

**24 April 2003**

**ENGLISH ONLY**

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

**DRAFT REPORT FROM THE  
UN/CEFACT STEERING GROUP (CSG) MEETING**

**3 – 6 February 2003**

**(First meeting 2003)**

The present report is submitted by UN/CEFACT Steering Group (CSG) and is for distribution to the UN/CEFACT Plenary and CSG Meetings.

Attendance:

**CSG Chairman:**

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

**CSG members present:**

Dumitru Anca (DA), Romania  
Harry Featherstone (HF), United States  
Christian Frühwald, Chairman of UN/CEFACT  
David Dobbing (DD), Australia – ICG Vice  
Chairman  
Peter Guldentops (PG), ICC  
Dariush Haghighi-Talab (DHT), Islamic Republic  
of Iran  
Kenji Itoh (KI), Japan - UN/CEFACT Vice-  
Chairman  
Jostein Fromyr, (JF) Norway  
Dietmar Jost (DJ), WCO  
Päivi Lehtonen (PL), Finland  
Santiago Milà (SM), IAPH/ Spain - UN/CEFACT  
Vice-Chairman  
Klaus-Dieter Naujok (KDN), Canada – TMG  
Chairman  
Johnson Jubulu Olumekun (JJO), Nigeria -  
UN/CEFACT Vice-Chairman  
Grazyna Rzymkowska (GR), Poland  
Teresa Sorrenti (TS), United States - UN/CEFACT  
Vice-Chairperson

Christina Rahlén (CR), Sweden  
Christoph Wolf (CW), Germany

**Secretariat present:**

Carol Cosgrove-Sacks (CCS), Director of the  
UNECE Trade Division  
Hans Hansell (HAH), Deputy Director, Chief,  
Global Trade Solutions  
Virginia Cram-Martos (VCM), Chief, Policy and  
Governmental Cooperation  
Tom Butterly (TB), Global Trade Solutions  
Jean Kübler (JK), Global Trade Solutions  
Markus Pikart, Global Trade Solutions  
Mika Vepsäläinen (MJV)

**Apologies:**

Pierre Georget (PJG), France – Standards  
Rapporteur  
Tahseen Ahmad Khan (TAK), India – Rapporteur  
for Asia  
Alexander de Lijster (AdL), Netherlands –  
TBG15/ITP Chairman  
David Marsh (DM), United Kingdom – LG Vice-  
Chairman and Legal Liaison Rapporteur  
Maxence Orthlieb (MO), Trade Facilitation,  
UNCTAD  
Peter Wilson (PW), United Kingdom

Common acronyms:

ATG – Applied Technology Group  
CTIED - Committee for Trade, Industry and  
Enterprise Development  
LG – Legal Group  
TMG - Techniques and Methodology Group  
ebXML – Electronic Business XML initiative  
AFACT - Asia Pacific Council for Trade  
Facilitation and Electronic Business  
BIO - Business Information Objects  
DMR – Directory Maintenance Request  
DTD – Document Type Definition (in XML)  
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  
SSP – Support Service Provider  
TBG – International Trade and Business Processes  
Group  
UBL –XML Universal Business Language  
UMM - UN/CEFACT Modelling Methodology

**AGENDA ITEM 1 – WELCOME, APOLOGIES AND ADMINISTRATIVE ARRANGEMENTS**

The Chairman welcomed the participants at the first CSG meeting in 2003.

Apologies had been received from Pierre Georget (PJG), Tahseen Ahmad Khan (TAK), Alexander de Lijster (AdL), David Marsh (DM), Maxence Orthlieb (MO).

And Peter Wilson (PW). Peter Guldentops and Christina Rahlén had apologized for the first day but joined the meeting on 4 February.

The secretariat had made arrangements for a conference call each afternoon at 5 PM to allow those not present to participate in the deliberations.

**Agenda item 2 – Adoption of the agenda, and identification of additional items**

<b>TRADE/CEFACT/2003/1</b>	<b>Agenda for the Ninth Session</b>
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Harry Featherstone pointed out that succession planning, the adoption of the ebXML recommendation, a request on the timing of CSG and Forum meetings and the roles and responsibilities of the policy and promotion groups should be reflected on the agenda.

**Decision 03-01-01:**

**The Agenda was adopted with these modifications. The Chairman noted that the timing paper prepared by the secretariat was indicative and would be revised in the course of the meeting.**

**Agenda item 3 – minutes of the last meeting**

<b>TRADE/CEFACT/2003/3</b>	<b>MINUTES</b>
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The CSG reviewed the minutes of the meeting that had been held in Berlin 21 – 24 October 2002. The minutes were approved with minor corrections.

The CSG restated that minutes were strictly meant for CSG members only while the reports were officially distributed. It was noted that TS had been appointed to review minutes and this practice should be reinstated.

**Agenda item 4 – Review the Situation with the Appointment of a Support Service Provider****Agenda item 5 – Development regarding Intellectual Property Rights****Agenda item 6 – Future Options for UN/CEFACT****Agenda item 7 – Revision of R.650**

The CSG discussed Agenda items 4, 5, 6 and 7 together. The CSG and the UN/CEFACT chairmen together with the secretariat had had two days of discussions with a representative of the United Nations Office for Legal Affairs just before the CSG meeting had started. The OLA had recognized what UN/CEFACT was doing and had given guidance on how UN/CEFACT should proceed with the arrangements to support its work.

One of the most important issues that the OLA had raised was that UN/CEFACT did not have a clearly approved global mandate and had advised to take action accordingly. The global remit of UN/CEFACT had not been recognized in the United Nations system and an ECOSOC recognition would be necessary to obtain that. However, the plenary and all groups operated under the United Nations umbrella and could thus use the logo.

There had been a clear understanding why UN/CEFACT needed an IPR policy and that it should be fully in line with the United Nations general position regarding liabilities of the United Nations. The United Nations position was that it was not possible to charge for a United Nations meeting or service. Further advice from the OLA was expected in less than one month. As he would not leave much time to prepare for the Plenary, the Chairman proposed organizing an extraordinary plenary in October to finish the approval process and pass the issues on to the CTED, UNECE etc.

There were several possible ways to proceed with the support arrangements. The CSG would need to discuss these and action proposals should be cleared by the OLA before submitting to the 9<sup>th</sup> Plenary in May 2003.

The Chairman also suggested postponing the election of the CSG this year and only those who could not continue would be replaced. The chairman would make the proposal at the Plenary. This would allow the elections of the Chairman and the CSG to be conducted in different years that would help ensure continuity in the future.

**Decision 03-01-02:**

**Decision:** The CSG established two *ad hoc* teams: Calamari to look at options outside the UNECE and Quince to look at how to move onwards. Calamari members included HF, PG, DD, KI, KDN and MJV as members while Quince would include DH, GS, PL, JJ, SM, CR, DJ, CW, HAH and VCM. TS and RW would be members of both groups. Those not present would be consulted during the conference call later the same day.

**Agenda item 9 – ebXML and the Options for Advancing the Specifications to Normative Status and/or UN/CEFACT Recommendations**

An enormous amount of effort had been put into developing ebXML during the past four years. Progress reports had been given to the Plenary regarding work on the recommendations and cooperation with OASIS that had been initiated but not results had been submitted. The draft recommendation text should not be prepared based on a model of UN/EDIFACT.

Since the meeting in Vienna OASIS had been developing their part that they had finished. UN/CEFACT would need to maintain its own part.

**Decision 03-01-03:**

**Decision:** the CSG decided to finish the specifications for approval by the Plenary and the recommendation as soon as technically possible thereafter.

The CSG also discussed the issue of the specifications that had been submitted to the ISO ballot process. UN/CEFACT had not approved the submission before the ISO launched the ballot. In a phone call with RW, Michael Smith (ISO) had suggested suspending the process. The CSG discussed the different consequences that a withdrawal from ISO could cause.

There were two options. The UN/CEFACT could withdraw the specifications from the process altogether or suspend the ballot for an indefinite period.

The CSG voted on the issue and decided to withdraw the specifications.

**Decision 03-01-04:**

**The CSG decided to withdraw the specifications from the ISO process with immediate effect. The Chairman passed the decision to ISO.**

**Decision 03-01-05:**

**In the future work, there will be no discussion about enhanced status of any UN/CEFACT work unless the CSG has taken a decision and those developing the work have been consulted.**

**Agenda item 8 – Policy and Promotion and Communication Groups**

The CSG had decided at its session in Berlin that a marketing strategy would be developed for UN/CEFACT. To this end, the secretariat had nominated a contact person two weeks earlier and thus, no progress had been made as yet. SM had now assigned a staff member to coordinate the work together with the secretariat.

Following the discussions in Berlin, SM had circulated two documents including a questionnaire. The objective was to draft a work plan as soon as possible so that the Plenary could confirm the actions to be taken. The CSG thanked SM for work well done and especially for the contribution in kind, SM having put his own personal assistant to work on these issues. SM would present the two documents and the issue at the plenary.

The issue of the policy group had been discussed in January when the Chairman had been invited to visit Geneva. He hadn't been able to attend but the secretariat had discussed the role and tasks of the group with RW. The group itself would look what it could do, e.g. some aspects of trade facilitation policy but the group would seldom deliver itself as such. A direction of the organization was needed to be cleared before moving on.

**Agenda Item 10– Preparations and Draft Agenda for the 9th session of UN/CEFACT, 12 - 13 May 2003**

The CSG reviewed the draft secretariat proposal for the Agenda of the 9<sup>th</sup> UN/CEFACT Plenary and The CSG decided to include a draft ebXML recommendation for approval on the agenda of the Plenary. RW and KDN would prepare the text based on a model (Recommendation 26) that the secretariat would supply to them. The secretariat would place the draft recommendation on the UN/CEFACT website as soon as it is made available.

The CSG discussed the approval of the mandates of the Groups. The CSG had already cleared the mandates and they would be submitted to the Plenary for approval. The Groups were also supposed to develop a Programme of Work. These would need to include the relevant milestones and outcomes 2003/2004. The Terms of Reference would be prepared later.

Decision: The CSG approved the draft Agenda of the Plenary based on the changes made during the meeting. The Programme of Work of the UN/CEFACT Forum should be on the UN/CEFACT website not later than 11 February.

### **Agenda item 11 – Preparations for the International Forum on Trade Facilitation in 14 – 15 May 2003**

The Director of the Division informed the CSG that the first International Forum on Trade Facilitation that had been organized in 2002 had called for a follow-up event in 2003. This Forum would be held immediately after the 9<sup>th</sup> Plenary session of UN/CEFACT focusing on “Sharing the gains of globalization in a new security environment”. The aim would be, among others, to try to explain the benefits of trade facilitation in the new global situation trying to reach an audience as wide as possible. The programme was still being finished and the final one would be sent to the CSG for further dissemination among the trade facilitation constituencies, as appropriate.

RW highlighted the added value of UN/CEFACT versus the WTO in the trade facilitation environment as laid down in the programme of the event. He believed that as UN/CEFACT was the only one looking at the whole issue from a wider perspective, UN/CEFACT was highly valuable for the programme and this should be reflected accordingly.

### **Agenda Item 12 – Directory Production**

The Chairman then opened a discussion on the directory production. The tactical solution had not proved to be a functional one, which did not lead to a sustainable solution of the question. The directory had to be finished immediately and a new procedure for the future audits be agreed upon. The fundamental principle remained that people preparing the directory couldn't be those who audit.

The secretariat reported on interim progress in the ongoing audit that had been initiated the week before the CSG meeting. The interim audit team, Messrs Conroy, Deschamps and Dill were working on the audit and had finished 70 % of the work. Some DMRs, it had appeared, had been duplicated. The audit was expected to be finished in two days and the publication would take place the week after.

#### **Decision:**

**The CSG requested the FCT to prepare an agreeable procedure for future audits. RW will contact the Chairperson of the FCT.**

### **Agenda Item 13 – Preparations and Draft Agenda for the 2<sup>nd</sup> UN/CEFACT Forum, San Diego, 10 – 14 March 2003**

The CSG received a report on the arrangements for the second UN/CEFACT Forum that would take place in San Diego, USA 10 – 14 March.

The secretariat pointed out that the Forum web site hosted by DISA was professionally designed and maintained but the use of the UN logo and the copyright marks by KDN were not acceptable as they were a violation of the United Nations rules.

#### **Decision:**

**RW to request KDN to remove the United Nations logo from the Forum website.**

The CSG reminded the FCT that the Groups had to prepare their Terms of Reference by the end of April. The mandates had been approved by the CSG already and would be confirmed by the Plenary in May. The ToR needed to come to the CSG for approval and the Groups' programme of work to the plenary.

The CSG discussed joint management of projects falling under two Groups and reminded the FCT that in the restructuring document (TRADE/CEFACT/2002/8 “Proposal for Future Structure and Organisation of the UN/CEFACT Permanent Working Groups”), a notion of a primary or lead group and a support role had been approved.

**Decision:**

**The CSG reminded the FCT that it should decide joint management issues and if there would be no possibility of resolution, the issue would need to be passed to the CSG.**

**Agenda item 14 – UN/CEFACT forum database**

The CSG discussed the development of a project database. Mr Anders Grangard (FCT) presented the model that was in use in ATG. TB of the secretariat also presented work undertaken in the secretariat to collect full information on the chairpersons, contact data etc for the UN/CEFACT groups and working groups. It was decided that AG would collect the contributions from different groups and sources maintaining project databases and prepare a proposal for the FCT and CSG to consider.

**Agenda item 15– Progress with new work items**

The CSG noted that no progress had been made on the proposal on the Implementation of electronic business that the United Kingdom HOD had proposed at the 8<sup>th</sup> Plenary in 2002. The secretariat reminded that the proposal had been sent to the FCT for review but no response had been received. The secretariat proposed recirculating at the 9<sup>th</sup> Plenary the proposal made in 2002 as this would allow the secretariat to request the Russian and French versions of the Revision 1 that had not been issued in these languages.

**Decision:**

**CEFACT/2002/31/Rev.1 to be reissued for the 9<sup>th</sup> Plenary session. RW to follow up with the FCT.**

RW pointed out that he had also made a proposal on including a new work item regarding security into the programme of work. No reactions had been received. The secretariat reported on a forthcoming meeting on Trade Facilitation and Security scheduled for 24 February with the participation of WTO, WCO, ISO, ICC, IMO, OSCE, UNCTAD, US Customs, European Commission, EAN, IECC, and ICS and some 20 members of the ITPWG/TBG15 as well as.

**Agenda item 16– developments with other international Organizations**

A question was raised regarding the existence of an MOU with the ICC. The secretariat explained that there was one between the UNECE and the ICC, and thus, it also covered work under UN/CEFACT.

**Agenda item 17 - Cooperation with the secretariat**

The Chairman then introduced a discussion on a code of ethics and suggested combining the discussion with the secretariat’s proposal for etiquette guidelines for the list servers. There was a proposal for the code from KDN that focused on the responsibilities of group members but the CSG wanted to see the code used by the WCO for emails as another piece of reference.

**Decision:**

**MJV should forward the current draft for consideration to the FCT with a note saying that the CSG was proposing to introduce a code of ethics.**

### **Agenda item 18– Cooperation with the CTIED**

The secretariat had prepared a strategic plan that had been presented to the CTIED Bureau the day before. The Executive Secretary, Ms Schmögnerová had developed an active policy formulation aspect in the work. She also emphasized implementation. In addition, the new United Nations budget required more work to be done on monitoring and benchmarking.

The document at hand was not a strategic action plan for UN/CEFACT or the CTIED but for the secretariat in the United Nations budget sense. Clearly many elements incorporated the work undertaken UN/CEFACT, many of which were supervised by the CSG and the Plenary. There were others directly under the secretariat, the CTIED, or WP.6 and WP.7. Thus, the secretariat had translated the United Nations budget into a much user-friendlier form including a timeframe for implementation and monitoring activities.

#### **Decision:**

**MJV to circulate a list of the names of the members of the secretariat in charge of the different parts of the programme.**

The secretariat made a short presentation on the Committee for Trade, Industry and Enterprise Development (CTIED), the parent body to which the UN/CEFACT reported. As it was the official communications channel to other bodies in the United Nations, including the UNECE and ECOSOC, it was important for the CTIED to understand what UN/CEFACT was doing and for UN/CEFACT to understand what the other Working Parties were doing. The CTIED was also the body that had the last word with regard to priorities and resource allocations under the trade development programme. The United Nations had a hierarchical structure and this would need to be followed. The CTIED could request UN/CEFACT to report on certain priorities etc.

#### **Decision:**

**The CTIED agenda to be circulated among the CSG members in the future.**

### **Agenda Item 19 – Cooperation with UNECE WP.6**

In the Berlin meeting, the secretariat had circulated two proposals from WP.6 regarding “An International Model for Technical Harmonization Based on Good Regulatory Practice for the Preparation, Adoption and Application of Technical Regulations via the Use of International Standards” and “An International Model for Technical Harmonization based on Good Regulatory Practice for the Preparation, Adoption and Application of Technical Regulations via the Use of International Standards – TELECOM INDUSTRY INITIATIVE“. The secretary of WP.6 was invited to make a presentation to the Steering Group on these two initiatives. The secretary asked the CSG members to circulate the proposals in their countries as appropriate.

### **Agenda item 20 – Any other business**

The CSG decided to hold a meeting during the UN/CEFACT Plenary session 12 and 13 May 2003.

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