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Programme of work, and next steps

Draft United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) programme of work 2012 - 2013

Submitted by the UN/CEFACT Bureau for decision

Summary

This document contains the draft programme of work for 2012 and 2013 of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT). It is being presented to the Plenary for discussion and approval.

It comprises UN/CEFACT priorities and the related work plan, highlighting key outputs. It also includes work items arising from the recommendations of the UNECE Executive Committee and work items arising from recent developments and requirements in trade facilitation and electronic business.

The document is divided into two parts. Part one gives an overview of the UN/CEFACT vision, mission, core activities and deliverables for 2012-2013; part two sets out the detailed programme of work.

Introduction

1. This paper, which sets out the programme of work of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) for 2012-2013, is being submitted to the eighteenth Plenary for discussion and approval.

2. The paper is presented in two parts. Part one gives a general overview of UN/CEFACT work, with the key administrative and commercial challenges facing trade today, and indicates the critical role of UN/CEFACT in tackling related constraints. It briefly reviews UN/CEFACT deliverables and accomplishments in 2010-2011 along with key strategic objectives and deliverables for 2012-2013.

3. Part two provides more detailed information on activities that will be carried out over the period to address the key objectives identified in Part 1. These activities are driven by the expressed needs of member States and the recommendations of the UNECE Executive Committee for UN/CEFACT¹.

Part One

General overview of UN/CEFACT work

I. Background

4. Within the framework of the United Nations Economic and Social Council, the United Nations Economic Commission for Europe (UNECE) serves as the focal point for trade-facilitation recommendations and electronic business standards, covering both commercial and government business processes that can stimulate growth in international trade and related services.

5. UNECE established the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) as a subsidiary, intergovernmental body of the Committee on Trade. It is mandated to develop a programme of work of global relevance to achieve improved worldwide coordination and cooperation in the above areas.

6. UN/CEFACT identifies and proposes ways to simplify and streamline international trade procedures and underlying electronic business processes, particularly towards enhancing the efficient exchange of goods across international borders.²

7. Working from a Plenary-approved "integrated strategy"³, its principal activities focus on simplifying, aligning and standardizing the core procedural aspects of international trade and the associated information flows. Two of the basic challenges it addresses are (a) the reality that goods cannot move faster than the processes and

¹ EXCOM document "Recommendations Concerning the United Nations Centre for Trade Facilitation and Electronic Business (ECE/EX/4) dated 13 March 2009. Further references to EXCOM decisions in this document refer to ECE/EX/2009/L.5 if not stated otherwise.

² The Revised Mandate, Terms of Reference and Procedures for UN/CEFACT (ECE/TRADE/C/CEFACT/2010/15/Rev.2) was approved in 2011 and it replaced "TRADE/R.650, Mandate and Terms of Reference of UN/CEFACT" that had been approved by WP.4, the predecessor to the UN/CEFACT, at its final meeting in September 1996.

³ ECE/TRADE/CEFACT/2006/5. The integrated strategy is the starting point for much that is covered in the programme of work; and it will be reviewed shortly to identify topics that might need revising.

information that accompany them and (b) that society increasingly requires safe and reliable trade processes in order to be able to monitor and control the effective and efficient flow of goods from origin to destination.

8. UNECE recommendations and UN/CEFACT standards cover a wide range of intermediary steps associated with international supply chains. They cover business processes and procedures that include, for example, commercial, transport, regulatory and payments domains. These instruments currently include:

- United Nations Layout Key for Trade Documents (Recommendation 1) —the international standard for the layout and content of trade documents.
- UN/EDIFACT—the international standard for Electronic Data Interchange for Administration, Commerce and Transport.
- Recommendations for the codification of trade information.
- Recommendations on the Single Window(Recommendations 33, 34 & 35).
- UN/CEFACT International Supply Chain Reference Model.
- United Nations Trade Data Element Directory(UNTDDED).
- Core Component Library (CCL).
- ebXML Core Component Technical Specifications & XML Naming and Design Rules.

9. The need for these instruments has intensified in recent years, especially in the context of advance (i.e. pre-arrival and pre-departure) information that is being requested for security, health and customs authorities. The instruments also help reduce the increasing complexity and facilitate the geographic extension of international supply chains.

10. In addressing the new challenges, the exchange of information between actors in world trade must be facilitated—not impeded. UN/CEFACT standards are of vital importance in stimulating the efficient allocation of production means and the flow of goods and services. Meeting these challenges requires taking advantage of information and communication technology.

11. UNECE recommendations and UN/CEFACT standards provide a coherent set of trade-facilitation instruments that increase efficiency and effectiveness, as well as encouraging small and medium-sized enterprises, and transition and developing economies, to extend their engagement in international trade.

12. Business and government agencies can apply UNECE recommendations and UN/CEFACT standards to facilitate information-interchange systems based on common nomenclature and components. When they employ standardized methods, they can bring about greater effectiveness and efficiency through the interoperability among parties and application systems; reductions in cost; reductions in dependence on a single vendor or software choice; and, ultimately, facilitate trade with minimal obstacles.

13. To reduce costs and improve security, it is important to be able to process and communicate information in a completely unambiguous way, thereby providing clarity both internally and with external trading partners.

14. Regulators, government bodies and the general public are increasingly requesting the fullest protection possible from terrorism, hazardous materials, fraud, mistakes and accidents. Recent food-safety issues illustrate the severe impact on trade that a food-related health alarm can cause. Translated to the trade sector this means participants need to be able at any moment to account for their transactions.

15. Traceability is a major concern in providing consumer protection. International supply chains must be in compliance with local regulations throughout the transaction, and across borders. Traditionally, control has been based on analysing risks at any given moment in the supply chain and does not guarantee full control throughout the full business process. Standards, however, offer opportunities to enable maximum security all the time.

16. Governments and regulatory agencies around the globe are increasingly (sometimes even exclusively) focusing on electronic business using international, open standards rather than domestic, national or proprietary standards. In these scenarios, processes in areas such as procurement, trade, taxation and payments require comprehensive and easy-to-use standard libraries. UN/CEFACT helps the stakeholders by supporting interoperability frameworks—including initiatives that focus on semantic libraries.

17. The constantly increasing growth of the Internet for online trade transactions involves the use of efficient, trusted, reliable and secure information exchanges. This can be more effectively achieved globally through the use of internationally agreed shared libraries and dictionaries. In particular, organizations such as the World Trade Organization and the World Customs Organization have recognized that shared global libraries are of the utmost importance and UN/CEFACT regards these as its key assets.

II. Vision, mission and core activities

18. The vision of UN/CEFACT is to enable simple, efficient and effective information exchanges for global business. Briefly stated, this involves developing, through open and unbiased processes, recommendations and standards that are made freely available in helping to reduce red tape and thus facilitate trade.

19. Under the leadership of members of the Bureau, experts nominated by Heads of Delegation from a wide range of specialized domains, contribute through Programme Development Areas to the formulation and monitoring of the Plenary-approved programme of work.

20. Three countries need to express support for specific projects that concern proposals for recommendations and standards that need to fit within the programme of work. Moreover, projects are conducted in a Plenary-approved Open Development Process (ODP), with responsibility for the projects in the hands of project "leads" confirmed by the Bureau. The projects are conducted by experts, managed by the Bureau, with support for the activities being provided by the UNECE secretariat.

21. It is the experts from five continents that make UN/CEFACT achieve its goals. They work together as volunteers on projects, focus on domain requirements, and provide assistance to UN/CEFACT activities. Their expertise covers a wide range of skills and experience. Domain Coordinators play a key role, especially in ensuring that domain issues of concern are focused upon and brought to the attention of the Bureau.

22. A roster of experts helps to identify those experts willing to be called upon to participate in supporting UN/CEFACT tasks. The roster also serves as a means to extend UN/CEFACT's efforts in outreach to potential new participants who would like to become familiar with how the UN/CEFACT team works.

23. Twice a year all the experts come together at the UN/CEFACT Forums, which are held at different locations throughout the world.⁴ The Forums are indispensable for progressing the work on projects and fostering peer group collaboration, within and across

⁴ See list of UN/CEFACT Forums at www.unece.org/cefact.

Programme Development Areas. They also facilitate consideration of cross-domain coordination, strategic thinking and the formulation of new projects. Parallel sessions are provided for promotion and capacity-building for UNECE recommendations and UN/CEFACT standards.

24. All work within UN/CEFACT is undertaken within the following framework:

A. Mission

To improve the ability of business, trade and administrative organizations, from developed, developing and transitional economies, to exchange products and relevant services effectively, and so contribute to the growth and sustainability of the global economy.

B. Core objective

The simplification and alignment of processes, procedures and associated information flows for national and international trade-related transactions and, where required, non-trade-related areas that may also benefit from UN/CEFACT standards, UNECE recommendations, and methodologies.

C. Core values

UN/CEFACT will work in an open, transparent and non-discriminatory environment based on United Nations principles, rules and regulations, and in response to the expressed needs of the Member States of the United Nations. Such work is carried out with the highest level of integrity, courtesy and respect for individual opinion and cultural diversity.

D. Key activity areas

To achieve this mission, UN/CEFACT undertakes activities in the following broad areas, in response to the needs of countries, regulators and international business:

(a) Identifying and analysing opportunities to simplify, align, and standardize international trade processes, procedures and information flows within and between countries;

(b) Developing and maintaining recommendations, standards and instruments in support of international trade facilitation, in response to the needs of countries and other stakeholders in international trade;

(c) Working with other key players involved in trade facilitation activities⁵ and organizations involved in standards development⁶, with a view to avoiding duplication of work and to building together an internationally consistent framework based on best practice.

⁵ For example, the Global Facilitation Partnership, which involves the following Core Partners: United Nations Conference on Trade and Development (UNCTAD), United Nations Economic Commission for Europe (UNECE), United Nations Industrial Development Organization (UNIDO), World Bank, World Customs Organization (WCO); and regional commissions of the United Nations.

⁶ For example, this includes a wide range of domain-specific and more broadly-based organizations involved in standards development, many of which participate within the framework of the Management Group of the Signatories of the Memorandum of Understanding on e-Business (MOUMG). Activities of the Group are officially organized by the International Organization for Standardization (ISO), the International Electrotechnical Commission (IEC), the International Telecommunication Union (ITU) and UNECE.

(d) Offering outreach to support capacity-building to promote and advance implementation of UNECE recommendations, UN/CEFACT standards and instruments worldwide, with a special focus on transition countries.

25. UN/CEFACT's work supports the United Nations Millennium Development Goal 8 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".

III. Recent achievements

26. In 2010-2011, UN/CEFACT completed several key projects and made important advances in many others. Specific recent examples include:

- Recommendation 34: Data Simplification and Standardization for International Trade (ECE/TRADE/C/CEFACT/2010/13) was approved at the 16th Plenary.
- Recommendation 35: Establishing a legal framework for international trade Single Window (ECE/TRADE/C/CEFACT/2010/23/Rev. 2) approved intersessionally in October 2010.
- Core Component Technical Specification V3.0 on 19 December 2009.⁷
- Core Components Data Type Catalogue V3.0 on 19 December.⁷
- XML Naming and Design Rules V3.0 on 19 December 2009.⁷
- Release of EDIFACT Directories D.11A on 12 July 2011 and D.10B on 13 December.
- Publication of code lists:
 - Core Component Library D.11A on 15 July 2011.
 - UN/LOCODE directories 2010-2 on 18 December and 2010-1 on 29 October.
 - Revision 8 of the code lists for UNECE Recommendation 23 (Freight Cost Code - FCC) 11 April 2011.
 - Revision 7 of the code lists for UNECE Recommendation 20 (Codes for Units of Measure used in International Trade) on 13 September 2010.

27. UN/CEFACT has also undergone a major restructuring, designed to simplify the standards-development process and continue to promote a transparent and effective project-oriented approach.

IV. Priority outputs for 2012-2013

28. For 2012-2013, UN/CEFACT will be operating in a new organizational structure based on cross-domain collaboration in Programme Development Areas. Priority objectives will be on maintaining a stable status with regard to preserving investments in existing standards and recommendations while at the same time responding to various strategic challenges and opportunities to continue to serve member States and other stakeholders.

⁷ Information added to complete reporting to Plenary. All three were approved and published during 2009-2010.

29. Continued strong developments relating to the Single Window should see a further enhancement of the use of UN/CEFACT standards. The global movement towards Single Window is a strong catalyst for the broader implementation of the entire suite of trade-facilitation instruments. It constitutes a major opportunity for countries, especially developing and transition economies, to make progress in trade facilitation. UN/CEFACT plans to supplement the existing Recommendations 33, 34 and 35 by developing and publishing Recommendation 36 on Single Window Interoperability, as well as the continued development of the Single Window Repository.

30. Another priority will be to continue to promote and support the implementation of UNECE recommendations, UN/CEFACT standards and instruments in developing countries and countries with economies in transition. This includes encouraging participation in the work of UN/CEFACT by experts from these countries. UN/CEFACT will collaborate with the secretariat in developing capacity-building materials and programmes. These may be used in various outreach efforts by UNECE, other regional commission secretariats and various other organizations, with a view to strengthening trade facilitation.

31. UN/CEFACT looks forward to increased cooperation with regional initiatives, such as those of the European Union and the Asia-Pacific Economic Cooperation (APEC) forum, to ensure broad-based adoption of UNECE recommendations and UN/CEFACT standards. This may involve, for example, cooperation with the European Commission on EU activities to enhance the exchange of information between member States by standardized advance arrival information.

V. Resources

32. As member States and other stakeholders look to UN/CEFACT to provide effective standards for specific requirements, governmental bodies, standards development organizations and other stakeholders will be invited to collaborate closely and actively with the Bureau and the secretariat with a view to bridging critical resource gaps.

33. The Bureau and the secretariat will continue to work together to further define roles and responsibilities that will ensure maximum effectiveness and efficiency in the use of resources.

34. Special efforts will also be made over the period to identify priority areas and to ensure close monitoring of targets, fostering a positive and realistic management of expectations. In particular, UN/CEFACT will consider ways to facilitate support for additional national experts, and to help resource a pool of UN/CEFACT delegation-nominated experts (the roster of experts) from whom to draw needed competencies. In some cases, to address specific project proposals this may involve requesting direct support from member States.

Part Two

Detailed Work Plan

Introduction

35. The following sets out in detail the activities for 2012-2013, under the four major subject categories below:

1. Identification and analysis of opportunities to simplify, align, and standardize international trade processes, procedures and information flows within and between countries.
2. Governance of recommendations, standards and instruments in support of international trade facilitation, in response to the needs of countries and other stakeholders in international business.
3. Work with other key players involved in trade facilitation activities and organizations dealing with standards development, with the view to avoiding duplication of work and to building together an internationally consistent framework.
4. Outreach to support capacity-building to advance implementation of UNECE recommendations, UN/CEFACT standards and instruments worldwide, with a special focus on countries in transition.

Key activity area 1

1. Identification and analysis of opportunities to simplify, harmonize and standardize international trade processes, procedures and information flows within and between countries

1.1 Identify trade facilitation needs and priorities

36. For each trade and business domain, identify trade-facilitation needs and priorities of countries and business, and develop instruments to address them. Governmental authorities, and public/private-sector bodies are critical in driving the adoption of UN/CEFACT standards; as such UN/CEFACT needs to be certain it understands how to ensure delivery of standards that respond to these stakeholders' needs.

Activities/Outputs:

- 1.1.1 Identify and prioritize country and business trade-facilitation needs in collaboration with key stakeholders;
- 1.1.2 Identify specific requirements of countries with economies in transition;
- 1.1.3 Conduct further analysis to ascertain what gaps exist between what UN/CEFACT is developing—or plans to develop—and standards for priority areas such as trade and transport facilitation, supply chain, regulatory and sectoral.
- 1.1.4 Identify gaps where UN/CEFACT can add value in the short term.

Target audience: Countries, the private sector and international organizations.

1.2 Documentation and analysis of key elements of international processes, procedures and transactions for each trade and business domain

37. For each trade and business domain, capture and document business and trade-facilitation process requirements with particular reference to the UN/CEFACT International Supply Chain Reference Model.

Activities/Outputs:

1.2.1 Publish and maintain an integrated and detailed reference model of the International Supply Chain; this model will provide the framework for the various project activities of UN/CEFACT to enable alignment and integration of recommendations, standards and instruments.

1.2.2 Publish and maintain guidelines for countries and the private sector on the use of UNECE recommendations, UN/CEFACT standards and instruments to facilitate international trade.

1.2.3 Report on the impact of UNECE recommendations, UN/CEFACT standards and instruments implemented by countries and businesses.

1.2.4 Develop guides to trade-facilitation recommendations.

Target audience: Countries, the private sector and international organizations.

Key activity area 2

2. Governance of recommendations, standards and instruments in support of international trade facilitation, in response to the needs of countries and other stakeholders in international business

2.1 Development

Activities/Outputs:

2.1.1 Identify projects on which to develop recommendations, standards and instruments in response to the needs of key stakeholders.

2.1.2 Prioritize the outputs in the areas of supply chain, trade and transport facilitation, regulatory and sectoral.

2.1.3 Undertake all new projects using the revised Open Development Process (ECE/TRADE/C/CEFACT/2010/24/Rev.1).

2.1.4 Encourage experts from countries with economies in transition to participate in the work of UN/CEFACT.

2.2 Maintenance

Activities/Outputs:

2.2.1 Maintain, publish and translate UNECE Recommendations and appropriate sections of other UN/CEFACT standards and instruments (such as UN/LOCODE) into all UNECE official languages;

2.2.2 Undertake all maintenance using the revised Open Development Process (ECE/TRADE/C/CEFACT/2010/24/Rev.2).

2.3 Validation

Activities/Outputs:

2.3.1 Develop a validation methodology for new UN/CEFACT standards and instruments.

2.3.2 Publish a validation guide for implementing UN/CEFACT standards and instruments.

2.4 Methodologies

Activities/Outputs:

2.4.1 Identify or develop technical instruments that support UN/CEFACT projects and outputs in the areas of:

- Business process modelling.
- Data modelling.

2.4.2 Identify or develop technical instruments that support UN/CEFACT activities in the areas of:

- Library maintenance:
 - Harmonization.
 - Validation.
- Library production.
- Library publication.

2.4.3 Identify or develop technical instruments to assist in the implementation UN/CEFACT standards and UNECE recommendations, based on the contextualization of common models that can be consistently applied both to human interfaces (such as paper and screen) and to machine-processable formats (such as XML and UN/EDIFACT).

2.4.4 In collaboration with related initiatives, develop a UN/CEFACT document-modelling architecture and establish a conformance model to promote interoperable implementation.

2.4.5 In collaboration with related initiatives, develop a UN/CEFACT process-modelling architecture and establish a conformance model to promote interoperable implementation.

2.4.6 Develop guides on implementing the UN/CEFACT International Supply Chain Reference Model.

2.4.7 Collaborate with governments to provide UN/CEFACT instruments in languages other than English.

2.4.8 Develop guides on implementing and customizing UN/CEFACT standards and instruments.

2.5 Technologies

Activities/Outputs:

2.5.1 Identify, evaluate, recommend and where necessary develop instruments (standards, technical specifications, reference models, guidelines and methodologies) for effectively applying information and communication technologies supporting UN/CEFACT's mission.

2.5.2 Encourage software tool vendors to consider creating tools for UN/CEFACT-conformant business process and document modelling. In particular, exploit the possibilities offered through open source solutions.

2.5.3 Create a multi-lingual online publications registry to promote the development, publication and access to UN/CEFACT standards and instruments, their opportunities for use, and the extent of their evolving use around the world. Collect and publish examples of best practices.

Target audience: UN/CEFACT, stakeholders and technology providers.

Key activity area 3

3. Working with other key players involved in trade-facilitation activities and organizations involved in standards development, with a view to avoiding duplication of work and to building together an internationally consistent framework

3.1 Coordinate with other standards-development organizations and agencies

38. To promote awareness of UN/CEFACT's work, cooperate with national and international organizations active in trade facilitation, standards development organizations, and regional and subregional country groupings.

Activities/Outputs:

3.1.1 Identify and monitor the work of other organizations that is relevant to UN/CEFACT work, and, where appropriate, cooperate with such organizations to avoid any duplication of work and to generate synergies (e.g. with the United Nations regional commissions in trade facilitation, and the European Union in e-procurement).

3.1.2 Review collaboration activities with other standards-setting organizations to ensure a coherent approach to such activities and to promote common global standards.

3.1.3 Identify core partners/agencies that are vital to the delivery of UN/CEFACT instruments. Define, review and agree upon both the division of labour and the respective roles and responsibilities. Develop a mechanism for effective cooperation and coordination.

3.1.4 Evaluate the feasibility of transferring technical work to other standards-development organizations in a manner that ensures interoperability.

3.1.5 In close collaboration with the Bureau, the secretariat and the Regional Adviser on Trade Facilitation, prepare a report to the UN/CEFACT Plenary on existing and potential synergies with relevant organizations in countries with economies in transition.

Target audience: Countries and other standards-development organizations.

3.2 Collaboration with organizations involved in standards development

Activities/Outputs:

3.2.1 Collaborate with international organizations as appropriate to develop joint deliverables to meet the needs of member States and other stakeholders, with special attention to the needs of countries with economies in transition.

3.2.2 Report on the cooperation with the World Customs Organization and the implementation of UN/CEFACT standards for cross-border regulatory transactions and, in particular, their value for small and medium-sized enterprises (SMEs), transition and least developed economies. Ensure that the standards are of practical use for SMEs, transition economies and developing countries.

Target audience: Countries, World Customs Organization, regional commissions of the United Nations, international organizations, organizations involved in standards development.

3.3 Collaboration with the UNECE Committee on Trade and other parts of the UNECE secretariat

39. To identify areas of cooperation under the UNECE Committee on Trade and other UNECE units that could be used to reinforce trade facilitation, such as regulatory convergence and the analysis of regional trade agreements and technical barriers to trade.

Activities/Outputs:

3.3.1 Report to the UNECE Committee on Trade and the UN/CEFACT Plenary on joint activities undertaken by the UN/CEFACT with expert groups from other work areas of UNECE.

3.3.2 Use the UNECE Multiplier Point network to disseminate information on UN/CEFACT standards and UNECE recommendations.

Target audience: Countries, regional commissions of the United Nations, UNECE Committee on Trade.

Key activity area 4

4. Outreach to support capacity-building to promote implementation of UN/CEFACT recommendations, standards and instruments worldwide, with a special focus on countries in transition

4.1 Capacity-building

40. Take steps to build awareness about UNECE recommendations, UN/CEFACT standards and instruments and support facilitation and e-business, responding to requirements of member States and other stakeholders, with particular attention to engaging countries with economies in transition and developing countries.

Activities/Outputs:

4.1.1 Collaborate with the UNECE secretariat and with international organizations as appropriate to formulate realistic targets for capacity-building to meet the needs of member States and other stakeholders, with special attention to the needs of countries with economies in transition.

4.1.2 Develop high-level managerial capacity-building packages for decision makers in government and business.

4.1.3 Complete the Trade Facilitation Implementation Guide.

4.1.4 Maintain and revise the Trade Facilitation Implementation Guide in response to feedback from countries and changing needs.

4.1.5 Report on implementation of UN/CEFACT standards and instruments by member States and other stakeholders.

Target audience: Countries, in particular countries with economies in transition and developing countries

4.2 Communication and awareness

41. Promote UN/CEFACT work by developing promotional and guidance material.

Activities/Outputs:

4.2.1 Develop a communications strategy, in close collaboration with the secretariat, Member States and other stakeholders, with an emphasis on improving the use of the UN/CEFACT website for information dissemination.

4.2.2 Report on collaboration with the Regional Advisor concerning efforts to implement UN/CEFACT standards and instruments.

4.2.3 Seek resources to translate UN/CEFACT publications into all three official UN languages (English, French and Russian).

4.2.4 Develop high-level management guides to clarify the requirements for implementing specific standards and recommendations.

Target audience: Countries and international organizations, UN/CEFACT heads of delegation