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**ENGLISH ONLY**

**UNITED NATIONS CENTRE FOR TRADE FACILITATION AND ELECTRONIC BUSINESS  
(UN/CEFACT)**

**Support Services to UN/CEFACT**

The present document is submitted to the 9<sup>th</sup> Plenary session of the UN/CEFACT for discussion under Agenda item 3 and 4.

## A. BACKGROUND

1. The United Nations, through the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT), supports activities dedicated to improving the ability of business, trade and administrative organizations, from developed, developing and transitional economies, to exchange products and relevant services effectively. UN/CEFACT was established by the UNECE at its session on 7 February 1997 (ECE/AC.20/97(1)/I). Its principal focus is to facilitate international transactions, through the simplification and harmonization of processes, procedures and information flows, and so contribute to the growth of global commerce.

2. Committed to a vision to provide “simple, transparent and effective processes for global commerce”, UN/CEFACT focuses its work on three strategic goals to

- adopt new approaches to trade facilitation,
- harmonize business processes, and
- exploit advances in information technology.

3. Given the scope, complexity and cost, the UNECE secretariat no longer has adequate resources within the regular budget to provide the support infrastructure necessary to achieve this vision. To remedy this situation, the UN/CEFACT Plenary authorized the CEFACT Steering Group (CSG) to pursue extra budgetary resources, e.g. through a professional support service provider (SSP). The SSP would be expected to act as a *de facto* “business manager”, responsible for coordinating a variety of activities undertaken by the UN/CEFACT Groups, separately or collectively at the bi-annual UN/CEFACT Forum. The term “Groups” refers to the five Groups established by the UN/CEFACT Plenary to undertake substantive technical development or research tasks within the Group’s mandates approved by the UN/CEFACT Plenary. The term “Forum” refers to a twice a year joint meeting of all UN/CEFACT Groups.

### Current Organization

4. UN/CEFACT is currently structured as follows:

1. Plenary
  - Representatives of UNECE and other UN member States; Intergovernmental Organizations and, Non-Governmental Organizations that have consultative status with ECOSOC.
2. Steering Group
  - Elected by the Plenary to manage the work between the Plenary sessions
3. UN/CEFACT Groups
  - Applied Technologies Group (ATG, 2 project teams)
  - Information Content Management Group (ICG, 2 project teams)
  - Legal Group (LG, 5 projects, no smaller teams.)
  - International Trade and Business Processes Group (TBG, 17 project teams)
  - Techniques and Methodologies Group (TMG, 5 project teams)
4. UN/CEFACT Forum
  - A meeting of the five “Groups” and their project teams (20 – 30 “working groups”) organized every 6 months.
5. Forum Coordination Team
  - The Bureau of the five “Groups” consisting of the chairpersons of the Groups. This team is responsible for the initial approval of projects and the practical Forum arrangements (for example determining the number of teams that will be meeting, at what times and with approximately how many participants)

5. As outlined in its mandate (TRADE/R.650/Rev.2 dated 24 May 2000), participants in the UN/CEFACT Plenary include: UNECE member States, other UN member States, inter-governmental organizations, and non-governmental organizations that have consultative status with ECOSOC. The Plenary elects the members of the Steering Group.

6. The experts participating in the Groups mainly come from industry and commerce. They are nominated by the representative of a member of UN/CEFACT and/or through endorsement by a body authorized by the representative of a member of UN/CEFACT. Experts are expected to make their contributions on a personal rather than a representative basis.

7. The participating experts in the UN/CEFACT Groups elect the Chairperson and Vice-Chairperson(s) of these Groups. These are persons whose skills and experience qualify them to offer expert advice to the UN/CEFACT Plenary on the direction and detail of the substantive items of work. The results of their work are reviewed by the Plenary and may result in the publication of standards by the Plenary or in recommendations to governments.

8. These Groups adopt a project approach to their tasks and at any time a Group may have many different projects including some with other Groups. Currently, some 25 – 30 project teams<sup>1</sup> carry out these projects. Currently there are 2 project teams in the ATG, 2 in ICG, 17 in TBG, and 5 in TMG. The Legal Group has several projects but doesn't split into smaller teams to work on them.

9. The Groups meet according to their own schedules, but twice a year they meet in the same location, and these twice-a-year meetings are called the UN/CEFACT Forum.

## **B Organizational Structure Change: Reporting through Advisers to UN/CEFACT (“Rapporteurs”)**

10. The UN/CEFACT Plenary would designate the chairperson of each of the five Groups to act in an advisory capacity and make recommendations to the UN/CEFACT Plenary. These “Advisers to UN/CEFACT” would act as Rapporteurs and their task would be to bring to the UN/CEFACT Plenary recommendations resulting from the work of the Groups, for decision. Representatives of members of UN/CEFACT could nominate candidates.

11. The Forum Coordination Team, which would include all five of the above mentioned Rapporteurs, would be responsible for: (a) ensuring the coordination, organization and substantive oversight of the work of the Groups, separately or collectively in the Forum; (b) ensuring that such work is carried out within the mandates approved by the UN/CEFACT Plenary; (c) reviewing and approving project proposals for assignment to the Groups or project teams, and ensuring that such projects are assigned to the appropriate Group or project team; (d) reviewing and endorsing proposed recommendations formulated by each Group, before submission of the recommendations to the UN/CEFACT Plenary by the Group's Rapporteur for approval; (e) assisting the UNECE Secretariat as appropriate in making administrative and logistical arrangements for Groups' meetings, separately or at the Forum. For appropriate coordination, ECE secretariat representatives would participate in Forum meetings.

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<sup>1</sup> The term Project Team is used in this document for the sake of clarity. In the UN/CEFACT context, the actual term is working group. The working groups are mandated and empowered by and report to one of the 5 Groups (ATG, ICG, LG, TBG or TMG).

12. Arrangements for the Groups' meetings will be made by the UNECE Secretariat in accordance with the applicable UN regulations, rules and procedures.

13. A formal registration process would be established for participants to the Groups. The participants would be required, as a condition to participating in the Groups, to sign (or approve electronically on a website) a document setting out the terms and conditions of their participation (see Annex III).

14. Participants in the Groups who are registered in accordance with the procedures established by the UNECE Secretariat, as well as the Rapporteurs, will have the status of "experts on mission" in the sense of Section 22 of Article VI of the Convention on the Privileges and Immunities of the United Nations while traveling to and from, or working in, Groups' meetings convened by the UNECE Secretariat.

15. After the Forum Coordination Team would endorse the results of the development work carried out in the Group, the Rapporteur for that Group would present them as recommendations to the UN/CEFACT Plenary session for approval.

16. Proposals for new work items (recommendations, standards) could be made by the participants for the review of the Groups, as appropriate, and then the proposals that are accepted would be forwarded by the Group's Rapporteur for adoption into the Programme of Work by the UN/CEFACT Plenary session.

### **C. PROVISION OF ADMINISTRATIVE AND LOGISTICAL SERVICES TO SUPPORT THE GROUPS (UN/CEFACT FORUM)**

Services to be provided by the UNECE Secretariat

17. The UNECE Secretariat will designate a Project Administrator responsible to supervise and coordinate, in accordance with applicable UN regulations, rules and procedures, the provision of administrative and logistical services to UN/CEFACT by the UNECE Secretariat (see paragraph 18) and by such entities whose services may be engaged by the UNECE Secretariat for that purpose (see paragraphs 19 through 21). The Project Administrator will perform these functions in consultation with the Forum Coordination Team as appropriate.

18. The UNECE Secretariat would continue providing UN/CEFACT with the following services that can be financed from the UNECE regular budget:

1. Preparation of recommendations, standards and related documentation for approval by the UN/CEFACT Plenary
2. Publication and effective dissemination of recommendations, standards and related documentation. If the business-to-business standards require access to the standard through software systems, such as a standards repository, then the dissemination task would include the management of these systems;
3. Provision of international accessibility to UN/CEFACT standards and recommendations;
4. Preparation, in cooperation with the Forum Coordination Team of a "Service Level Agreement", identifying the minimum level of services to be provided by the external service provider referred to in paragraph 19, including [discretionary] services, performance levels, mechanisms for administrative review, and procedures for maintaining the quality of services;
5. Oversight of the governance process including transparency considerations; i.e. complying with UN rules for openness and following all relevant procedures covering UN/CEFACT activities, including provision of international accessibility and review;

6. Assurance of an open and inclusive development process for UN/CEFACT recommendations and standards, and setting the criteria for full and open development and standing as the "guarantor" for the quality of the work
7. Maintenance of logs and records of membership in Groups and project teams
8. Advice to Governments and agencies;
9. Policy discussions and support to the implementation of UN/CEFACT recommendations and standards in member States
10. Promotion, communication and dissemination of UN/CEFACT activities especially within the UN, to other international organizations and on the website;
11. UN/CEFACT Plenary & Steering Group meeting preparations and support
12. Reporting and accounting to the UN system;
13. On the recommendation of the Forum Coordination Team, identify new membership and make the necessary arrangements for their participation in UN/CEFACT Groups.

Additional services to be provided by an external service provider engaged by the UNECE Secretariat

19. There are, however, a number of additional services that would be necessary to allow the UN/CEFACT Groups to be adequately supported, which the secretariat does not have the resources for. "Adequate support" to the Groups is critical to the UN/CEFACT Plenary, which relies upon the expertise in the Groups to develop the vast majority of its technical standards and recommendations. It is therefore necessary to identify an external support service provider to provide these additional services under an appropriate agreement with UNECE. These additional services include:

- A. Administrative and logistical support for the organization and follow up to Group meetings, particularly in the context of the Forum (immediate, ongoing need);
- B. Developing and maintaining a 24 hour / 7 day a week web service with portal capabilities for the sharing of standards development information and the provision of closed lists (immediate, ongoing need). This task would include:
  - a. Developing technical specifications for a dynamic web- based development repository; (may take over 18 months)
  - b. Building, operating and maintaining the development repository for use by the different business, government and civil society constituencies in the member States (may take up to 3 years).
- C. Offering technical support to the Groups between meetings including the provision of specialized expertise in areas, such as process modelling, and technical coordination; (would need to be started approximately within 6 months and be fully developed within 18 months)

20. The concrete tasks corresponding to these additional services are as follows:

Services to the UN/CEFACT Groups

- a) Consolidate, prepare, distribute, and maintain draft technical working papers, including minutes and lists, related to the meetings and the work of the Groups
- b) Prepare technical reports on the work undertaken by the UN/CEFACT Groups for communication to the UNECE secretariat
- c) Provide on-line Internet registration facilities
- d) Track and handle other registrations via fax and mail
- e) Handle the logistical arrangements (on-site registration, rooms, equipment, photocopying, the provision of information to delegates etc) both before and during Groups' meetings
- f) Track and maintain correspondence and other documents exchanged between UN/CEFACT groups and project teams

- g) Coordinate and distribute information and technical documents relevant to the work of the Groups
- h) Prepare technical papers and clarifications on e-Business related issues for use at the Groups' meetings
- i) Assign a project manager to direct and oversee all operations in support of the Groups and coordinate all support requirements with the designated UNECE Secretariat official

***Central Support Team services***

- j) Provide a minimum of one (1) full time person responsible for Central Support Team services that enable day-to-day management of the support services to the Groups
- k) Establish ongoing, reliable and accessible communications and training services
- l) Promote the work of UN/CEFACT through selected promotion activities that can be carried out on a sectoral and global level, in order to attract additional experts, particularly in areas where the Forum Coordination Team believes that additional expertise is needed
- m) Serve as a focal point for institutions, enterprises and individuals willing to provide contributions of their prior work that can be shared and/or incorporated into the overall UN/CEFACT standards development process, in line with UN/CEFACT rules of procedure and the open development process.
- n) Support international conference calls for Group and project team coordination
- o) Develop, establish and maintain, an active UN/CEFACT web portal capable of:
  - presenting a world-class home page
  - providing internationally accessible web services to support the Groups
  - Identifying and tracking the frequency and timeliness of updates to draft technical specifications
  - Providing access to UN/CEFACT facilities to identify current events, items of interest and the working drafts of technical documents
  - Providing access to repository applications
  - Providing archival and retrieval capabilities for web and list server services
- p) Develop, establish and maintain list server capabilities as necessary to support Group and project team communication and coordination requirements.
- q) Undertake conferences and workshops to disseminate information and UN/CEFACT work products
- r) Undertake training seminars at both elementary and advanced levels for private and government representatives

***Registry and/or Repository Support***

- s) Develop, establish, and maintain a registry and/or repository capable of supporting the full range of UN/CEFACT development and application requirements. (Concerning publication and dissemination of UN/CEFACT Recommendations, standards and related documentation see UN core function 2.)
- t) Provide accessibility to standards and draft standards for review and development
- u) Provide the initial investment capital to develop, establish and maintain a registry and/or repository
- v) Make the Registry and or Repository available over the Internet 24 hours a day, 7 days a week.

21. An entity within the United Nations system (current options being UNECE, or UNOPS or ITU under an agreement with UNECE) would be requested to provide these additional services. Such entity could subcontract to a service provider acceptable to UNECE the services requiring specialized technical

expertise not available to it. The costs of these additional services would be met from the proceeds of the voluntary contributions deposited in the UN trust fund referred to in paragraph 23.

22. All of the additional services would be provided under the supervision of the UNECE Project Administrator referred to in paragraph 17, in consultation with the Forum Coordination Team.

#### **D. FUNDING**

23. The annual cost of the additional services required by UN/CEFACT is estimated at USD 500,000 annually with additional investment for the development of the repository estimated at USD 1,5-2 million, as detailed in the estimated budget in paragraph 25. To cover these costs, a United Nations trust fund for support to UN/CEFACT would be established under the UN Financial regulations and rules with the implementing office being the UNECE, to receive voluntary contributions from governmental, inter-governmental, non-governmental, and private sources (including commercial companies and individuals). In-kind contributions of services, equipment, materials and software required to support UN/CEFACT work would also be invited.

24. In order to address the difficulty in raising funds to meet the more substantial costs of a database for standard development requirements, including the necessary hardware, software and operational services (including 24-hour / 7-day-a-week availability over the Internet, maintenance and help-desk functions), the following modalities would be used:

- UNECE would call upon its member States to make voluntary contributions to the United Nations trust fund to cover the above costs;
- Large companies which contribute to the development of trade facilitation standards, such as ebXML, and would be the primary users of these standards, would also be invited to make voluntary contributions, either in cash (to a United Nations Trust Fund), or in-kind (hardware and/or software and/or operational services). In order to facilitate such contributions, they would be acknowledged by the United Nations in a manner cleared by the UN Office of Legal Affairs.

25. Tentative budget estimate for the additional services:

- 1 Technical support to the groups between meetings including the provision of specialized expertise in the area of process modeling, and technical coordination
  - a. Estimated at \$ 450,000 per annum
  - b. Immediate need
- 2 Develop technical specifications for a dynamic web- based development repository
  - a. estimated at \$100,000
  - b. implementation within 18 months plus
- 3 Build, operate and maintain the repository
  - a. estimated at up to \$1.5 Million
  - b. implementation during up to 3 years