



**Economic and Social
Council**

Distr.
GENERAL

TRADE/CEFACT/2001/5
19 January 2001

ENGLISH ONLY

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE FOR TRADE, INDUSTRY AND
ENTERPRISE DEVELOPMENT

Centre for Trade Facilitation and Electronic Business (UN/CEFACT)
Item 4 of the provisional agenda
Seventh session, 26-29 March 2001

REPORT OF THE UN/CEFACT STEERING GROUP (CSG) MEETING

Geneva, 28-31 August 2000

(Third meeting 2000)

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Submitted by the UN/CEFACT Steering Group (CSG)

This document has been submitted by the UN/CEFACT Steering Group (CSG) for information as required under the UN/CEFACT procedures outlined in document TRADE/R.650. It is for information only. Items to be decided upon by the UN/CEFACT Plenary will be presented in a separate report from the Chairman to the CSG.

CSG Chair:

Ray Walker, United Kingdom - UN/CEFACT Vice Chair

CSG members present:

Tahseen Ahmad Khan, India
David Dobbing, Australia - CDWG Chair
Pierre Georget, France
Dariush Haghghi Talab, Islamic Republic of Iran
Rob van Kuik, WCO
Paivi Lehtonen, Finland
Alexander de Lijster, Netherlands
Klaus-Dieter Naujok, Canada – TMWG Chair
Emile Peeters, Belgium
Christina Wallén-Rahlén, Sweden
Peter Wilson, United Kingdom
Christoph Wolf, Germany

Ex-officio members and Rapporteurs present:

Kenji Itoh, Japan - UN/CEFACT Vice Chair and Asia Rapporteur
Claude Hamon - Standards Liaison Rapporteur
David Marsh, United Kingdom - Legal Liaison Rapporteur
Santiago Mila, IAPH/ Spain - UN/CEFACT Vice Chair
Teresa Sorrenti, United States - UN/CEFACT Vice Chair

Invitees

Alain Chapdaniel
Jean-François Legendre

Secretariat present:

Carol Cosgrove-Sacks, Director of the UN/ECE Trade Division
Hans Hansell, Deputy Director
Rocio Cardenas
Jean Kubler
Mario Apostolov
Markus Pikart

Apologies:

Harry Featherstone, United States
Raul Colcher - UN/CEFACT Vice Chair
Mihai Gruia, Romania
Peter Guldentops, SWIFT

Common acronyms:

BPAWG – Business Process Analysis Working Group
CDWG – Codes Working Group
EWG – EDIFACT Working Group
AFACT – Asia Pacific Council for the Facilitation of
Procedures and Practices for Administration, Commerce
and Transport

LWG - Legal Working Group
TMWG – Techniques and Methodology Working Group
SECI – Southeast European Cooperative Initiative
OLA – Office of the Legal Adviser

INTRODUCTORY NOTES

1. Opening the meeting, the Chair of the CSG announced that Mario Apostolov had now taken over from Vlasta Macku. He emphasized the very high regard the CSG had had for Ms Macku's work, and, on behalf of the CSG, he thanked her for her contribution and wished her every success in her new role. He informed the CSG that Peter Guldentops was prevented from coming by important decisions related to his professional situation in SWIFT.
2. The CSG decided to transfer the CSG listserver from Harbinger to the UN/ECE secretariat.

ELECTRONIC BUSINESS

3. CSG members who had attended the last ebXML meeting (San José – California, 7-11 August) informed about the new developments with the ebXML initiative. The CSG decided that there should be more work to explain the objectives of the ebXML initiative and its deliverables to the user community, to the CSG, and to the heads of delegation. The CSG Chair and the Chair of the ebXML initiative will meet with the OASIS joint venture representatives to discuss the developments and the deliverables of the ebXML initiative.
4. The CSG member from the United Kingdom informed that the Global Commerce Initiative has, in association with the ebXML transport group, developed transport specifications and presented them for implementation to the CGI marketplace exchanges. The meeting decided to draft a press release on this development.
5. The CSG discussed its forward strategy for e-business standards development and the possibility of formalizing its work on business modelling.
6. The meeting discussed the proposal to integrate the Simple e-business work previously conducted by the United Kingdom into EWG's work programme. The CSG decided to form an EWG ad hoc group to study the offer. The TMWG will assess how to make Simpl-eb compliant with the UN /CEFACT modelling methodology (TMWG/NO90). Jointly, TMWG and the new EWG sub-group will recommend the future direction of work in relation to Simple-eb.

REPORTS FROM MANDATED GROUPS

7. The CSG Chair suggested to the CSG to carry out from now on two annual reviews of working groups per meeting. This new practice will allow the CSG to deal with the annual reports of all working groups during one year. In addition to the planned annual review of the EWG, the CSG reviewed the report of the ITPWG.
8. The EWG Chair reported that the number of DMRs has decreased, due to either lower interest in UN/EDIFACT solutions with new users switching to XML, the high effectiveness of EWG's work, leading to less problems in the use of UN/EDIFACT, or the increasing levels of implementation producing less demand for changes. He noted that increasing UML modelling activities and maintaining business objects and schemas are the right direction for EWG to go in the future. The CSG Chair called on the EWG MT to review the directory production process and help improve communication.

9. The ITPWG Vice Chair reported on the work of the ITPWG. The ITPWG had two priorities: the revised Recommendation No. 18 and the *Compendium*. The work on Recommendation No. 18 was not advancing as fast as expected. The *Compendium* was ready, except for Recommendation 18. The Vice Chair of ITPWG urged the Sub-group on Recommendation No. 18 to work faster in order to be ready with its deliverables for the next UN/CEFACT Plenary Session. On the list for further work were Recommendations No. 1 (the UN Layout Key), Recommendation No. 2 (Codes), which had been inserted into Recommendation No. 1, Recommendation No. 11 (Trade in Goods) and Recommendation No. 12 (Transport Documents). The CSG Chair suggested that after finishing the *Compendium* and Recommendation No. 18, the ITPWG should look into compiling a Trade Facilitation Index.
10. The Chair of the TMWG reported that the document TMWG/N90, version 8.c, had been distributed for trial use. The TMWG was requested to make recommendations on the work on the BSR. The final conclusion of the group was that without adjustment the current BSR document was not compatible with UN/CEFACT work. The Rapporteur of the LWG informed that the group had continued its work on Recommendation No. 31 (Electronic Commerce Agreement) in cooperation with ICC. The LWG Rapporteur presented two papers on Legal Paragraphs Certificate Policies and on Criteria for Certification Authorities. The LWG had concentrated its work on certification authorities. The LWG Chair asked CSG members for assistance in clarifying the technical issues raised by the two papers. He pointed out that the LWG recommended the adoption of national codes of conduct in electronic business. The CDWG Chair informed that the CDWG was working on Recommendations 19, 20, 21, and 28, the UNCL (UN/EDIFACT Codes List) and UNSL (Syntax List). The concerns about how and who should handle amendments in the latter had been cleared.
11. The CSG decided that the updated glossary of terms to be used by the working groups should be included in the minutes of the meeting and asked the secretariat to look into the consistency of the use of terms throughout the Recommendations.

FORWARD RESOURCE STRATEGY

12. The CSG discussed the forward resource strategy and the document UN Guidelines for cooperation with business. The CSG member from the United States pointed out branding as a good option. The representative of the UN/ECE secretariat explained certain difficulties in using trust funds, and several CSG members expressed reservations against membership fees as a source of funding the activities of UN/CEFACT. The CSG Chair pointed out that following the UN Guidelines for cooperation with business meant taking action to thoroughly investigate potential partners and avoid involvement with companies abusing human rights, environment, and labour standards. The Legal Rapporteur noted that the legal aspects of cooperation with business and receiving funds and contributions in kind from business should be thoroughly worked out, in particular with the UN Office of the Legal Adviser (OLA). The CSG will produce a paper outlining the basic steps, which should be followed as part of a generic process of establishing cooperation with business. The secretariat will consult with OLA on the conditions of accepting a contribution in kind. The CSG Chair informed the CSG about an offer in kind from SITPRO: the Electra project. He also invited the ITPWG to bring together all implemented versions of the UN Layout Key, and look into the creation of a new standardized version.

DEVELOPMENTS IN STANDARDIZATION

MEMORANDUM OF UNDERSTANDING ISO-IEC-ITU-UN/ECE (MOU)

13. The meeting discussed the preparations for the Business Object Summit in collaboration with the other partners in the MoU. It was accepted that the CSG member from the United Kingdom, the CSG member from Japan and the chairs of the TMWG, CDWG and BPAWG would represent the CSG. The CSG stressed the necessity of defining early enough the role that UN/CEFACT should play at the BOS, as well as the implications of the BOS for the Working Groups and for the general work of UN/CEFACT.

BASIC SEMANTIC REGISTER (BSR)

14. The CSG meeting in November 1999 had developed terms of reference and requested the TMWG to study the current status of the BSR, now run by AFNOR, France. The CSG had invited two persons from AFNOR to present the current developments within the BSR. The TMWG Chair noted some points in which improvements could be made, notably concerning the absence in the development of Semantic Units of a modelling tool, such as UML, which is recommended by UN/CEFACT; the lack of a controlled vocabulary, and an interpretation of ISO 11179 standard, which is different from the interpretation in UN/CEFACT. The CSG pointed out to the BSR development team that (a) to help define BSU's in an objective and consistent way, UML modelling should be adopted; (b) glossaries in the various languages should be put in place to make use of the major advantage of the project - multilinguism; and (c) unless the development process is changed to put it on a more secure basis, less dependent on good will, it will fall far short of its potential.

TC 154 AND THE UNTDED

15. The CSG Chair briefed the meeting about the developments with regard to the UNTDED. The users of UNTDED had been consulted as to whether a review was necessary to align TDDED and EDED. With the notable exception of the WCO, little feedback had been received. WCO had suggested reissuing TDDED without alignment to EDED, but with a possible cross-reference between TDDED and EDED. It was decided to recommend that the maintenance agency for the TDDED be reactivated.

CODES MANAGEMENT

16. The CSG discussed the possibility, working with the secretariat, of introducing new innovative ways to maintain codes.

MEMORANDA OF UNDERSTANDING WITH OTHER ORGANIZATIONS

17. The process of preparation of an MoU with WCO is belated, but the WCO is prepared to sign an MoU with UN/ECE acting through UN/CEFACT. The CSG representative was given leeway to ask whether the WCO accepts the text proposed by UN/CEFACT or accept the text proposed by the WCO. The CSG was informed that any MoU should be signed by the UN/ECE Executive Secretary.

18. The CSG member from Sweden briefed the CSG on the developments in the WTO with regard to trade facilitation and on the status of the discussions aimed at an observer status for UN/ECE and an MoU between the WTO and UN/ECE. Both the observer status and the MoU had been frozen, because of internal developments at the WTO. The CSG noted the good secretariat relations between the two organizations and the correspondence between Mr. Mike Moore, Director General of WTO, and Ms. Danuta Hübner, Executive Secretary of UN/ECE. It was noted that UN/CEFACT had been building capacity, which it should be ready to demonstrate in case trade facilitation comes back on the WTO agenda.
19. The CSG encouraged the UN/ECE secretariat to explore possibilities for MoUs with other organizations. With regard to ICC and OECD, it was noted that an MoU with ICC should be given priority.

CTIED 2000 FORUM AND SESSION

20. The Director of the Trade Division of UN/ECE reported on the Forum on Electronic Commerce for Transition Economies (Geneva, 19-20 June 2000), and the outcome of the session of the Committee for Trade, Industry and Enterprise Development (21-23 June 2000). She believed that the Forum had been outstanding. She thanked the CSG Chair for his personal contribution in making the event such a success. She informed about the follow-up along two tracks: a new forum on 11-12 June 2001 on E-Services in Transition Economies, and the establishment of a Team of Specialists in Internet Enterprise Development. UN/CEFACT should become increasingly involved in trade facilitation and electronic business promotion in the transition economies. The CSG chair reported on the Committee session and on the approval of the revisions to R. 650. Whilst pleased with the support UN/CEFACT had received he was concerned about the low number of countries attending the formal session. The concern was shared by the Director of the Trade Division.

UN/CEFACT 2001 CONFERENCE

21. Taking into account the recent experience of organizing conferences, the CSG decided to explore the possibility of hiring a professional fund raiser and a professional organizer for the 2001 Conference.

PROMOTION OF UN/CEFACT'S OBJECTIVES

22. The secretariat was requested to prepare and add to the minutes a short text explaining the procedure for making enhancements to the UN/CEFACT web site; to add a phrase explaining the change of the name of UN/CEFACT to any reference to the old name on the web site; to explore the possibility of having a reference to UN/CEFACT on the “Business and the UN” web site (www.un.org/partners/business/ece.htm).
23. The CSG member from Spain informed the CSG on the status of the work on the Identity Manual. The Manual already reflected the change of the name of UN/CEFACT. The CSG discussed whether UN/CEFACT members should be encouraged to publicize UN/CEFACT and its logo on their web sites. It was decided to ask for legal advice on the restrictions by the United Nations on the use of the logo. The phrase “UN/CEFACT hosted by UN/ECE” should be used on the first page of PowerPoint presentations and publications on behalf of UN/CEFACT.

24. The secretariat will contact again the UN Office of the Legal Adviser (OLA), and will clarify whether UN/CEFACT can authorize its participants to use the UN/CEFACT logo on their web sites, and which text is acceptable for the Recommendations: "UN Recommendations developed by UN/CEFACT" or "UN/ECE Recommendations developed by UN/CEFACT".
25. The CSG discussed the criteria for membership and, in particular, whether more non-governmental organizations (international organizations interested in the work of UN/CEFACT) should be encouraged to become members. The CSG decided to return to this issue at the next meeting in November. The CSG chair pointed out the necessity of attracting such countries as Singapore, Chile and New Zealand, but also transition economies and the other regional economic commissions of the United Nations, to make the agenda more attractive to prospective new members, and to give serious consideration to the opportunity for virtual participation in meetings. It was decided that it would be necessary to bring all these issues to the attention of the Committee. The CSG noted that it was still necessary to organize a meeting between the CSG Chair and the Deputy Director of the Trade Division with the head of the NGO liaison office in Geneva.

BUSINESS ADVISORY COUNCIL (BAC)

26. The March 2000 Plenary had discussed the proposal developed by the CSG of a Business Advisory Council (BAC) for UN/CEFACT as a means of strengthening the relations with industry, getting advice for UN/CEFACT strategy, and carrying out a "reality check" on the work of UN/CEFACT. This would be complementary to the cooperation with industry on technical issues at the Working Group level. The CSG decided instead of establishing a BAC to call a one-time meeting (a "summit") of UN/CEFACT, high level officials of UN/ECE and representatives of industry, at which to investigate the possibility of building regular contacts and keep the channel of consultations open. The proposal would include consultation with the Working Groups on the needs of UN/CEFACT and on the best form of cooperation with business. The CSG decided to draft and present to the Director of the Trade Division and to the UN/CEFACT Plenary a well-researched and well-sourced proposal for a meeting with senior business executives, with a view to developing consultative interaction.
27. The CSG and the secretariat participated in a team-building exercise called "Innovation through Better Understanding". The CSG member from the United States made a PowerPoint presentation on business object models.
28. The CSG made changes to the calendar of the forthcoming meetings in March and May 2000. The CSG Chair will consult further the CSG members on the possible dates for the meeting in September 2001. The following dates for CSG meetings were agreed upon:

20-23 November 2000, Barcelona
30 March 2001, Geneva
14-17 May 2001(meeting place to be confirmed)
