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Committee on Trade

Centre for Trade Facilitation and Electronic Business
Eighteenth session
Geneva, 15-17 February 2012

Report of the Centre for Trade Facilitation and Electronic Business on its eighteenth session

I.   Attendance

1.   The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) held its eighteenth session in Geneva from 15 to 17 February 2012.

2.   The following countries were represented: Australia, Belarus, Finland, France, Germany, India, Ireland, Italy, Japan, Netherlands, Norway, Russian Federation, Senegal, Sweden, Thailand, Turkey, United Kingdom and United States of America.

3.   The World Customs Organization participated in the meeting.

4.   The following non-governmental organizations also participated in the meeting: GS1 and the International Organization for Standardization (ISO).

5.   The Chair opened the meeting. The Director of the Trade and Sustainable Land Management Division, on behalf of the acting Executive Secretary of the United Nations Economic Commission for Europe (UNECE), welcomed delegates and underlined the key role of UN/CEFACT in supporting economic integration. She invited member States and other stakeholders to support the participation of experts, without whom recommendations and standards cannot be developed and maintained.

II.   Adoption of the agenda (agenda item 1)

6.   The Chair introduced the agenda item. All documents had been made available in the three official languages of UNECE. The delegation of France expressed their reservation and regretted that the wording of the provisional agenda did not allow the meeting to address Draft Recommendation 37 at the Plenary. In their view the provisional agenda was not in line with the fact that Draft Recommendation 37 was ready for possible approval by the Plenary. To avoid blocking the work of the Plenary, the delegation agreed to approve the agenda, noting also that it was agreed to postpone the discussion on this issue until the morning of 17 February.

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7.   The Plenary adopted the amended agenda and noted the reservation of the delegation of France. **(Decision 12-01)**.

III. Matters arising since the seventeenth session (agenda item 2)

8.   The secretariat informed the Plenary of the Chair's report to the Executive Committee (EXCOM) in December 2011, describing additional actions that had been taken by UN/CEFACT to implement EXCOM recommendations. EXCOM had noted with appreciation the work of UN/CEFACT in this regard and the work of the secretariat in capacity-building and supporting the transition economies.

9.   EXCOM had requested a final progress report on UN/CEFACT's implementation of EXCOM recommendations and the outcome of the restructuring process by December 2012.

10.   The secretariat further reported that, as part of the evaluation of the impact of the 2005 UNECE reform, EXCOM was also reviewing the work of the UNECE sectoral committees and their subsidiary bodies. This review would focus on the results achieved, emerging new issues and the efficiency and effectiveness of UNECE committees and their subsidiary bodies. The Committee on Trade, and UN/CEFACT as one of its subsidiary bodies, were scheduled to be reviewed in June 2012.

11.   The secretariat gave an overview of capacity-building and support to transition economies, including the regional advisory services and work under the United Nations Network of Experts (UNNExT) and also reported on the Trade Facilitation Implementation Guide project and the joint United Nations regional commission approach to trade facilitation. UNECE had been invited to support the European Union's task force on Greece in trade facilitation capacity-building.

12.   The delegation of Japan enquired as to whether work of the secretariat was included in the UN/CEFACT Programme of Work and whether it was subject to the Open Development Process (ODP), in particular, in relation to capacity-building materials developed and used to support UNNExT. The secretariat responded that these materials were not UN/CEFACT deliverables, that they had been financed through extra budgetary funds or the United Nations Development Account, and that they were not subject to ODP. On the other hand, implementation guidelines developed by UN/CEFACT would follow the ODP and Japan was encouraged to support such efforts. The Chair referred to his report to EXCOM, which noted that, as the new organizational arrangements matured over the coming months, the UN/CEFACT Bureau and the UNECE secretariat would give priority to closer collaboration, particularly to benefit member States through a strengthened programme of outreach and capacity-building documents, especially concerning implementation guidelines.

13.   The Plenary took note of the verbal reports on matters arising and requested the Chair and the secretariat to report on matters arising at the nineteenth session in 2013. **(Decision 12-02)**.

IV. Bureau overview of recent developments (agenda item 3)

14.   The Chair and the vice-chairs briefed the delegations on developments since the last Plenary, highlighting activities and projects in the Programme Development Areas (PDAs): Trade and Transport Facilitation, Supply Chain, Regulatory, Sectoral, and Methodology and Technology. Bureau Programme Support (BPS) activities were also presented, focusing

on horizontal tasks such as communications, liaison coordination, maintenance, validation of standards, and organization of Forum meetings.

15.   The secretariat demonstrated access to the upgraded UN/CEFACT pages on the UNECE website, enhanced over the past months with limited resources, and how project listings were now available. It also presented an overview of its efforts to create a database containing a roster of experts. The Bureau then demonstrated its efforts to supplement web-facilitated communication for heads of delegation and experts through the use of a wiki-based pilot, which was envisaged to be moved to the UNECE-supported infrastructure. The members of the Bureau, PDAs and BPS were already using such capabilities to facilitate their activities.

16.   The delegation of the Russian Federation enquired if Bureau members had specific assignments, in particular, relating to their respective skills. The Chair replied that the division of labour of the Bureau's work among vice-chairs did reflect their competencies and experiences, essentially in terms of their assigned responsibilities in Programme Development Areas and Bureau Programme Support. He said that more details about vice-chair tasks and skills could also be provided during the discussion of the Programme of Work.

17.   The delegate of France complimented the Bureau on presenting UN/CEFACT's developments in a non-technical way that was easy to understand. This allowed him to see that a wealth of material could be brought to the attention of EXCOM to help enhance its awareness of UN/CEFACT's relevance and to help EXCOM make choices on which areas of work UNECE could use resources most effectively. The delegate also suggested that it would be helpful to develop additional ways to identify and to address errors, such as those which had been identified in the Core Component Library (CCL).

18.   The Plenary took note of the Bureau's overview of developments since the last Plenary. The Plenary also invited delegations to explore additional funding opportunities in order to better support UN/CEFACT's outreach activities. **(Decision 12-03)**.

V.   Reports of rapporteurs (agenda item 4)

19.   The African and Asia-Pacific rapporteurs presented their reports, which were also available in documents ECE/TRADE/C/CEFACT/2012/4 and ECE/TRADE/C/CEFACT/2012/5, respectively. The Plenary commended the rapporteurs on their continued support for expanding UN/CEFACT's outreach activities and knowledge of its work and outputs in their regions, and invited them to increase synergetic cooperation among the regions.

20.   The Vice-Chair (Belarus) briefly introduced the concept of common processes and transport corridors in the member countries of the Customs Union of Belarus, Kazakhstan and the Russian Federation. The Russian Federation added that it was currently chairing Asia Pacific Economic Cooperation (APEC) and was devoting significant resources to supporting APEC's work on economic integration in the region, including on electronic-commerce projects. One important related activity would be the High-Level Meeting of the APEC Committee on Trade and Investment to be held in Singapore at the end of March.

21.   The delegation of Japan enquired as to the correct title of the Rapporteur for Asia and the Pacific. India responded that the scope of the Rapporteur's work was for Asia and

Pacific and that the Rapporteur was working closely with AFACT, which also covered both Asia and the Pacific.[1]

22.   The Plenary took note of the reports of the two regional rapporteurs for Africa and for Asia and the Pacific and requested the rapporteurs to each provide a report at the nineteenth session**. (Decision 12-04)**.

VI.   UN/CEFACT recommendations and standards (agenda item 5)

23.   The Plenary gave the Bureau the right to approve the UN/CEFACT maintained code lists. Maintenance of the list values would be directed by the vice-chair(s) responsible for Bureau Programme Support. This had formerly been the responsibility of the Information Content Management Group (ICG). **(Decision 12-05)**.

24.   The Bureau presented the status of revised recommendations. Revision 9 of Recommendation No. 23 on Freight Cost Code (FCC) would shortly be ready for intersessional approval. Version 2.0 of the UN/CEFACT Modelling Methodology had been completed and was available on the website. In 2011-2012 UN/CEFACT had also issued versions D.11A of UN/EDIFACT, and versions 2011-1 and 2011-2 of the UN/LOCODE standard.

25.   Japan enquired as to how maintenance of recommendations and standards was facilitated following the completion of the work of a Project Team. It was noted that this was the responsibility of vice-chairs, aided by the support of domain coordinators.

26.   The Plenary noted the status report on Revision 9 of Recommendation 23 on Freight Cost Codes (FCC) and requested the update to be submitted for intersessional approval. **(Decision 12-06)**.

27.   The Plenary noted versions 2.0 of the UN/CEFACT Modelling Methodology (UMM) Foundation Module and Base Module, UN/EDIFACT D.11A and UN/LOCODE 2011-1 and 2011-2 and the Core Component Library 11A as well as version 3.1 of the UN/CEFACT Core Components Data Type Catalogue. It noted that UN/EDIFACT D.11B should be issued in April 2012 and Revision 11B of the Core Components Library would be submitted in March 2012. **(Decision 12-07)**.

28.   The Plenary requested the Bureau and the secretariat to make every effort to have new and revised recommendations and standards translated into French and Russian for approval at the nineteenth session of UN/CEFACT. **(Decision 12-08).**

29.   The Plenary took note of the Bureau's Explanatory Note on Draft Recommendation 37. **(Decision 12-10*).**

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[1]   It was noted that the reference to the Rapporteur for Asia in Decision 11-17 in the report of the previous plenary was incorrect and should have read the Rapporteur for Asia and the Pacific in conformance with UN/CEFACT structure, mandate, terms of reference and procedures (ECE/TRADE/C/CEFACT/2010/15/Rev.3).

*   Decision numbering: It is noted that decision-number 12-09 was skipped by mistake in the preparation of the minutes. As subsequent decision numbers (Decision 12-09, 12-10, etc.) are already being referenced in other work, the secretariat decided not to revise the subsequent decision numbers in the final version of the minutes.

30.   The Plenary discussed draft Recommendation No. 37 on Signed Digital Document Interoperability (document ECE/TRADE/C/CEFACT/2010/14/Rev.1 available in English, French and Russian). The Plenary recognized that the project team had completed the ODP before submitting draft Recommendation 37 to the December 2010 Plenary and subsequent revisions[2] up until November 2011. The Plenary thanked the team for their work. The Plenary decided:

- that the process would continue under the direction of the Bureau Vice-Chair responsible for Methodology and Technology;
- to initiate work to establish a framework for the ongoing governance of digital signature interoperability in coordination with the United Nations Commission on International Trade Law (UNCITRAL), ISO and other relevant organizations;
- to request that the structure of this framework be established by November 2012, and
- to include in the structure a plan that will enable Draft Recommendation 37 to be put before the Plenary for intersessional approval. (**Decision12-11**).

VII.   UN/CEFACT structure, mandate, terms of reference, and procedures (agenda item 6)

31.   The Bureau presented its efforts to further improve the functions of UN/CEFACT, as explained in its "Overview of and rationale for the new UN/CEFACT structure" (ECE/TRADE/C/CEFACT/2012/9) and related documents (see paragraph 34 below).

32.   The delegation of Sweden asked for clarification about translation of documents that reach the stage of public review, as this might also imply additional translation of responses. It was pointed out that this was an option not a requirement and would be considered in relation to its impact on the timely completion of the project.

33.   The Plenary took note of the "Overview of and rationale for the new UN/CEFACT structure" (ECE/TRADE/C/CEFACT/2012/9) and requested the secretariat to submit it to the next session of the Committee on Trade. **(Decision 12-12).**

34.   The Plenary approved Revision 3 of Document 15 "UN/CEFACT structure, mandate, terms of reference and procedures" (ECE/TRADE/C/CEFACT/2010/15/Rev.3); Revision 3 of Document 17 "Revised rules of procedure for the UN/CEFACT Bureau" (ECE/TRADE/C/CEFACT/2010/17/Rev.3); Revision 2 of Document 24, "Open Development Process" (ECE/TRADE/C/CEFACT/2010/24/Rev.2); Revision 2 of Document 20 "Intellectual Property Rights Policy" in document (ECE/TRADE/C/CEFACT/2010/20/Rev.2); and noted Revision 2 of the "Executive Summary of the IPR policy" (ECE/TRADE/C/CEFACT/2010/20/Rev.2/Add.1) and the change in the reference symbol of the "UN/CEFACT Intersessional Approval Process" document from R.650 to 15 (ECE/TRADE/C/CEFACT/2010/15/Rev.3). These documents are available on the UNECE website at www.unece.org/cefact/cf_docs.html. (**Decision 12-13**).

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[2] - ECE/TRADE/C/CEFACT/2010/14 "Recommendation No. 37: Signed Digital Evidence Interoperability Recommendation" dated 27 September 2010.
- ECE/TRADE/C/CEFACT/2010/14/Rev.1 "Recommendation No. 37: Signed Digital Document Interoperability" dated 5 December 2011.

VIII. Strategic directions (agenda item 7)

35.   The Bureau had organized a full day of panel discussions (agenda item 8) on topics that might impact UN/CEFACT's strategic directions and the Programme of Work for 2012-2013 (agenda item 9). As background, the Bureau made a presentation that introduced major themes as described in "Strategic Directions for UN/CEFACT" (document ECE/TRADE/C/CEFACT/2012/10).

36.   The Plenary took note of document "Strategic directions for UN/CEFACT" (ECE/TRADE/C/CEFACT/2012/10). (**Decision 12-14**)

IX. Challenges for trade facilitation and electronic business: visions and realities for public-private sector collaboration (agenda item 8)

37.   Under agenda item 8, three panel discussions provided perspectives on the past, present and future opportunities for UN/CEFACT deliverables:

- Panel A: "Priority challenges on the global horizon for developing recommendations to governments and supporting standards".

- Panel B: "Perspectives from the private sector and organizations engaged in the development of standards".

- Panel C: "Perspectives from governments and national, regional and international institutions".

38.   Reflections on historical developments in standards-setting showed the importance to global trade of UN/EDIFACT and the responsibility of UN/CEFACT for its ongoing governance.

39.   The presentations and discussions on the present environment illustrated the increasing complexity of standards for trade facilitation and e-Business. Speakers also pointed to a greater emphasis on entire business process standards rather than messages (described by GS1); the new services identified by the Italian Trade Hub; the need for trusted frameworks described by the Russian Federation project; and the tools for governance shown in the context of French agriculture. The strategies and challenges of the EU Single Euro Payment Area (SEPA) projects also demonstrated how other industry sectors dealt with similar complexities as well as opportunities for UN/CEFACT to benefit from lessons learned.

40.   The sessions also discussed the multiple levels of standardization and alignment from technical and semantic agreement to the operational, legal and cultural aspects of standards. The European Commission also drew attention to the international, regional and national aspects of standardization and welcomed closer cooperation with UN/CEFACT.

41.   The presentation by ISO also recognized the key opportunities for cooperation and coordination of strategies and work programmes with UN/CEFACT, to serve stakeholders around the world in the coherent development and implementation of global standards for trade facilitation and e-Business.

42.   The Bureau thanked the presenters and the delegations for their participation in the open sessions and hoped the exercise would prove valuable in framing the discussion on the UN/CEFACT Programme of Work 2012-2013.

X. Programme of work, and next steps (agenda item 9)

43.   The Bureau introduced a revised Programme of Work for UN/CEFACT for 2012-2013.

44.   The Plenary approved UN/CEFACT's Programme of Work for 2012-2013 (ECE/TRADE/C/CEFACT/2012/11) and made a number of proposals. It requested the Bureau to issue, within three months, a note that would take into account the comments and additions made by the delegations in the related discussion and how the Bureau would implement these. The note should be published in the three official languages as an addendum to the Programme of Work. The Plenary further decided to publish for each Plenary a list of descriptions and the status of completed, ongoing and proposed projects in the three official languages. (**Decision 12-15**).

XI. Other business (agenda item 10)

45.   The Plenary took note of the report submitted by ISO Technical Committee 154.

46.   The Plenary decided to organize the nineteenth session of UN/CEFACT in early 2013 and requested the Bureau, in cooperation with the secretariat, to organize the meeting and inform delegations accordingly. (**Decision 12-16**).

XII. Election of Chair (agenda item 11)

47.   Mr. Stuart Feder was elected as Chair for February 2012 to February 2015. (**Decision 12-17**).

XIII. Adoption of decisions and the provisional draft report of the eighteenth session (agenda item 12)

48.   The Plenary adopted the decisions made and the draft provisional report of the eighteenth session and requested the secretariat to send the final report to heads of delegation for confirmation by 29 February. (**Decision 12-18**).