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

NEW STRATEGIC DIRECTION FOR UN/CEFACT

The present documents contains Annex 1 to the Chairman's report (TRADE/CEFACT/2003/ MISC.10.

TRADE/CEFACT/2003/MISC.5
GE.03-

1. INTRODUCTION AND PURPOSE

The CEFACT Steering Group (CSG) at its February 2003 meeting considered the possible outcomes of its discussions with the United Nations Office of Legal affairs (OLA) regarding a) finding appropriate ways within the UN system to secure significant resources to support its eBusiness activities, and in particular to be able to appoint a Support Service Provider (SSP), and b) adopting an Intellectual Property Rights (IPR) policy suitable for today's standards development environment. They came to the conclusion that notwithstanding the continuing discussions with the OLA, it was prudent to begin exploring alternative scenarios for UN/CEFACT rather than deferring investigation of those strategies pending conclusion of the OLA discussions.

Accordingly, the CSG established two groups charged with evaluating the worst case "what if" scenarios:

1. What would UN/CEFACT look like without the presence of eBusiness standards development activity, (Group A) and
2. What alternatives exist for transitioning UN/CEFACT's eBusiness standards activity to other development environments and organizations? (Group B).

The purpose of this paper is to examine scenario 1 and present possible alternatives for the future focus, output and structure of UN/CEFACT that reflect the current user demands for Trade Facilitation and e-business in the global context.

The paper first looks at the historical development of trade facilitation and e-business work in UNECE and then considers the existing environment for work in these areas. Based on these considerations, the paper looks at possible scenarios for a future focus, workplan and structure for UN/CEFACT and presents some concrete proposals for consideration by UN/CEFACT.

In considering these options, it is important to recognize that the United Nations provides a neutral, transparent and, above all, unbiased environment for the development of standards. It also makes these standards freely available on an open, no-charge basis to all users.

Thousands of individuals contribute, and have contributed, to the development of UN/CEFACT trade facilitation and e-business recommendations and standards. Many of these individuals and the organizations, both public and private, that sponsor them, have made these contributions, at least in part, because they were contributing to the work of the UN.

We believe that, as we explore the options for the future of UN/CEFACT, it is important to preserve this good will, and to build even further upon it, in order to develop recommendations, standards and best practices that contribute to the economic well-being of all countries.

This paper was prepared by the UNECE Secretariat on the basis of a round table discussion at the CSG meeting in February 2003 and further input from Group A.

2. THE EVOLUTION OF TRADE FACILITATION AND E-BUSINESS WORK IN UNECE

The development of trade facilitation and e-business initiatives, tools and recommendations has been ongoing in UNECE for over 30 years. Initially, the work was undertaken by the Working Party on the Facilitation of International Trade procedures, entitled Working Party 4 (WP.4), which was established in the 1960's. This working party had two subsidiary bodies, namely the Group of Experts 2 (GE.2), which focussed on trade facilitation, and GE.1, which focussed on the development of e-

business standards. Experts belonging to the participating delegations carried out the programme of work of WP.4.

Working Party 4 developed a range of path breaking Recommendations for best practices in trade procedures and standards for transaction-related information that were of enormous benefit to government administrations, traders and providers of trade-related services. These recommendations include the widely used UN Layout Key, a guideline for designing documents that allows information to be recorded only once for a whole set of different trade documents. The UN Layout Key is, for example, the basis of the EU Single Administrative Document, and the International Bill of Lading. Other recommendations include the UN Location Code for over 36,000 trade locations in the world, or the Country Code that has been adopted as an ISO standard.

Working Party 4 was also instrumental in the development and maintenance of international standards for electronic data interchange (EDI), the most important product of which is the UN Electronic Data Interchange for Administration, Commerce and Transport (UN/EDIFACT), the global standard for EDI.

Working Party 4 was re-engineered in 1997 and this led to the establishment of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) which covered the activities of the Working Party and its two subsidiary bodies. UN/CEFACT is open to participation from member States and intergovernmental organizations from all regions as well as sectoral and industry associations recognized by the Economic and Social Council of the United Nations (ECOSOC). Thus, although UN/CEFACT is hosted by the UNECE it has a global remit.

The Centre's objective is to be "inclusive" and it actively encourages organizations to contribute and help develop its recommendations and standards. One of the key features of UN/CEFACT was the creation of empowered groups i.e. groups of experts working under a mandate delegated to them by the Plenary of UN/CEFACT. The creation of Empowered groups was designed to increase the resource base of UN/CEFACT by supplementing the contributions of delegations with a wider range of expertise many from commerce and industry. In eBusiness this strategy has been very successful, but has been markedly less so in Trade Facilitation. This has resulted in considerable activity in e-Business, but with less resources contributed, there has been less activity in trade facilitation. Attracting significant resources to the Centre's trade facilitation work remains a challenge

Since 1997, UN/CEFACT has focussed primarily on the consolidation and maintenance of UN/EDIFACT, and the elaboration of a new, technology-neutral, universal methodology for the development of eBusiness standards based on rigorous information modelling of business processes. Since 1999, considerable effort has also gone into the development of a new, web compatible, global standard, ebXML. UN/CEFACT's work in trade facilitation has included the development of several new Recommendations, maintenance of existing Recommendations and the promotion of trade facilitation through publications and seminars. Current work includes the development of Recommendations on trade facilitation benchmarking and the establishment of a "Single Window" for the submission of trade documents.

3. THE NEW ENVIRONMENT FOR TRADE FACILITATION AND E-BUSINESS STANDARDS

3.1 Trade Facilitation

The conceptual thinking around trade and transport facilitation has changed radically in recent years. While once considered a back-room technical issue, trade facilitation has now emerged as a critical element of trade and economic policy. This is due to several factors including:

- Implementation of trade facilitation measures is now arguably more important than tariff reduction as a policy tool for trade development - following many years of multilateral trade liberalisation under the General Agreement on Tariffs and Trade;
- Containerisation has led to a massive improvement in the speed and manner in which cargo can be shipped across continents;
- The emergence of Global Supply Chains and just-in-time inventory techniques have led to a far greater demand for predictable trade procedures and processes;
- The emergence of E-business has put greater pressure on faster delivery times across countries;
- Current concerns regarding trade security have refocused governments attention on trade facilitation;

The emergence of trade facilitation as a major trade policy issue is reflected in the fact that it is a key issue for negotiation in the WTO Doha Development round. The inclusion of trade facilitation in the Round has led countries to re-examine their current trade facilitation strategies and procedures in order to take advantage of the latest developments in this field but also, and importantly, to better position themselves for any possible outcome of a strengthened inclusion of trade facilitation within the WTO.

The United Nations approach to trade has also placed increased emphasis on sharing the gains of globalisation and the full, equitable and open participation of all countries in trade, for the benefit of all. For example, UN Millennium Development Goal 8 is focused on the establishment of a global partnership for development. Specifically, the goal is to “develop further an open trading and financial system that is rule-based, predictable and non-discriminatory and includes a commitment to good governance, development and poverty reduction – both nationally and internationally”¹ The Monterrey Consensus further states that “globalisation should be fully inclusive and equitable”² and the recent report by the UN Secretary-General (Strengthening the United Nations, September 2002) states that the development and implementation of a proper framework of rules, norms and standards for international trade is necessary to help the international community respond effectively to the challenges posed by globalisation³. Clearly, trade facilitation work within UN/CEFACT must reflect this focus.

There is also an increased emphasis on the sustainable development aspect of trade facilitation. Within this context, trade facilitation has to be conceived and implemented within a global cost benefit framework, facilitating trade but at the same time conserving the earth’s scarce resources.

Another important trend is the shift in emphasis from the development of trade facilitation technical instruments to the implementation of existing recommendations, tools and techniques, especially in transition and developing countries. A concerted effort will be required in this area and UN/CEFACT and the UNECE Secretariat should consider developing suitable strategies to achieve greater implementation. For example, the Secretariat could review existing case studies of successful implementation and could publish the results of this analysis in the form of a guide or “lessons learned”.

Within this context, it is clear that the models established for the developed economies of Europe and North America may not be readily transferable to, or meet the priorities of, other economic environments, and further development and flexibility may be required for this process to be successful.

¹ UN Millennium Development Goals, www.un.org/millenniumgoals, October 2002

² Monterrey Consensus: Draft Outcome of the International Conference on Financing for Development, 1 March 2002. (A/CONF/198/3)

³ Strengthening of the United Nations: an agenda for further change, Report of the Secretary General (A/57/387), September 2002, page 10

In the area of trade security, trade facilitation is seen as a tool, which, if properly applied, could greatly enhance both the efficiency and security of the international trading system. Further implementation of advance information and risk management techniques fit well within the supply chain model as developed by UN/CEFACT and further enhancement of this model as well as the International Trade Transaction model would be most beneficial, particularly at the conceptual level for policy development and implementation. This work could be carried out in cooperation with the World Customs Organisation (WCO) and other organisations, and with the aim of creating longer-term solutions that enhance the process of trade in a secure, open and inclusive manner.

Within this environment, several other international trade related organisations have significantly increased their work in and focus on trade facilitation. For example, the WCO has opted for a supply chain approach to trade facilitation and security in response to current security issues, taking a far broader view of the supply chain than just Customs. Other organisations, such as UNIDO, have also shown increased interest in the trade facilitation area. Given its resource base, it will be a real challenge for UN/CEFACT to pursue its role and market niche within this expanded market.

The International Forum on Trade Facilitation in 2002 stressed that trade facilitation has political, economic, business, administrative and technical dimensions. Accordingly, dealing with trade facilitation issues requires not only addressing rationalisation of trade, administrative and payment procedures and, especially for developing countries and economies in transition, infrastructural problems and capacity weaknesses but also technical issues at national, sub-regional and regional levels.

The challenge UN/CEFACT faces is to provide the tools and models that can be used, by the trade community for an integrated approach to trade facilitation issues along the international supply-chain. Thus, a multidisciplinary, cross-sectoral approach to operationalize the activities, such as trade and transport and trade and environment is becoming more and more necessary.

Further, regional and sub-regional cooperation has been both deepening and expanding. This is likely to continue and intensify in the years to come. This broadens the scope and enhances the benefits of integrated customs, trade and transport facilitation solutions. Within this environment, the UN Regional Commissions can play an increasingly important role in developing both a regional and trans regional approach to trade facilitation.

3.2 Electronic Business

UNECE's business standards development has been focussed in three areas;

- 1) UN/EDIFACT
- 2) the elaboration of a technology-neutral and universal modelling methodology (UMM) for the development of eBusiness standards based on business processes information modelling.
- 3) ebXML.

UN/EDIFACT is the main international standard for electronic data interchange. The standard was developed by the UNECE Working Party 4 (WP.4) and was approved as an ISO standard in 1987. Over the years a major development effort has been carried out by experts in working groups meeting outside the formal UN/CEFACT Plenary (through the Joint Rapporteur and EDIFACT Working Group Teams).

Since 1997 the UN/EDIFACT Directory production process within the Secretariat has made major advances. Manual data entry and consistency checking has been replaced by automated data transfer to the directory production database of the Secretariat and data consistency checks were introduced. The remote audit procedure, that once took over three months to be finalized, has been cut back to less than a week by introducing local audit meetings in Geneva and remote auditing. The publishing of the Directories is now totally integrated into a production system that allows the Directory information to be available on the Internet a couple of days after its approval.

At the same time the number of Data Maintenance Requests (DMRs) to be implemented has enormously decreased. From several thousands of requests the volume has been cut back to several hundreds. This indicates that the Directories are now in a mature implementation phase where little further development of new messages is going on. Therefore the Secretariat has allocated the freed resources to other tasks (mainly the development and maintenance of LOCODE).

UMM: The successful development of UN/EDIFACT has generated great expertise in understanding business process content, but following the development of the world –wide web and other rapid technological developments, UN/CEFACT realised that it could not rely on only one transfer technology (the EDIFACT syntax) to express business content. Therefore, in 1997 it adopted a strategy which would allow the expression of any business process (in whole or in part) to be done in a technologically neutral manner. The strategy, which is based on business process information modelling, required the development of a rigorous methodology and in 2001 the first version of the Universal Modelling Methodology (UMM) was produced. UMM which has been widely acclaimed, continues to be developed by the Techniques and Methodology Group and is central to the work programme of the UN/CEFACT Forum. As the foundation of their approach UMM has been implemented by a wide range of industry organisations, including financial transactions (SWIFT) retail and supply chain (EAN) international trade (Bolero) Travel (OTA) and is the basis of the future work of a number of leading software companies. The advantage of technology-neutral models of business processes is that the relevant parts can be easily transformed into specific transactions to be carried by a particular syntax or technology such as EDIFACT or XML. Associated with the development of business process models has been the elaboration of Core Components. This ground-breaking work started in the ebXML project (see below) but actually should be considered as technology neutral. In 2002 UN/CEFACT released the Core Components technical specification for public review under its open development process

ebXML: In order to take advantage of the use and growth of the Internet, and develop the 2nd generation of electronic business standards based on XML (eXtensible Markup Language), UN/CEFACT and the Organization for the Advancement of Structured Information Standards (OASIS) joined forces in 1999 to initiate a worldwide project to develop a technical framework that will enable XML to be used in a consistent manner for exchanging all electronic business data. The framework consists of a number of technical specifications which cover exchange protocols and content. Many industry groups currently working on XML specifications participated in the project. The project's first phase was completed on time in May 2001, following an open international standardisation process, involving both a series of global meetings and the review of very many virtual contributions. Following the first phase of the project, the specifications have continued to be developed by OASIS and UN/CEFACT, working in a coordinated manner, taking responsibility for particular specifications and following their development and approval processes.

In 2003 the ebXML architecture, message service, registry and repository services, collaboration and business process specifications will be submitted to the UN/CEFACT Plenary for adoption. The development work was undertaken by a large number of experts, mainly from the private sector, in working groups not serviced by the secretariat.

In the development of robust XML based exchange protocols for eBusiness over the Internet, the joint project with OASIS has now achieved its original objectives and the results will be placed in the public domain. However, work on content is still on-going both in OASIS which has adopted a document-centric approach known as UBL (Universal Business Language) and in UN/CEFACT which, as described above is following its strategy of developing content based on UMM and the creation of business process models and core components (the process-centric approach)

4. THE UN/CEFACT FORUM, TRADE FACILITATION AND RESOURCES

The UN/CEFACT Forum, which meets twice annually, is the joint meeting of all of the empowered groups. Currently, specific trade facilitation activity is undertaken by just one of the project groups of the International Trade and Business Processes Group (in TBG15 – International Trade Procedures Working Group – ITPWG). Whether or not this is the right place for this work is currently under discussion, but it is clear that despite the best intentions of all concerned, eBusiness activity currently dominates the work of the Forum. For example, very few of the attendee's at the March 2003 Forum in San Diego could be said to have practical trade facilitation experience.

The considerable resources required to support the work of the Forum are primarily related to eBusiness rather than trade facilitation activities (e.g. \$1.5 million for the development of a web enabled interactive repository to store business process models and their libraries and artefacts) and not for trade facilitation. Such financial resources are not available within the normal UN budget. The CSG is currently awaiting a response from the OLA regarding possible models for a contribution-in-kind, which meets both the support requirements of the empowered groups and the rules of the OLA. In the meantime, alternative scenarios are being considered by Group B of the CSG to support the work of UN/CEFACT, as indicated in Section 1,

However, even if sufficient resources were available, it is important to consider what is the best scenario for trade facilitation work to be undertaken within UN/CEFACT. As discussed in Section 3.1, the demand for trade facilitation support in international trade has grown significantly in recent years, and this opportunity must be fully grasped by UN/CEFACT. It is also clear that there is a strong link between trade facilitation and ebusiness, the application of which has brought about fundamental improvements to many parts of the international trade transaction chain throughout the world. This linkage is now more important than ever in the context of the increased focus on trade security and facilitation and the greater emphasis on the provision of advance cargo information and risk assessment, all of which depend critically on the speedy and efficient flow of information. Further, the adoption of a process-centric approach (and the upper levels of the UMM), that places trade procedures in the context of the international trade and supply chain processes, is very beneficial to trade facilitation analysis. The combination of the above factors represent a dynamic and positive opportunity for the further development of UN/CEFACT's work in trade facilitation.

The challenge for the UNECE Secretariat and UN/CEFACT is to determine how best trade facilitation work can be deepened and expanded to meet these opportunities and how the linkages between trade facilitation and e-business can be maintained and strengthened within an effective working structure, while at the same time respecting the significantly different organisational needs of the trade facilitation and ebusiness working groups. Some possible scenarios are considered in the following section.

5. PROPOSED NEW FOCUS

Over the past several of years, UN/CEFACT has focused on the development of standards for electronic business, and, to a lesser extent, the development of trade and transport procedures. In many ways, UN/CEFACT has achieved what it set out to do in electronic business (to develop an international EDI standard, to elaborate a technology-neutral and universal modelling methodology for the development of eBusiness standards, and to publish ebXML specifications. However, further developments now require substantive resources that may not be available within the UN system. In this environment, a new approach to the development of UNECE e-Business standards needs to be considered

Currently, the environment for trade facilitation instruments and policy development and implementation is very vibrant and there is a clear demand for input from international organisations that have a broad mandate in international trade. This represents a real opportunity for UN/CEFACT, where the intergovernmental working party structure is ideal for global development and agreement.

Should the potential economic resource constraints discussed above dictate that the development of electronic business standards are no longer to be directly carried out by UN/CEFACT, this could present an opportunity for it to shift its prime focus to trade facilitation policy development and implementation areas; while at the same time refocusing its e-business efforts to the aspects of e-business that support directly the trade facilitation initiatives and the international supply chain, such as the development of technology neutral business (trade) process analysis, combined with the maintenance of core standards such as UN/EDIFACT and UNTDED. This reallocation of priorities would more effectively harness the experience of UN/CEFACT to address the current requirements of both industry and governments in many member States in the trade facilitation and e-business area and would help UN/CEFACT to re-establish its role as a premier force in these areas.

Some specific proposals in the above areas are outlined below, but it is also valid to question whether or not sufficient interest and resources will be forthcoming to support any new direction.

E-business standards: UN/CEFACT has a core interest in the efficient transfer of business data, both from a trade facilitation and e-business perspective. In order to continue to follow developments in this area, and to avoid overlap, a **cooperative approach** to e-standards development is suggested. Under this scenario, UN/CEFACT would maintain a close linkage to the existing eBusiness work wherever that was located, and consider strengthening its cooperation with other eBusiness standards development organisations, through a series of MoU's on electronic business development. These MoU's could include a set of core criteria and procedures for the endorsement, and publication, of the standards developed in these other frameworks and their incorporation in UN/CEFACT standards and recommendations.

Alternatively, or in addition, UN/CEFACT could develop a mechanism for an effective **“Technology Watch”** which would evaluate existing or developing standards against certain criteria and evaluate their likely impact within the context of trade facilitation and international trade processes. Relevant commercial work could also be evaluated against these criteria and, if deemed suitable, could be considered for endorsement.

It is suggested that the modalities for a **Cooperative Approach** or a **“Technology Watch”** be further investigated and that a proposal be developed detailing operational procedures.

Maintenance of existing UN/EDIFACT standards and code lists: UNECE and UN/CEFACT have invested considerable resources in the development of UN/EDIFACT and this intellectual property must be protected. Further, the existing UN/EDIFACT user community requires that the existing standards be maintained within a recognised and verifiable model in order to ensure stability. For these reasons, it is essential that the secretariat and UN/CEFACT continue to maintain the UN/EDIFACT standard and code lists within the UN system. This maintenance work must also include the maintenance of UNECE standardisation instruments such as the UNTDED, and LOCODE. Specific modalities to ensure the continued efficient operation of this maintenance system should be established within the secretariat.

Trade Facilitation Policy: It is proposed that UN/CEFACT significantly increase its focus on trade facilitation policy development. This work should include the development of high-level policy papers and recommendations to governments and trade. It is envisaged that such papers could contribute to the debate on key topics such as possible approaches to the incorporation of trade facilitation standards within the WTO, strategies and approaches to trade facilitation and security, approaches to trade facilitation implementation for transition and developing economies, trade facilitation and sustainable development, facilitating trade in services, etc. In addition, UN/CEFACT

should support the provision of an open international platform for an open exchange of views on trade facilitation issues and the development of constructive initiatives, particularly with respect to the concerns and priorities of UNECE member States with economies in transition.

Policy work should also work towards the integration and implementation of trade facilitation and standards measures in UNECE member States. Particular emphasis should be given to strengthening developing and transition economies in their policies and institutions to implement the sustainable development of trade. UN/CEFACT policy work should also support UN wide initiatives such as sustainable development, Information and Communication Technologies for development through relevant policy initiatives. Research should also be undertaken into trade facilitation benefits and models for implementation.

A broad participation of governments, trade and international organizations would be essential in this work in order to provide credibility and legitimacy. It is particularly important the UN Regional Commissions be involved in this process. A broad level of participation would also help to avoid any duplication of effort between UN/CEFACT and other organizations.

Trade Facilitation Business Process Analysis : The development of best practice business processes for international is a core work of UN/CEFACT related to trade facilitation. This work should be continue and should include the further development of the UN/CEFACT International Supply Chain Model to cover security issues and trade policy implementation issues. Once developed the models should also be used to drive the rationalisation of the underlying trade procedures.

Trade Facilitation Procedures and Recommendations: The development and maintenance of trade and transport facilitation Recommendations and best practice is a core strength of UN/CEFACT. This work should continue and could include development of new Recommendations in areas such as trade security, benchmarking, and legal aspects of trade facilitation and electronic business. Guides, tools and techniques for trade facilitation implementation should also be developed. The UN/CEFACT Supply Chain Model and the International Trade Transaction Model should also be reviewed in the light of new technologies and integrated, approaches to global trade security concerns, advance information, risk analysis, the potential availability of the Unique Consignment Reference Number (UCR), etc.

Implementation: Although UN/CEFACT has very limited resources for direct implementation of trade facilitation and ebusiness recommendations and instruments, it could actively support the implementation work of the UNECE Secretariat and other organizations. In addition, UN/CEFACT could research and develop models for capacity building and implementation, exploring, for example, case studies on successful models of public-private sector partnerships in this area. UN/CEFACT could also develop appropriate guidelines and models for trade facilitation implementation, as indicated above.

In support of the UN efforts to facilitate economic growth, the Secretariat is involved in several technical cooperation efforts. For example, UNeDocs contributes to the UN agendas in trade and transport development, implementation of knowledge based societies, security, and regional and sub regional integration. UNeDocs promotes and implements UN standards and best practice for trade and makes these standards available to SMEs and transitional and developing countries. The project does not develop new standards but if the need arises, it will endeavor to address the issue with the appropriate standards organization.

Another example of technical cooperation is the joint project with the Czech Republic on capacity building for electronic business solutions that is being implemented in selected economies in transition.

6. IMPLEMENTING THE VISION - DEVELOPMENT OF A STRATEGIC PLAN FOR UN/CEFACT

Once the Plenary have reviewed the possible future directions for UN/CEFACT and in order to further elaborate on the above proposals and to develop a clear action plan for obtaining the resources for its delivery, it is suggested that a strategic planning workshop be held to review the mission, objectives and work programme for UN/CEFACT. The exercise should help UN/CEFACT determine its market niche, where it can add value, what tangible outputs should be delivered and in what time-frame, etc.

Some specific areas for consideration in the work programme could include (but should not be limited to):

- Guidelines, tools and techniques for trade facilitation implementation
- Strategic documents on how to approach trade facilitation within a WTO environment
- Standards for various elements of trade facilitation and security implementation
- Policy documents on current and verifiable benefits of trade facilitation
- Policy documents, instruments and recommendations on trade facilitation Measurement/Benchmarking
- E-business approaches to facilitate “access to all” in trade facilitation
- Maintenance of existing e-business standards including UN/EDIFACT
- Review of the trade transaction model, in light of new technologies, new approaches to trade (global supply chains, e-business, etc), advance information. Risk analysis, the advent of the Unique Consignment Reference Number (UCR), trade security concerns, etc.
- Single Window for trade facilitation
- Tools for Advance Cargo Information
- Bridging the digital divide in trade technologies
- Trade facilitation and sustainable development
- Capacity building and implementation.
- Developing an effective communication and promotion strategy that supports the implementation of trade and transport Recommendations

Within this workshop, the role and relationship to other organisations should be considered and the role of the other Regional Commissions should be explicitly incorporated into this analysis

7. SUMMARY AND CONCLUSIONS

Failure to find an acceptable mechanism to secure the required financial resources for UN/CEFACT will have a more direct impact on the e-business development work than the trade facilitation component. A shift in focus away from e-business development could possibly result in an increased emphasis on trade facilitation. However, it is clear that irrespective of such developments, the overall approach to trade facilitation in UN/CEFACT should be revamped and strengthened. Several suggestions in this regard are presented in the paper, primarily focusing on the establishment of an expanded trade facilitation group that would cover trade facilitation policy, procedures, processes and implementation. These include:

- Establishment of a strong **trade facilitation policy capacity** for the preparation of key policy papers and initiatives in trade facilitation and the provision of an open international platform for the exchange of views and the development of constructive initiatives
- **Development and maintenance** of international trade and transport-related instruments, norms, standards (Single Window, Benchmarking, Trade Security, UN/EDIFACT, UNTDED, LOCODE)

- **Development of trade related business process analysis**, including the elaboration of business process related to trade, the further development of the UN/CEFACT International Supply Chain Model and the expansion of this model to cover security issues and trade policy implementation issues
- **Implementation** of UNECE norms, standards, instruments and recommendations, especially in transition economies through the effective promotion of their benefits and the development of implementation guidelines (the further development of projects such as the UNeDOCS and the joint UNECE/Czech Republic capacity building project should also be strongly encouraged)

Notwithstanding the above, it is clear that the link between trade facilitation and e-business is now more important than ever, especially with the increased emphasis on information flow within a trade security context. Effectively, for control purposes, the goods cannot move faster than the information.

In this context, it is essential to maintain an active and integrated link between trade facilitation and ebusiness (or the underlining technology and processes that facilitate trade). This should be possible within the technology neutral business process centric framework of UN/CEFACT. Effectively, the development of programmable information models and standards for automation of the trade processes could be outsourced while the elaboration of the higher level models of the trade processes themselves, should remain an integral part of the work of UN/CEFACT. Some specific suggestions in this area include:

- Development of a **cooperative approach** or **technology watch** for new standards related to electronic business

It is suggested that the initiatives outlined in the paper should be clearly presented and promoted to stakeholders and potential beneficiaries.

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