

19 April 2004

ENGLISH ONLY

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

**REPORT OF THE UN/CEFACT STEERING GROUP (CSG) MEETING
19-23 JANUARY 2004**

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Submitted by the UN/ECFACT Steering Group (CSG)*

* This document has been submitted by the UN/CEFACT Steering Group to the Plenary **for information**, under Agenda Item 3. Items for decisions will be presented in a separate report from the CSG Chairman.

ITEM 1: OPENING AND APOLOGIES

The chairman opened the meeting on Monday 19 January and welcomed the CSG members. Christian Frühwald, Mike Doran, Jean-Marie Eloy, Harry Featherstone, Peter Guldentop, Darius Haghighi-Talab, Kenji Itoh, Päivi Lehtonen, Santiago Milà, Klaus-Dieter Naujok, Johnson Jubulu Olumekun, Christina Rahlén, Teresa Sorrenti, Ray Walker, Dave Welsh and Christoph Wolf attended the meeting.

Apologies had been received from Dumitru Anca, Jean-Luc Champion, David Dobbing, Dietmar Jost, Tahseen Ahmad Khan, David Marsh and Grazyna Rzymkowska.

ITEM 2: STRUCTURAL CHANGES

The meeting focused on completing the “Project Package”, the set of documents required for the Plenary to finish the SSP arrangements and the restructuring proposal. The aim of the suggested new structure was to increase the role of plenary officers, and provide a new environment with reduced time and budget requirements for participation in the meetings.

The CSG discussed the final changes proposed for the project package, including those that the Chairman had compiled out of comments received from HODs and the secretariat. The CSG felt that the comments received from the OLA were the most important ones, while the others focused on transparency and practical management.

Regarding documentation for the Plenary, the revision of R.650 would not take long after the CSG agreed on the management structure. The SSP package would require a plenary approval of the revised TRADE/CEFACT/2003/MISC.4 that had been finished at the CSG meeting in October 2003.

The CSG also noted that a paper was still on hold regarding the disbandment of UN/CEFACT, which had not been discussed at the plenary in 2003. The CSG acknowledged that it was not UN/CEFACT’s role to tell the Groups where to align themselves should they decide to seek other options.

The CSG was also concerned with the planning of succession to ensure that the mandates of the new management would not all expire at the same time.

The secretariat reported on the discussions of the Group of Experts on the Programme of Work (GEPW, a meeting of designated members of the missions in Geneva) that had raised the issue of accountability. The GEPW had felt that the plenary would not be able to execute its tasks without a system in place for coordination and continuous information. The primary tool for the plenary was to look at the programmes of work of the groups. Too often, those programmes were being submitted as Conference Room Papers (“MISC”) at the meeting and could thus not be reviewed before the meetings. The inability of HODs to consult their constituencies had resulted in a situation where no oversight was in place to review complaints from member States. This was why the GEPW would be reluctant to agree to an even greater separation of powers, as this would entail less accountability.

The Chairman concluded the discussion by stating that a structure should be in place where the empowered groups could be heard at the Plenary level rather than just reporting to the Plenary.

The CSG Chairman, the Legal Rapporteur and the secretariat had had a productive meeting with WIPO that had consequently cleared the draft IPR policy. The OLA response and clearance were awaited.

Decision 04-01-01:

The CSG requested the creation of a small team to draft the mandate, terms of reference and rules of procedure for the proposed Programme Steering Group (PSG), Vice Chairs and Rapporteurs.

Decision 04-01-02:

The secretariat should send a letter to all those who had provided comments, explaining the reasoning of the CSG in the finalization of the new structure.

Decision 04-01-03:

The CSG decided to inform HODs that, having taken into account the reactions from the OLA and other aspects of the project documentation, the CSG had decided to hold the plenary on 17-19 May.

ITEM 3: PROJECT DOCUMENT

The CSG noted that the “project package” would go through an intersessional approval by the CTIED and would consequently be submitted to the Adhoc ECE Session in September, after which activities could be launched. The secretariat would clarify the UN controller’s procedures and prepare a short sequence note for the plenary.

The CSG noted that the FCT would not be able to hold elections at the Forum in March as the two-year mandate of the current FCT was not due to end until September. It was agreed that the Group Chairs would be assigned as interim Programme Steering Group Members responsible for the programme until the elections at the September Forum 2004.

The CSG also noted that the TBG did suffer from the Forum arrangements without having an SSP and that for them, remaining within the UN system was essential. TBG participants would keep coming from the industry sector to pursue the work in the United Nations. It was also clear that ATG might move to OASIS while “non-EDI” ATG and TMG would look for other options.

The Chairman suggested various alternatives to improve communications. These included option 1 with one vice chair also appointed as member of the PSG (a fourth vice chair, or should the Chairman take over the policy group, the third Vice Chair position would then be reserved for PSG liaison), and option 2 with 4 functional vice-chairs elected by the Plenary, one of these being an ex officio Vice Chair for the PSG. After each plenary session, a one-day meeting of the plenary officers and the PSG (or an enlarged PSG with all officers of the Groups) would be arranged.

In essence, the responsibility for coordinating the strategic and tactical sides would be that of the chairman. The PSG would reduce the travel and workload of its members and would let the Groups decide who would represent them at the PSG meetings. The CSG had earlier agreed that the UN/CEFACT chairman should be responsible for organizing the coordination in an efficient manner.

The secretariat re-iterated the OLA concern regarding oversight, which did not relate to control or details, but to the need of the Plenary to provide the Groups with a mandate and approve their Terms of Reference within which they would need to operate and report annually to the Plenary for renewing their terms of reference. The CSG agreed that oversight should be mentioned in the document.

Decision 04-01-04:

The CSG agreed on a timeline for the SSP arrangements:

<u>date</u>	<u>action</u>	<u>documents required</u>
26 March	English only documents	explanatory docs
1 March	OLA & UN controller review	--
1 March	submission to UN translation	--
17 May	UN/CEFACT Plenary approval	--
End of September	Implementation phase	"SSP project document(*
Mid September	UNECE approval	--
By September	CTIED intersessional approval	--

Decision 04-01-05:

The Chairman would send an explanatory note to HODs regarding the steps required to obtain the SSP.

Decision 04-01-06:

The CSG assigned editorial duties to the members to ensure a smooth processing of the SSP documentation.

ITEM 4: PROJECT PROPOSAL

The CSG reviewed the Project Proposal revised in Washington in October 2003. It was noted that the information on projects and project teams would need to be updated. The SSP section should be reviewed taking into account the suggested new organization.

Decision 04-01-07:

The SSP section should be reviewed in line with the new organizational document.

ITEM 5: MEMBERSHIP AND VOTING RIGHTS

The CSG discussed a proposal for defining the levels of membership that would help clarify issues of voting rights and observer status that were affecting some TMG working groups. Under this proposal, voting rights would only be given to members after regular attendance (e.g. a number of meetings attended or conference calls participated), and only at the level in question (project teams, working groups and group plenary). At the Group level observers would need to be confirmed by HODs.

It was generally agreed that membership conditions should be defined in R.650. The secretariat noted that R.650 should only address membership at the Group level and the various Groups should develop their own operating procedures. The CSG also felt that it was important to encourage virtual participation on the list servers.

The secretariat requested the CSG to remind the FCT that for implementation of the revised R.650, all Chairs would need to submit their lists of participants by country so that the secretariat could send them to HODs for confirmation. The CSG also decided to send a message to all list servers reminding members that if they wished to pursue their membership, they would need to send a message to their respective HOD for nomination.

Decision 04-01-08:

The CSG Chairman should remind the FCT that all Chairs would need to submit their lists of participants organized by country to enable the secretariat to send them to HODs for confirmation.

ITEM 6: TBG RESOURCES

The CSG discussed recent developments regarding the unified modelling methodology. A user guide had been finished and promoted during the BCF tour. However, modelling facilitators were not available and TBG had asked TMG to provide such expertise as projects were getting into jeopardy due to improper implementation of the UMM.

The CSG felt that companies applying the methodology should be invited to attend the next Forum. The Chairman invited the Groups to liaise with AFACT, and a request to HODs would also be sent.

Decision 04-01-09:

A letter to AFACT organizations regarding UMM modelling support would be sent, and in the case of negative reply, an appeal to HODs would be prepared.

ITEM 7: PROGRAMME OF WORK

The Chairman explained that a consolidated programme of work was needed as part of the package for processing through the CTIED and UNECE in order to provide information on achievements. The Chairman requested a matrix with a work programme of the groups identifying outputs, goal dates and potential constraints to allow HODs to make decisions at the plenary, as necessary. It was also agreed that HODs should have the possibility of being kept informed of new projects as they would be nominating new participants.

Decision 04-01-10:

The Chairman would write to Group chairs requesting contributions to the programme of work based on the outline used by the TMG.

ITEM 8: WRITTEN COMMENTS OF HODS

The CSG had received two letters from the French HOD regarding the Business Collaboration Framework (BCF) and cooperation with OASIS. The Chairman would send a letter to the HOD list regarding issues related to OASIS and the TMG report to the Plenary would cover issues related to BCF.

Decision 04-01-11:

The Chairman will send a letter to the French HOD enclosing a copy of the TMG programme and another letter regarding the BCF issue.

ITEM 9: STATUS OF THE DEVELOPMENT OF E-BUSINESS DEVELOPMENT DOCUMENT

The Chairman felt there would be most useful to remind HODs that, since 1997, a number of decisions have been made to advance electronic business standards. A short paper highlighting the decisions taken would provide an important background on how UN/CEFACT had adopted a technology-neutral and business-

neutral approach. The CSG decided to prepare a simple graphic presentation as a background for the plenary by the end of February.

Simultaneously, the e-business vision document would be finished with a facilitator – modeller role properly described. The vision document would be distributed to all constituencies.

Decision 04-01-12:

A table on the most important e-business timeline steps will be prepared for the Plenary.

Decision 04-01-13:

The vision text will be sent to the CSG for comments.

ITEM 10: RELATIONSHIP WITH OASIS, INCLUDING UBL AND BPSS

The Chairman noted that a lot of trust had been placed in the United Nations to work on and advance ebXML but since no results had been delivered, the trust was being lost. To many HODs and constituencies it might also seem that more activities were taking place on the OASIS side. However, for the CSG, the key issue was duplicate activities by OASIS and, under these circumstances, many of the CSG members were reluctant to negotiate. However, the chairman preferred to hold further discussions.

OASIS had contacted the Chairman twice to organize a meeting to discuss this issue. The CSG members were divided as some felt that OASIS should be excluded from the ISO/IEC/UNECE MoU while others felt that the United Nations had a valuable tool for cooperation within the MoU and it should not be thrown away. Professional cooperation and the working structure should be looked into, recognizing that OASIS had a specific way of working that UN/CEFACT may have to accept. The distribution of activities among UN/CEFACT and OASIS should be negotiated. The relationship with OASIS was an important aspect.

The TMG Chair reminded the CSG that UN/CEFACT was technology neutral and should decide on its approach towards any technologies. Core Components belonged to UN/CEFACT while OASIS should keep their architecture part.

The Chairman suggested sending a letter to invite OASIS to discuss duplicative activities as this would at least allow all parties concerned to know of potential and ongoing risks of duplication. Such a message would also help the constituencies understand that UN/CEFACT was open to discussion.

The CSG decided that a small CSG team would accompany the Chairman in a conference call, after which, if agreeable to OASIS, a letter would be sent with a UN/CEFACT position paper. The secretariat would check if OASIS had a status as an NGO acknowledged by the ECOSOC [NB: they do not].

Decision 04-01-14:

A conference call would be organized with OASIS. After the call, a position paper for UN/CEFACT would be drafted and the Chairman would inform HODs about the results and further steps to be taken.

ITEM 11: MoU MEETING

The Standards Liaison Rapporteur reported on the last meeting of the MoU management team and distributed the draft minutes. One critical issue had been that the purpose of the MoU had all along been to

avoid duplication. The secretary of the MoU had felt that the text of the MoU itself should not be altered but other ways of clarifying the binding nature of adhering to the MoU for all signatories should be sought.

UN/CEFACT continued its support for UML and this had been reflected in the minutes. There had also been an interesting discussion on UBL coordination. The UBL chair had explained that participants in the UBL Group had lost trust in UN/CEFACT as a result of the OASIS issue. The group had made a decision to submit their work to the ISO fast track and this would probably take place before any transfer of UBL to UN/CEFACT. UBL had not approached the OASIS Board regarding the transfer to UN/CEFACT of UBL. Furthermore, it was noted that OASIS had a strong policy regarding transfers, and it seemed unlikely that UBL would come to UN/CEFACT at least in the near future.

The TMG chairman indicated that there was no plan to submit the Core Component technical specifications to ISO. There was a direct duplication of efforts with OASIS on version 1.1 that also resulted in a legal issue as the IP belonged to UN/CEFACT. To this end, the users were expecting action from UN/CEFACT. The CSG Chairman suggested that UN look further into the question of whether or not OASIS was infringing UN/CEFACT intellectual property rights. The secretariat replied that they could take the matter to the OLA but could not ensure resources to handle the matter.

The next meeting of the MoU would be held at the IEC in Geneva in April 2004.

Decision 04-01-15:

The CSG requested the Standards Liaison Rapporteur to take the lead regarding the revision of the text of the MoU. Participation in the MoU meetings by UN/CEFACT participants should also be notified to the secretariat and the working positions of all UN/CEFACT participants should be clearly indicated to the secretariat before future meetings.

ITEM 12: LIAISON

The Standards Liaison Rapporteur made a proposal for liaison management. The groups were empowered and should work with other groups and organizations outside UN/CEFACT, but, simultaneously, there should be a policy on establishing relationships and registering them with UN/CEFACT. The Standards Liaison Rapporteur might become directly involved in some areas where a question of royalties might arise.

Decision 04-01-16:

The Rapporteur would prepare a proposal on liaison management.

ITEM 13: AGENDA OF THE PLENARY

The CSG discussed the draft Agenda and agreed on a number of changes in the Chairman's draft. The core component seminar was cancelled and only one BCF presentation would be made at the beginning of the meeting. A presentation on trade facilitation by TBG15, as appropriate, would be added on the agenda.

The Chairman requested the FCT to prepare a PowerPoint and Word template outlining a common structure for the Groups' presentations to the Plenary.

Decision 04-01-17:

A small CSG team would draw up a programme and suggest a timeline for a separate Core Component presentation day.

Decision 04-01-18:

The secretariat should finish the agenda and send an invitation to Group Chairs and the FCT chair indicating the need for expanded presentations on the groups' work and programmes of work to allow them to adequately prepare. A unified FCT template should be used for the presentations.

Decision 04-01-19:

The Chairman would contact HODs regarding the nominations of Rapporteurs and vice chairs together with the new structure paper.

Decision 04-01-20:

The secretariat should ensure the distribution of the minutes of the policy group.

ITEM 14: REVISION OF R.650

The CSG noted that there were three specific aspects to the OLA advice: HOD nominations, the appointment of chairs as Rapporteurs and the nomination procedures. The last point had been discussed widely with OLA and the CSG Chair and the Legal Rapporteur had drafted a procedure. Any other items should be submitted to HF for incorporation into the revision.

ITEM 15: SECRETARIAT'S NOTE ON ISSUES RELATED TO THE MANAGEMENT STRUCTURE

The secretariat explained that the purpose of the document was to be practical and helpful. The paper communicated the views of the secretariat and the senior management of UNECE as well as the conclusions of the missions in Geneva. One of the most important points was the existing ambiguity regarding the future direction of UN/CEFACT. Many delegations had questioned this and the secretariat had requested a strategic view for consideration by the plenary.

Regarding the management structure, the secretariat supported the chairman's unified proposal and looked forward to the revised paper and R.650/Rev.3 as the new "constitution" for UN/CEFACT. However, the paper would also need to go through the CTIED, UNECE and eventually ECOSOC.

Several delegations had contacted the secretariat to enquire about UN/CEFACT's directions in electronic business standards work and had requested a document explaining them to the plenary delegations in layman's terms.

The secretariat also felt that it would not be easy to secure all the funding for the SSP at one time. Consequently, it would be easier to secure funding if the budget were split into logical phases that would allow gradual implementation.

The secretariat supported the TBG15 proposal regarding an independent Trade Facilitation Group.

The Chairman pointed out that the secretariat paper touched most of the issues that the CSG had been discussing. The structure had been finalized and he suggested that the CSG work be proposed to the Plenary in its present form.

Decision 04-01-21:

The CSG to request a paper from TBG15 to the Plenary on trade facilitation, to be discussed together with the report from the UN/CEFACT Policy Group.

ITEM 16: PROMOTION AND COMMUNICATION

All comments on the communications questionnaire had been incorporated. The questionnaire should be released to the FCT for replies.

Decision 04-01-22:

The questionnaire will be sent out with a cover letter with a due date after the March Forum.

Decision 04-01-23:

The CSG requested the secretariat to provide the following for all lists provided under the UN services:

1. Prevent posting from non listserver members;
2. Institute a virus checker in front of the list-server;
3. Incorporate a spam checker in front of the list-server.

ITEM 17: REPORTS FROM THE RAPPORTEURS

The CSG noted the written report from the Rapporteur for Asia.

The CSG discussed the number of Rapporteurs. The Chairman suggested concentrating on areas where UN/CEFACT was not represented or where a clear need was felt. It was agreed there was no need for a Rapporteur for Europe or North America. Instead, one for Africa, Latin America and western Asia would be helpful even though UN/CEFACT currently has only one for Asia.

The CSG agreed that the titles of regional Rapporteurs should not be given if the person in question did not have adequate resources to undertake the work. It was agreed that Rapporteurs for Africa, Western Asia and Latin America should be identified.

ITEM 18: MINUTES OF OCTOBER AND JULY MEETING

The CSG went through the October and July minutes, which were approved.

ITEM 19: ANY OTHER BUSINESS

Role of other trade facilitation organizations

The CSG wanted to know what other international organizations – e.g. WTO and WCO – were doing in the area of trade facilitation and how that work would relate to UN/CEFACT's activities. The Chairman replied that the discussion at policy group level had gone one step further, coming to the agreement that UN/CEFACT would not replicate any other organization's work. Consequently, UN/CEFACT would need to define what it would do (by first defining what others were doing) and then decide how the work could be supported. Part of that would be a matrix indicating a range of organizations and some broad categorizations of the roles and work areas of these organizations.

The CSG also noted that WTO had a legally binding mandate and a rules-based setup that was producing agreements on customs operations, while UN/CEFACT did not have legislative activities. TBG15 should be contacted for their detailed programme of work.

CLOSING REMARKS

The Chairman took the floor on the last day of the last CSG meeting noting that it had been a pleasure to be the CSG chairman. Looking back, since 1997, the programme had been hindered by a number of issues but the outputs were still of high quality and the skills in the group were extraordinary – remarkable from a voluntary organization. He thanked each and everyone individually and, as a group, for friendliness, cooperation, contribution and support.

UN/CEFACT should not lose the expertise it had collected over the years. It would be in the organization's interest, in the future, to identify opportunities to channel the accrued expertise. The members would identify ways for them to continue contributing to trade facilitation and the development of electronic business standards.

The Chairman closed the meeting by congratulating the CSG for excellent work done in complex circumstances where moving things forward had been a difficult process. As its final act, the CSG was completing the reorganization process. Once finalized, the new structure and the new management would move from a period of reorganization and readjustment to a period of output. He wished every success to the UN/CEFACT Chairman to carry all this forward.

The last CSG meeting was closed at 18 hours on 22 January 2004.
