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OVERVIEW OF STAKEHOLDER PRIORITIES

Recommendations of the 2007 Plenary Discussion on Stakeholder Perspectives

Note by the Bureau *

Summary

At its thirteenth session, UN/CEFACT reviewed the needs and priorities of the UN/CEFACT main stakeholders - Governments, standards development organizations and the business community - and approved the revised recommendations and new standards and instruments developed in 2006 - 2007.

This document which highlights the recommendations of the stakeholder sessions held during the 2007 Plenary, is for discussion.

*This document was submitted late due to resource constraints.

I. COUNTRIES

1. The objectives and work programme of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) include standards and procedures for trade, identified best practices, and interoperability and implementation “packages” such as UNeDocs. Through the use of specific tools, UN/CEFACT provides assistance in implementation and in promoting good practice. It also gives member States an overview of what all international organizations are doing in trade facilitation.

2. UN/CEFACT outputs can help countries influence the development of the administrative and regulatory components of international trade. They can also help them identify opportunities for more competitive processes that facilitate international trade, as well as the relevant international standards and best practices to apply. Countries can learn how to modify the standards to meet their national requirements, and how to implement them in an affordable way. With the help of UN/CEFACT, countries will know which international organization to contact when they need information about, or assistance with, these issues.

3. At the Plenary meeting in May 2007, UN/CEFACT delegates considered the following topics:

(a) How can UN/CEFACT best contribute to the efficiency of national administrations, by bringing together common requirements and different standard-development efforts concerned with e-business and trade facilitation?

(b) Should UN/CEFACT assist countries in the development and implementation of regulations that encourage technological innovation and support market demand?

(c) What can be done to reduce duplication of effort by government agencies in their support of UN/CEFACT and of other international organizations and standards development organizations (SDOs) concerning e-business and trade facilitation?

(d) Can countries that use UN/CEFACT products and services champion these achievements with other countries to demonstrate the global remit of UN/CEFACT instruments?

4. After an exchange of views, countries agreed that they would like UN/CEFACT to provide interoperable, intersectoral standards that help create information links between different national government agencies, as well as between public and private sectors. Countries would like UN/CEFACT to assist in converging multiple existing national standards around a standard that is friendly both for small and medium-sized enterprises (SMEs) and big organizations. Stakeholders are also keen for UN/CEFACT to advance the work on e-invoicing, and to ensure the preservation of existing and future investments in data.

5. UN/CEFACT tools should meet the needs of all its stakeholders: government policymakers, government agencies, businesses that use its standards, businesses that sell services based on the standards, and intermediary organizations such as the Automotive Industry Action Group (AIAG), Global Standards 1 (GS1), Society for Worldwide Interbank Financial Telecommunication (SWIFT), and other trade and industry associations.

6. UN/CEFACT processes should be transparent and understandable, and generate standards in a timely manner. The relationships between UN/CEFACT and SDOs should be well defined. UN/CEFACT should ensure that it has effective procedures for receiving external input and that it participates in cross-sectoral coordination and harmonization.

7. For implementing UN/CEFACT standards, countries would like assistance in the form of guidelines and models, and the publication of best practices (and especially best practices in government). Stakeholders would also like better access to UN/CEFACT products (such as more organized current web access, and the development of a repository), taking into account multiple implementation languages.

8. Promotion and awareness should be supported by a coordinated approach, perhaps in collaboration with the regional commissions of the United Nations. Stakeholders should be provided with information on existing implementations such as case studies, and cost/benefit and added-value indicators.

9. Finally, countries would like to see UN/CEFACT reinforce its input into policy work in the World Trade Organization (WTO), the World Summit on the Information Society (WSIS), international organizations and national administrations.

II. SECTORS

10. For over 25 years, UN/CEFACT has received contributions from businesses, Governments, non-governmental organizations, and individual experts worldwide. With their assistance, UN/CEFACT dedicates crucial resources to developing open electronic business standards, resulting in standards and recommendations that improve the efficiency of business and trade.

11. Since the 1960s, UN/CEFACT has been developing standards that are vital for business and trade, including the *United Nations Layout Key* and the *United Nations Trade Data Elements Directory*, United Nations recommendations, United Nations Directories for Electronic Data Interchange for Administration, Commerce and Transport (UN/EDIFACT - all the Fortune 500 companies have electronic data interchange (EDI) links in place), the electronic business Extended Mark-up Language (ebXML) initiative, and the UN/CEFACT Core Component Library. UN/CEFACT' working groups contribute expertise in the areas of cross-border trade; supply chain and e-procurement; transportation and logistics; customs; finance; travel, tourism, and leisure; accounting and auditing; and insurance.

12. Today's business environment is characterized by new challenges. These range from the emergence of global supply chains and the development of multimodal transport services to just-in-time delivery processes, inventory reduction, and establishment of Single Windows. Businesses are increasingly relying on lower-cost, electronic communications, including via the Internet, and on outsourcing.

13. New sectors are entering the e-business arena, including agriculture (for the tracking and tracing of food products), government (to provide services to the private sector, through e-government for example), and electricity (with a new industry initiative). Other sectors are

renewing their engagement, such as the financial sector (developing end-to-end e-processing of a payment), customs (the World Customs Organization (WCO) is working to define a common harmonized CCTS-compliant reference data model), the air-freight industry (International Air Transport Association (IATA) and the e-freight programme with United Nations Electronic Trade Documents (UNeDocs)), and insurance both nationally and internationally.

14. The insurance sector is an excellent example of a local business with global needs. Insurance policies are generally written on a national or local level (with the exception of reinsurance and large commercial policies, and the future move towards a single market by the EU). The sector needs data standards, especially to help with insurance supervision. The International Association of Insurance Supervisors (IAIS) recommends, as part of its core principles, sharing data across jurisdictions and across financial services sectors in the regulation of financial conglomerates. The Global Reinsurance Market Report noted a particular challenge to the collection of meaningful data: the production of global data based on the aggregation of local data that are inconsistently compiled.

15. UN/CEFACT is uniquely positioned to play a key role in the future of e-business standards development. It will continue to help build the e-business standards framework, including methodologies for business process modelling (UN/CEFACT Modelling Methodology (UMM)), information data modelling (Core Components Technical Specification (CCTS), the Core Component Library, Business Requirements Specifications (BRS), and the Registry/Repository. Its syntax-neutral semantics will be implementable in EDI, XML, web services, and paper. This will provide a solid foundation for responding to the modern challenges of international trade.

16. SDOs are now approaching UN/CEFACT, bringing with them national formats (flat file formats), and EDIFACT and pre-EDIFACT EDI formats. Some SDOs moved to XML as early as 1999. These XML formats are widely implemented, but these SDOs are now seeking semantic interoperability at a global level. UN/CEFACT can offer a platform for alignment between these different XML approaches through the adoption of CCTS.

17. Delegates were given the following topics as a starting point for their discussion on sectors:

- (a) How can sectors specifically benefit from UN/CEFACT work, particularly to enable greater efficiencies and the facilitation of international trade?
- (b) Where should the UN/CEFACT priorities be focused in the near and medium term?
- (c) How important would be the benefits of collaboration between UN/CEFACT and WCO to define the proposed Common Reference Data Model?
- (d) Where and what are the opportunities for enhanced benefits to be gained from cross-sector collaboration through UN/CEFACT activities?
- (e) What are the opportunities for broader sectoral participation and involvement of national and governmental operational experts in UN/CEFACT?

18. In their discussions, the stakeholders agreed that UN/CEFACT should have two main priorities for sectoral work: (a) producing a complete and consistent set of implementable standards from conceptual to practical deliverables and (b) providing a neutral platform for convergence of different SDO approaches through core components.

19. Delegates examined the lessons learned from their own experiences. They found that early implementations provided valuable input. They were further of the opinion that engaging SMEs was crucial, even though it could be difficult because SMEs had specific needs to consider. It was vital that content be separated from technology; and countries needed one single data standard.

20. As to the organization of UN/CEFACT's work, it was agreed that the production of deliverables should be speeded up and the Business Requirement Specification process should be made more efficient. This would require resources. Efficiency could also be improved through cross-sectoral project management. Progress should be made on Global Semantic Harmonization and the interlinking of sectors and government departments. Finally, stakeholders would like UN/CEFACT to provide technical support to other bodies, especially WTO.

III. STANDARDS DEVELOPMENT ORGANIZATIONS

21. UN/CEFACT takes an inclusive approach to collaboration, at present and in the future, both with formally constituted consortia and with de facto SDOs. Better understanding the evolving SDO environment and improving communications and collaboration among SDOs can help participants deliver unique value and build synergies.

22. SDOs face many challenges in delivering a coherent set of e-business standards. Technologies and expectations are evolving more and more rapidly, as are methods and tools. SDOs are working under a number of different, and sometimes conflicting, incentives. The work of SDOs sometimes overlaps, and commitments to convergence are insufficient. Reference implementations and profiles are missing, and interoperability testing is largely unavailable.

23. UN/CEFACT continues to broaden its strategy for active coordination with SDOs by reaching out to relevant initiatives and assessing collaboration priorities, updating its Open Development Process for greater participation from external interests, and improving the recognition of the value of its common semantic framework..

24. To accomplish these goals, UN/CEFACT works to understand SDO programmes and coordinate work e.g. through the Memorandum of Understanding/Management Group on eBusiness Standards. It also seeks to broaden input through documenting needs, defining projects and analysing intersecting "information-supply chains" to achieve better cross-sectoral convergence. It has developed a common e-business framework for documenting needed capabilities; applicable standards and initiatives; gaps and convergence opportunities; and for planning for optimum use of competencies. UN/CEFACT gathers feedback on the deployment and use of its standards.

25. Stakeholders considered the following questions:

- (a) How should UN/CEFACT improve coordination and strategic planning with SDOs?
- (b) How should UN/CEFACT best contribute to delivering cohesive e-business standards?
- (c) How should UN/CEFACT use and contribute to the e-business capabilities framework?
- (d) Is there a need for guidance on how UN/CEFACT standards fit with other standards to enable e-business?
- (e) How should UN/CEFACT support the full “life cycle” of needed e-business standards? (e.g. documenting common needs/outcomes, assessing available solutions, determining best delivery, developing specifications, obtaining validation, supporting implementation and deployment, maintaining the standards, analysing feedback from their use, revising standards).

26. From the stakeholder discussions, there emerged a growing recognition of the value of the UN/CEFACT common semantic framework. SDOs support providing guidance on how UN/CEFACT standards fit with other standards to enable e-business. In this area, both the United Kingdom and the United States are currently undertaking standard-mapping projects. They will provide the results to UN/CEFACT once the projects are completed. In general, SDOs would like to see a more coordinated approach to standards development to avoid duplication of work, and they find the eBusiness Capabilities Framework a good tool for this purpose.

27. SDOs would also like communications to improve between Plenary participants and Forum participants, and between Forum participants and those developing workshops to better understand the application of the standards. Such linkages between the “layers in the stack” are critical.

28. Stakeholders would like UN/CEFACT to reinforce its work with those SDOs that are central to its objectives, e.g. by becoming an associate member of W3C. They believe the SDO stakeholders’ paper should be tabled in other forums, and that informal mechanisms for improved communications among SDO initiatives should be established.
