

# UN/CEFACT – ICC Call to Action for Digital Trade for an interoperable and digitalized global trade ecosystem (CA4DT)

### I. Introduction

- 1. Digital trade involves the use of digital technologies in various aspects of trade, including for the exchange of information and data between businesses (B2B), consumers (B2C), governments (B2G), and for intergovernmental (G2G) data exchange. This shift towards the digital exchange of information and data can significantly enhance efficiency, transparency, and sustainability across global supply chains. However, despite the promising technological landscape, progress on the digitalization of cross-border trade has been slower than anticipated.
- 2. To accelerate the adoption of globally interoperable data exchange standards critical for achieving digital trade worldwide, a "Call to Action for Digital Trade" (CA4DT), is launched as a joint initiative of the International Chamber of Commerce (ICC) Digital Standards Initiative (DSI) <sup>1</sup> and the United Nations Centre for Trade Facilitation and e-Business (UN/CEFACT), hosted by the Economic Cooperation and Trade Division in the United Nations Economic Commission for Europe<sup>2</sup>.
- 3. This Call to Action is issued as a follow up to the development of the ICC Key Trade Documents and Data Elements (KTDDE) framework, and of the UN/CEFACT Buy-Ship-Pay Reference Data Model and Trade Finance initiative, which together support the digitalization of end-to-end supply chains through standardized semantics.
- 4. The ICC KTDDE framework has shown <u>significant results from collaborative efforts</u> between standard-development organizations, intergovernmental bodies, and industry leaders. This work has

<sup>1</sup>The International Chamber of Commerce (ICC) Digital Standards Initiative (<u>DSI</u>) is a partnership programme that aims to accelerate the development of a globally harmonised, digitised trade environment, as a key enabler of dynamic, sustainable, inclusive growth. It involves organizations including ICC, World Customs Organization, World Trade Organization and Asian Development Bank.

<sup>&</sup>lt;sup>2</sup> The United Nations Centre for Trade Facilitation and e-Business (<u>UN/CEFACT</u>) is an intergovernmental body with a global mandate to develop policy recommendations for trade facilitation and standards for e-business, that enable simple, transparent and effective processes for sustainable, inclusive and resilient global trade. Hosted by UNECE, it operates in close cooperation with development partners and standards-development organizations.

been based on the longstanding ISO 7372 and UN/CEFACT Trade Data Element Directory (UN/TDED) which has since the 1970s provided a list of data elements for international trade data exchanges. By promoting the digitalization of supply chain processes with shareable and interoperable data elements, the ICC KTDDE framework aims to establish a "single source of truth" for data, ensuring alignment, security, and efficiency as data moves across the supply chain.

- 5. The UN/CEFACT Buy-Ship-Pay Reference Data Model<sup>3</sup> is a business process holistic semantic data model covering the entire international supply chain from trade, transport and regulatory perspectives. The UN/CEFACT Trade Finance initiative is mapping the ICC KTDDE framework results to the Buy-Ship-Pay Reference Data model and is developing harmonized data exchange structure for key trade finance documents.
- 6. These initiatives, with their instruments, benefit entities involved in the production, transportation, or sale of goods worldwide and provide value to governments and regulatory bodies considering trade digitalization legislation.
- 7. Today, we issue this joint Call to Action to adopt existing standards that underpin every transaction across global supply chains, ensuring seamless data flow using core data elements as connectors. We urge all stakeholders, public and private, to work together to align and drive interoperability at the data level and develop digital standards for trade processes still in early stages of digitalization.

## II. Submitting Actions

- 8. Countries, organizations, and relevant stakeholders, both from public and private sectors, are invited to respond to this ICC-UNECE Call to Action for Adoption of Digital Trade Standards by submitting their commitment to action(s) using the template in Annex.
- 9. The commitments should focus on implementing one or more of the following measures:

### For the public sector:

- a. Cooperate with other governments and intergovernmental organizations to create policies conducive to digital trade and uniform regulations that facilitate digital information and data sharing across global supply chains.
- b. Align legal systems with the UNCITRAL Model Law on Electronic Transferrable Records (MLETR) and support the digitalization of trade documentation.
- c. Adopt globally interoperable standards for national border processes, such as the UN/CEFACT data exchange standards including the Buy-Ship-Pay Reference Data Model, and the joint ISO 7372 and United Nations Trade Data Element Directory (UN/TDED). These standards also comprise global digital identity standards, such as the Legal Entity Identifier (LEI), Global Location Number (GLN), or Global Trade Item Number (GTIN).
- d. Enable the industry to deliver reusable data for government processes and support initiatives promoting trusted, scalable decentralized data exchange.

### For the private sector:

-

- a. Implement globally recognized standards and standardized identifiers in daily operations to enhance accuracy and reliability of trade data.
- b. Adopt a "digital first" strategy for new business services and digitalize trade finance processes using existing supply chain data to enhance efficiency and financial inclusion.
- c. Cooperate on standards development by aligning data definitions and cross-referencing common standards for global interoperability.
- d. Work with governments to establish forward-thinking regulations that support digital trade.

<sup>&</sup>lt;sup>3</sup> UN/CEFACT Buy-Ship-Pay Reference Data Model can be accessed here: https://unece.org/fileadmin/DAM/cefact/brs/BuyShipPay\_BRS\_v1.0.pdf

- 10. Regarding outcomes and impacts, the proposed actions should result in one or more of the following:
  - a. Faster, cheaper, and more secure trade processes.
  - b. Increased agility and resilience in supply chains.
  - c. Reduced costs and bridging of the trade finance gap, especially in emerging markets.
  - d. Reduced fraud and enhanced regulatory non-compliance.
  - e. Sustainable trade practices through data on environmental and social impacts.
  - f. Inclusive trade standards that support small and medium-sized enterprises (SMEs).

# III. Monitoring Implementation and Communicating Impact

- 11. To monitor progress and impact, all stakeholders are requested to report their commitments' implementation to the UN/CEFACT Plenary starting in 2025 and bi-annually thereafter. These reports will inspire policymakers, industry players, and standards organizations by showcasing good practices and lessons learned.
- 12. Commitments should align with this Call to Action and are open to all actors and industry stakeholders committed to creating a more efficient, cost-effective, and interoperable global trade ecosystem.