ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON TRADE

Centre for Trade Facilitation and Electronic Business

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Item 8 of the provisional agenda

GOING FORWARD

Supporting critical projects through the Electronic Business, Government and Trade initiative (eBGT)

Note by the secretariat*

Summary

This note was drafted by the Bureau in response to the mandate given by the thirteenth session in 2007 to continue progress on the eBGT initiative and to prepare documentation for approval.

The note is for discussion and approval.

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*This document was submitted late due to resource constraints.

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CONTENTS

ANNEX

INTRODUCTION

1.   The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) is an intergovernmental body with a global remit that develops and promotes simple, transparent, and effective processes for global commerce.[1]

2.   At UN/CEFACT' May 2007 Plenary, the Bureau introduced a new initiative on "Electronic Business, Government and Trade (eBGT)". The goal of eBGT is to strengthen UN/CEFACT's efforts to advance priority deliverables within an 18-month period, supporting its Programme of Work as guided and approved by the Plenary.

3.   This note provides the requested documentation to the Plenary about the Electronic Business, Government and Trade (eBGT) initiative and is for discussion and approval.

I.   BACKGROUND

4.   The United Nations has engaged in trade facilitation activities for over 50 years and has developed electronic business standards to support these efforts for over 20 years.

5.   The key to UN/CEFACT strategy is a vision of more effective processes and related information flows, with electronic support, where appropriate. Achieving this will help government agencies and companies lower the cost of doing business and will facilitate global trade.

6.   UN/CEFACT efforts foster trade facilitation in developed, developing and transition economies, as well as making international trade more accessible to small and medium-sized companies around the world. Its core deliverables involve building standards, recommendations, technical specifications and capacity-building as well as a growing toolkit to support their use.

7.   UN/CEFACT is directed by an intergovernmental Plenary that meets annually in Geneva, Switzerland. More than 300 public- and private-sector volunteer experts, working in teams, collaborate, using processes approved by the Plenary, to formulate standards, recommendations and technical specifications. The teams meet twice a year in UN/CEFACT "Forums" to share information and work across different specialized activity domains (for example: transport, supply chains, agriculture and e-government). Their achievements include: the United Nations Layout Key for trade documents, UN/EDIFACT (United Nations Electronic Data Interchange for Administration, Commerce and Transport), ebXML (electronic business eXtended Markup Language), UNeDocs (United Nations electronic trade documents) and the "Single Window" for export and import clearance.

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[1] See TRADE/R.650/Rev.4 for "Mandate, Terms of Reference and Procedures for UN/CEFACT" as approved by the United Nations Economic Commission for Europe's Committee on Trade.

8.   Today, advances in Internet technology allow automatic cooperation among computer systems. If software solutions for this automatic cooperation were to implement international standards—in particular, a common language—then new horizons for improved efficiency in international transactions would emerge. In researching and developing such a common computer-usable language, UN/CEFACT offers a framework of standardized data definitions and process models for use along all the many steps of the information chain that supports the Buy-Ship-Pay process.

9.   The Buy-Ship-Pay process defined by UN/CEFACT is based on the Recommendation on Facilitation Measures Related to International Trade Procedures, which was first approved in 1981. Its purpose is to provide traders, service providers (e.g. banks, transporters, insurers) and government agencies involved in trade with a precise understanding of business processes, data requirements, and data formats based on a common set of standard definitions covering the entire trade transaction.

10.   Great benefit can be gained if data definitions can be harmonized across both paper-based and automated-information systems, thus allowing data to be more easily exchanged between them. The benefit is even greater if these data definitions can be used by any software application (i.e. there is interoperability). UN/CEFACT, in cooperation with other organizations that play an important role in trade, develops and harmonizes definitions and structures for the data shared between trading partners, trade service providers, and a wide range of Government agencies.

11.   Private and public sectors are calling for these platform-independent tools/standards to help them better manage information in an environment of constantly changing technological platforms. For all these organizations, harmonized, interoperable, and software-independent data and information-exchange standards will lower system-maintenance and migration costs.

II.   UN/CEFACT'S IMMEDIATE CHALLENGE

12.   While UN/CEFACT has been making steady progress on new standards, additional resources would enable more timely delivery. Most critical is the need for resources to provide technical support to the volunteer government and business experts working on the standards.

13.   Many organizations developing information technology standards recognize the need for a "common language" based on international standards to address the current, costly state of standards fragmentation. However, many organizations are also in key development stages and may feel forced to seek alternatives if a critical mass of United Nations standards for business, government, and trade is not available within 18 months. Examples of such urgent projects include European Union initiatives in the area of e-standards for electronic invoicing and public procurement, as well as major government automation projects under way in Asia, the Pacific region, and the Americas.

14.   Given the increased demand for automated and advance data in trade, a continued fragmentation in the international standards for basic data "vocabularies" would result in incompatible and costly trade and border-crossing processes that would reduce security, increase the cost for supply-chain automation (including the automation of government to business exchanges) and possibly even disrupt the delivery of goods. This setback would undoubtedly

take many years to reverse, given the long life cycle for the return on investment for major automated systems.

15.   To avoid this negative scenario and instead create benefits for business and government, UN/CEFACT has developed the Electronic Business, Government and Trade (eBGT) initiative to accelerate the delivery of the United Nations standards for business, government, and trade.

III.   THE ELECTRONIC BUSINESS GOVERNMENT AND TRADE INITIATIVE

16.   The objective of the eBGT initiative is to facilitate the timely availability of the critical mass of standards required for the broad-based "common language" described above to be widely implemented, as well as creating user-friendly access to these standards.

17.   The initiative is envisaged as an intensive period of collaboration across UN/CEFACT domains and groups to support tasks under the guidance of the Forum Management Group (FMG), with oversight by the Bureau and the Plenary, as they work towards the objective. The main activities will be linked to clarifying priorities, identifying gaps in advancing key deliverables, improving outreach, strengthening communication, and moving forward as quickly as possible in achieving the programme of work.

18.   These efforts should help to yield the kinds of important benefits fostered by UN/CEFACT' open-standards approach, serving the practical priorities of stakeholders that are involved in electronic business, government and trade processes around the world.

IV.   ELECTRONIC   BUSINESS   GOVERNMENT   AND   TRADE   FOUR   MAIN ACTIVITIES

19.   Electronic Business Government and Trade will accomplish its objective by providing UN/CEFACT with eighteen months of focused support involving four primary activities:

  (a)   Online standards;
  (b)   Capacity-building;
  (c)   Communication;
  (d)   Gap analysis.

A.   Online Standards

20.   Online standards consist of two components:

  (a)   Online Standards Showcase (OSS);
  (b)   Online Standards Registry (OSR) .

1.   Online Standards Showcase

21.   Developing the Online Standards Showcase (OSS) involves a short-term project that will greatly enhance UN/CEFACT' web presence. The browser-based application will enable users to visualize how the UN/CEFACT open-standards approach works and how it can help users to

reap the benefits of improved processes for electronic business, government, and trade data exchanges.

22.   The Online Standard Showcase (OSS) will demonstrate how the various technology components fit together in a commonly recognized business context: the Buy-Ship-Pay model. The emphasis will be on showing how syntax-neutral business information (core components) have a role in enabling the reuse of information models and data. The Online Standard Showcase (OSS) is expected to be maintained long-term as an educational and promotional tool and will demonstrate the usefulness of a more comprehensive project to develop a central registry for all UN/CEFACT standards and recommendations.

2.   Online Standards Registry

23.   This is a medium-to-longer-term project to provide an Online Standards Registry (OSR) intended for operational use by implementers of the UN/CEFACT framework of standards. The project will have a phased implementation. The Online Standards Registry (OSR) will contain coherent reference libraries that include reference data models for specific sectors, business requirements, information objects, and code lists. These elements will serve as building blocks for further standards development and for implementation.

24.   Eventually, other entities and groupings (e.g. trade associations, groups of countries, national administrations) will be able to develop tailored Online Standards Registry (OSRs) where companies and government agencies will be able to access standards and reference data models from the Online Standards Registry (OSR) that can be used to map their own data requirements to the requirements of different trading partners and regulatory agencies. Many may also use the models to study the practices in other organizations when they revise or develop their own systems and processes.

B.   Capacity-building

25.   Capacity-building strengthens knowledge and skills in order to support individuals and organizations in more effectively achieving their objectives on a sustainable basis.

26.   To achieve this within UN/CEFACT, further steps need to be taken to a strengthen the knowledge and skills of experts in government and business – both within UN/CEFACT groups and within stakeholder organizations and, especially those stakeholder organizations based in developing and transition-economy countries.

27.   Electronic Business Government and Trade capacity-building will focus on a set of instruments to support the work of business, government and trade experts in developing and implementing the UN/CEFACT standards, including good practices in process modelling. Instruments being considered include training materials and programmes, e-learning, and guidelines for use by both private and public training organizations. The guidelines will address how to use and train others to use freely available tools and key elements of the UN/CEFACT framework.

C. Communication

28. The communication activities will focus on the following UN/CEFACT core themes:

    (a) Simple, transparent and effective processes for global business;
    (b) Standards hub to foster trade facilitation and electronic business;
    (c) Mainstream technology model for reusable core data definitions for business, government and trade;
    (d) A single standards source for cross-border supply chains;
    (e) Public-private partnerships;
    (f) Increasing the number and geographic diversity of volunteer experts.

29. Communications will consider audience diversity and, as a result, will convey targeted messages (for example, to government officials, executives, managers, business analysts, developers) by appropriate media such as web pages, audio casts, screen casts and print.

D. Gap analysis

30. Two kinds of gaps need to be identified:

    (a) Gaps in deliverables supporting business, government and trade;
    (b) Gaps in technical methodologies.

1. Business gap analysis

31. The business gap analysis consists of a detailed review of the priorities for work on the UN/CEFACT key deliverables supporting the Buy-Ship-Pay model. This will be achieved by identifying which projects cover which parts of the model and which additional deliverables are required.

32. For example, the Core Components Library (CCL) is one of the UN/CEFACT key deliverables that needs to be analysed to ensure that all important areas in the Buy-Ship-Pay model are addressed. It provides the harmonized vocabulary for data definitions and the semantic meaning of this data for use by business, government, and trade sectors; as well as for use in standards developed by other standard development organizations.

33. The Core Components Library (CCL) is critical in allowing companies to maintain continuity and lower data maintenance costs over time and across technological change. Many Governments, standards-development organizations and business sectors have realized the importance of this work, which has led to the submission of a large and increasing number of requests for additions and modifications to the Core Components Library (CCL). However, a systematic analysis is needed to identify key areas for additional work in support of the Buy-Ship-Pay model.

2.   Technical gap analysis

34.   The technical gap analysis will ensure that various elements of the UN/CEFACT methodology (e.g. UMM, CCTS, CCMA, UCM, NDR[2]) are consistent and complementary in their content, development and maintenance. A rapid completion of the existing architecture project, showing the relationship between all of the technical standards may provide a basis for this analysis.

V.   RESOURCING

35.   Volunteer experts will continue their efforts via self-funding during the 18-month Electronic Business Government and Trade (eBGT) initiative, with extrabudgetary resources expected to speed delivery of the critical mass of standards. Initial estimates of supplementary resource requirements suggest this might amount to around USD 1.5 million from Member States and an additional USD 1.5 million from the private sector and other sources.

36.   Activities coordinated by Electronic Business Government and Trade (eBGT) will be carried out in accordance with resources available. Any extrabudgetary resources donated to a United Nations trust fund[3] will be administered in accordance with United Nations rules.[4] An Electronic Business Government and Trade (eBGT) work plan, highlighting gaps in resources, will be prepared shortly by the Forum Management Group, with the assistance of the secretariat and oversight by the UN/CEFACT Bureau. When completed, the work plan and subsequent updates will be submitted to the Plenary.

VI.   ELECTRONIC BUSINESS GOVERNMENT AND TRADE ORGANIZATION AND MANAGEMENT

37.   An Electronic Business Government and Trade Support Team will be established[5]. The Team will report to the FMG, with the Bureau providing additional oversight. It will be appointed by the FMG in consultation with the Bureau. It will have two Electronic Business Government and Trade (eBGT) coordinators, with the other members of the Team involved in the coordination of the four main activities.

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2 UMM (UN/CEFACT Modelling Methodology), CCTS (Core Components Technical Specification), CCMA (Core Components Message Assembly), UCM (Unified Context Methodology), NDR (Naming and Design Rules).

3   Additional information about United Nations trust funds can be obtained from the UNECE secretariat (trade@unece.org).

4   Additional information about United Nations regulations, rules, policies and procedures can be obtained from the UNECE secretariat (trade@unece.org).

5   See annex for position of eBGT Support Team in UN/CEFACT.

38.   The Electronic Business Government and Trade workflow will involve the following steps:

(a)   The Support Team will continuously review the UN/CEFACT Programme of Work to help the Forum Management Group to:

(i)   dentify priorities to meet stakeholder needs;

(ii)   Make recommendations about existing projects and developments, which may cross domains and groups, so as to facilitate the timely achievement of deliverables;

(b)   The Electronic Business Government and Trade coordinators will provide a template for receiving input from UN/CEFACT stakeholders (e.g. from Plenary members and Forum experts) for identifying possible additional projects and for guidance regarding existing projects that might benefit from coordination under the Electronic Business Government and Trade umbrella, both within the context of the Programme of Work;

(c)   The FMG will review Electronic Business Government and Trade Support Team recommendations and decide whether to approve acting on these or not, subject to oversight by Bureau/Plenary;

(d)   The FMG and Bureau will foster awareness about projects coordinated by Electronic Business Government and Trade that may need support, particularly by contacting Plenary delegations and stakeholders and using the UN/CEFACT website[6];

(e)   The Electronic Business Government and Trade Support Team will regularly report on the progress of its work, including projects and developments coordinated within Electronic Business Government and Trade scope to both the Bureau and the Plenary.

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[6] www.uncefact.org.

Annex

UN/CEFACT ORGANIZATIONAL CHART

POSITION OF THE EBGT SUPPORT TEAM

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                        │  UN/CEFACT PLENARY   │
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                        │   Plenary Chair      │
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                                              │  UNECE secretariat    │
                                              │  (eBGT Trust Fund     │
                                              │   Administration)     │
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   │      eBGT        │   │       Forum           │
   │  Support Team    │───│   Management          │
   │                  │   │      Group            │
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│ and Business   │ │  Group    │ │ Management   │ │Methodologies │ │            │
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Domains: Accounting & Audit - Agriculture - Architecture, Engineering & Construction - Business Process Analysis - Customs – eGovernment - Electronic Trade Documents - Environmental Management - Finance - Harmonization - Health Care - Insurance - International Trade Procedures - Social Services - Supply Chain - Transport - Travel, Tourism and Leisure

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