of the Trade
Division
Virginia Cram-Martos (VCM)
Hans Hansell (HAH)
Jean Kubler (JK)
Mika Vepsäläinen (MV)

Apologies:

Dumitru Anca, Romania
Christian Frühwald, Chairman of UN/CEFACT
Dietmar Jost, WCO
Claude Hamon - Standards Liaison Rapporteur
Tahseen Ahmad Khan, India – Rapporteur for Asia
Johnson Jubulu Olumekun, Nigeria - UN/CEFACT
Vice-Chairman
Maxence Orthlieb, Trade Facilitation, UNCTAD

Common acronyms:

ATG – Applied Technology Group
BPAWG – Business Process Analysis Working Group
CDWG – Codes Working Group
CTIED - Committee for Trade, Industry and Enterprise
Development
EWG – EDIFACT Working Group
LG – Legal Group
LWG - Legal Working Group
TMG - Techniques and Methodology Group
TMWG – Techniques and Methodology Working Group
ebXML – Electronic Business XML initiative
AFACT - Asia Pacific Council for Trade Facilitation
and Electronic Business
BIO - Business Information Objects
BPIM – Business Process and Information Modelling
BSR - Basic Semantic Register
BSU - Basic Semantic Unit
DMR – Directory Maintenance Request
DTD – Document Type Definition (in XML)
EBTWG – Electronic Business Transition Working
Group

ECLAC – UN Economic Commission for Latin America
and the Caribbean
ESCAP – UN Economic and Social Commission for
Asia and the Pacific
ESCWA – UN Economic and Social Commission for
Western Asia
HoD – Head(s) of Delegation (to UN/CEFACT)
ICG – Information Content Group
IPR - Intellectual Property Rights
JCC – Joint Coordination Committee (between
UN/CEFACT and OASIS)
JTC1 – Joint Technical Committee (JTC) of ISO/IEC
dealing with information technology
MoU - Memorandum of Understanding
MT – Management Team
ODP – Open Development Process in UN/CEFACT
OLA – Office of the Legal Adviser
PDC - Policy Development Council
SLA – Service Level Agreement
SSP – Support Service Provider
TBG – International Trade and Business Processes
Group
UBL –XML Universal Business Language
UMM - UN/CEFACT Modelling Methodology

INTRODUCTORY REMARKS

1. Apologies had been received from Christian Frühwald, Dietmar Jost and Tahseen Ahmad Khan. Carol Cosgrove-Sacks, Director of the UNECE Trade Division, reported to the CSG about the restructuring of the Trade Division with its new three branches: Policy and Governmental Cooperation, Global Trade Solutions and Timber. She also informed the meeting about preparations for the World Summit on the Information Society (WSIS), and noted that the preparations for the May 2002 International Forum on Trade Facilitation (ITFF) were advancing very well. Hans Hansell (HAH) announced that the United Nations Secretary-General had appointed Ms. Brigita Schmögnerová from Slovakia as Executive Secretary of UNECE. The secretariat subsequently distributed the schedule of events related to the World Summit on the Information Society and the revised programme of the International Forum on Trade Facilitation.
2. The CSG discussed issues concerning the missing of several deadlines related to the restructuring of UN/CEFACT, the improvement of communication within the group and with outside partners, as well as the timely distribution of minutes and agendas. It was noted that the outside world was waiting for the finalization of the restructuring process and for UN/CEFACT to produce the standards it had promised. The CSG decided to transfer the responsibility for approving the release of the draft minutes to Ms. Sorrenti, UN/CEFACT vice-chairperson, in order to secure their timely distribution after each meeting. The CSG decided that paragraphs in the minutes should be numbered; the personal names should be written in full in the participants list, and subsequently only their initials should be used. A full list of decisions shall be printed and distributed to the CSG members at the end of each meeting. Where appropriate, the reasons for the decisions will be summarized and included. In order to facilitate the discussion in the CSG an LCD projector will be used, wherever possible, to display the item under discussion.

NEW ORGANIZATION, CURRENT POSITION AND NEXT STEPS; ELECTRONIC BUSINESS

3. The CSG reviewed the results of the consultation process on the restructuring of UN/CEFACT. They finalized the proposal for restructuring, edited by Mr. Dobbing. The proposal would be put to the May 2002 Plenary. A disposition log on all comments was created and distributed to the contributors to the consultation process. An editing team, led by Mr. Dobbing, looked through the comments and incorporated them in the proposal. Some CSG members discussed the issue of a forum management team. The CSG felt that it would not be appropriate to form groups outside the UN/CEFACT structure dealing with various domains, and just bring the work into UN/CEFACT. Discussing the issue of vertical (by business) and horizontal (by function) focusing of the work of UN/CEFACT's groups, several CSG members felt that the essence of this debate was terminology, while the project structure clearly involved various types of experts in one and the same project. The CSG agreed in principle with the general suggestion of the EWG that business domain experts organize themselves in functional groups within the proposed Global Commerce Processes Group. The CSG confirmed that overall coordination of the liaison with external standard-setting organizations should be within the CSG, while groups should be responsible for liaison. The CSG agreed to urgently address the maintenance of the ebXML initiative legacy.
4. Hans Hansell noted that trade procedures and trade policy had to be given more visibility, that UNECE was increasingly seen as a forum for policy debate, and it was necessary to include UN/CEFACT in this process. He distributed draft terms of reference for a UN/CEFACT Policy Development Council (PDC). The CSG Chairman suggested engaging the participants in the Plenary in the establishment of such a policy advisory group. The CSG suggested including the issue of promotion alongside policy in a separate paper to be submitted by the UN/CEFACT Chairman to the Plenary. Further to the secretariat's proposals with regard to policy and promotion, the CSG decided to leave the organigramme unchanged with reference to these points. The CSG strongly encouraged the secretariat to develop, in conjunction with the UN/CEFACT Chairman, a separate submission on these points for plenary discussion and approval.
5. The CSG reviewed the names of the three large boxes in the restructuring organigramme. The first one would be called International Trade and Business Processes Group (TBG), the second one Information Content Management Group (ICG), and the third one Applied Technologies Group (ATG). The CSG decided to prepare an executive summary to the restructuring proposal paper. It was decided that any further comments to the restructuring proposal would be made through the respective working group chairman, with David Dobbing acting as the editor of the restructuring document.

6. The CSG reviewed the comments of the World Customs Organisation (WCO). It established a small group under the chairmanship of the CSG Chairman and including Christina Wallén-Rahlén and Pierre Georget to develop a letter in response to the WCO e-mail from Dietmar Jost to the CSG. The CSG acknowledged the submissions of the HoD from France, Canada and Belgium.
7. Concerning the closing of the current working groups, the CSG Chairman and Klaus Naujok explained that the work programmes would not cease to exist, and would be transferred in their entirety and even enlarged to the new groups. All project teams of EWG would be listed in a separate paragraph similarly to the eBTWG list of project teams. The CSG would further discuss the issue of how experts should become members of the Groups, and revise the current procedure. The CSG Chairman undertook to lay out the points that would necessitate changes in document R.650/Rev.2 and distribute those on the CSG listserve. One such point would be the text on membership. Removal of Group members should be the prerogative of the Heads of Delegations. Membership fee issues should be left open. Conveners would decide on inviting experts to the Groups. The following group Conveners (who would serve until the end of the first forum) were nominated: Klaus Naujok for the Techniques and Methodologies Group (TMG), David Marsh for the Legal Group (LG), David Dobbing for the ICG, Justein Fromyr for the ATG, Ralph Berwanger and Mike Doran for the TBG. The forum Management Team (MT) would invite the Conveners. The Conveners would elect a coordinator among themselves.
8. The CSG decided to hold the first UN/CEFACT forum in the week of 16 September 2002 in Geneva. A participation fee should be requested. Government representatives from countries in transition and developing countries would not pay a fee. Invitations to other locations had been received, but most CSG members felt that if UN/CEFACT worked under the United Nations banner, it had to hold the first meeting of its forum in Geneva. Assuming the approval of the restructuring proposal by the Plenary on 27-28 May 2002, the CSG expects the migration to the new structure to be finalized by the first UN/CEFACT forum. The CSG established a team under the leadership of Mr. Featherstone to prepare a transition plan for the first meeting of the UN/CEFACT forum. The LG would send representatives to the forum. Hans Hansell and Virginia Cram-Martos confirmed that there would be a possibility to find the necessary rooms in the Palais des Nations in Geneva.
9. An ad hoc team, comprising the CSG Chairman and Santiago Milà, Christoph Wolf and Kenji Itoh, was established in order to work out, collaborating closely with the secretariat, the formalities of the organization of the forum. Christina Wallén-Rahlén objected to the proposal to hold social events parallel to the forum, as incurring an additional cost and raising the participation fees, while keeping potential participants away from the forum. The UNECE secretariat should provide a template for group mandates, to be prepared by 15 March 2002. The initial forum should be announced on all UN/CEFACT web sites and lists, emphasizing that this would be a working meeting. The disposition log, the transition plan and the Convener announcement were subsequently sent out to the consultation list.
10. Noting a certain misunderstanding in the organization of the next EWG and eBTWG meetings, the CSG invited as many as possible eBTWG members to go to the EWG meeting in Barcelona in March 2002, and confirmed the plan to hold a joint meeting in the future.
11. The CSG approved the UN/CEFACT representatives to the ebXML Joint Coordinating Committee (JCC) with OASIS: Klaus Naujok, Jamie Clark, Brian Hayes and Duane Nickull. Klaus Naujok, Ray Walker and Jean Kubler would consider how to make the JCC more representative and this may lead to a slightly larger JCC. Klaus Naujok would provide a roadmap document explaining the ebXML project relationships. Pierre Georget would provide details on the EWG Core Components project.
12. The CSG reviewed progress in the preparations for the appointment of a Support Services Provider (SSP). If in the interim period before setting up a SSP, the secretariat agreed it could make an extra effort in order to provide the necessary secretariat services for the organization of an eventual working group forum. Harry Featherstone reported on the meeting with the United Nations Procurement Officer. It had been noted that the SSP should operate in full accordance with the United Nations rules, with a request for procurement (RFP) distributed as broadly as possible. It was hoped that the administrative process would be finalized by the end of June 2002. A Service Level Agreement (SLA) should be established; and the selection of the SSP should be based on a number of technical requirements. The SSP should also provide a financial performance plan. The CSG confirmed the

following members as being their representatives in the Support Service Provider evaluation panel: Mike Doran (Chairman), Teresa Sorrenti, Harry Featherstone, Santiago Milà, David Dobbing and Klaus Naujok as the technical liaison person. The CSG requested the Director of the UNECE Trade Division to appoint Virginia Cram-Martos as the secretariat member of that team. The CSG confirmed the following members as being their representatives in the Service Level Agreement team: Alex de Lijster (Chairman), Grazyna Rzymkowska, Paivi Lehtonen and Peter Guldentops. The CSG requested the Director of the UNECE Trade Division to appoint Hans Hansell as the secretariat member of that team. The CSG noted that if all interested parties respond in time to the proposal for the SSP the award would be made in May 2002, and the Service Level Agreement (SLA) would be negotiated between the designee and UN/CEFACT within 30 days after award. The CSG discussed the issue of the use of the United Nations logo by the SSP, and it was decided to leave this issue to the United Nations Procurement Officer, whose opinion would be included in the SLA. A detailed paper on the SSP, prepared in September 2001, would be distributed to all CSG members and the UN/CEFACT member Governments (the missions in Geneva) only after the Procurement Officer had given her views on this issue.

13. The CSG reviewed and confirmed UN/CEFACT's policy towards Intellectual Property Rights (IPR) in its standards work, noting document CEFACT/2001/CS20, Note regarding intellectual property in work created by UN/CEFACT.
14. David Marsh informed the CSG about the ideas to organize a workshop on IPR issues in the UN/CEFACT environment, but he felt it was not part of the remit of the LWG to participate actively in the debate. He noted that it would difficult to prove that the United Nations had IPR on products that had been created at an earlier stage by someone else. It might be a better idea to seek a royalty-free licensing position. David Marsh will develop the Note regarding intellectual property in work created by UN/CEFACT (CEFACT/2001/CS20) as a plenary paper. Klaus Naujok, David Marsh and Ray Walker undertook to prepare a summary paper on the IP issues in the relations with OASIS, to be presented by the secretariat to the OLA. The CSG Chairman noted that some software products were granted to UN/CEFACT on the basis of the RAND rule ("reasonable and non-discriminatory"), and felt that licenses should be sought. Jean Kubler expressed his doubt that licensing would solve the problem. He noted that the International Telecommunication Union (ITU) had developed a mechanism of solving this problem, and undertook to provide the available information on the ITU mechanism for publishing recommendations to the CSG.

PREPARATIONS FOR THE INTERNATIONAL FORUM ON TRADE FACILITATION IN MID-MAY 2002

15. The Director of the UNECE Trade Division reported on the preparations for the International Forum on Trade Facilitation on 29-30 May 2002. The high-level speakers had already been identified and confirmed. She pointed to the expected outcome of the Forum as offering great possibilities for the future work of UN/CEFACT. Alex de Lijster added that the ITPWG would produce for the Forum a trade facilitation brochure and a trade facilitation index.
16. The Director of the Trade Division made a presentation on the new structure of the Division. She also reported on the preparations for the World Summit on the Information Society (WSIS) in December 2003 in Geneva. The dates of meetings related to the WSIS were scheduled as follows:

2002

UNECE Informal Regional Expert Meeting on ICT for Development and WSIS, Geneva	29 April
WSIS Global Preliminary Preparatory Conference, Geneva	1-5 July
WSIS European Regional Preparatory Conference, Bucharest	7-9 November

2003

WSIS, Geneva	10-12 December 2003
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2005

WSIS, Tunis

REPORTS FROM MANDATED GROUPS

17. David Marsh reported on the work of the Legal Working Group (LWG), notably on the Trading Partner Agreement (TPA) together with EDIFICE and RosettaNet, on cross-border recognition and on Online Dispute Resolution (ODR). He noted that the LWG was developing a draft Recommendation on ODR, which would not suggest specific solutions for ODR, but would stress the necessity to remove any legislative impediments. The LWG was taking into account already existing work on ODR. He reiterated the surprise of the LWG to learn that a small team of specialists from another part of the UNECE secretariat had planned work on ODR without consulting the LWG, but noted that any specialist on ODR issues was welcome to work with the LWG on its ODR deliverable, and undertook to write to that team of specialists. Santiago Milà undertook to establish a contact between the LWG and the Committee for Legal Protection of the International Association of Ports and Harbours (IAPH).
18. Klaus Naujok, Chairman of the Electronic Business Transition Working Group (eBTWG), noted that a first public review of an ebXML specification was about to be carried out within the Open Development Process. The CSG decided that specifications should be out for a public review process for a period of two months from the moment of posting.

DEVELOPMENTS IN STANDARDIZATION

19. The CSG Chairman explained the background to the signature between UN/CEFACT and OASIS of an MoU in 2001 and his meeting on 5 November 2001 with the acting Executive Secretary of UNECE, his advisor, members of the UNECE secretariat and the CEO of OASIS. At that meeting it had been suggested that OASIS joined the ISO-IEC-ITU-UNECE MoU as an international user group. At the next meeting of the MoU Management Team (MT). OASIS would present its work programme and the MT would pronounce itself on possible overlaps. The resurrection of the momentum of ebXML would become a priority for the cooperation with OASIS. Hans Hansell pointed to the lack of coordination and the IPR issue as the major stumbling blocs of the UN/CEFACT-OASIS agreement of May 2001. A solution to the coordination issue was found in OASIS joining the ISO-IEC-ITU-UNECE MoU, and only the IPR issue remained. Some CSG members expressed their concerns about the lack of information and consultation with UN/CEFACT on the development of the relations with OASIS and whether the practice followed in OASIS followed the spirit of the standards MoU.
20. The CSG agreed to publish a paper outlining the position on the MoU with OASIS and all the subsequent developments including the OASIS membership in the standardization MoU by 11 March 2002. The CSG Chairman would provide a first draft for CSG review. He would also discuss with Mr. Hamon the establishment of better communications in the MoU team. A listserve should be established to facilitate these communications. Claude Hamon, the UN/CEFACT Standards Liaison Rapporteur, should ensure that every effort is made to organize back-to-back meetings in order to facilitate the participation of all members of the MoU team.

DEVELOPMENTS IN RECOMMENDATIONS AND OTHER DELIVERABLES

21. David Marsh informed the meeting that the LWG was continuing its work on its deliverables on Online Dispute Resolution (ODR), the Trading Partner Agreement (TPA) and cross-border recognition of electronic signatures but, unfortunately, none one of them would be ready for the May 2002 Plenary.
22. The Chairman of the International Trade Procedures Working Group (ITPWG) distributed ITPWG's draft document on the basics of trade facilitation.
23. The CSG Chairman and Hans Hansell undertook to draft a text for a United Nations Recommendation containing in attachment the ebXML specifications already published in May 2001.

DEVELOPMENTS WITH OTHER INTERNATIONAL ORGANIZATIONS

24. Mario Apostolov informed the meeting that the secretariat was developing a MoU with the International Chamber of Commerce (ICC), which would be signed by the Executive Secretary of UNECE and the Secretary-General of ICC.

ANY OTHER BUSINESS

25. The CSG set up a team under the chairmanship of Alex de Lijster, with Christina Wallén-Rahlén, Grazyna Rzymkowska, and Christoph Wolf, Dariush Haghighi-Talab and Kenji Itoh as members, and Teresa Sorrenti as a reviewer. This team would prepare a Frequently Asked Questions (FAQ) document regarding the restructuring.
26. The following dates for CSG meetings were agreed upon:

28 May 2002, Geneva at the conclusion of the Plenary
22-25 July 2002, Geneva
21-24 October 2002, Berlin
