

UN/CEFACT

**Activities related to the implementation of e-business
in the Federal Republic of Yugoslavia.**

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Representatives of national professional organisations of the Federal Republic of Yugoslavia are expressing their cordial and sincere greetings to you, thank you for the trust and importance you have shown to them and hope for a continuation of successful cooperation

As you know, in the previous period the situation in the Federal Republic of Yugoslavia regarding the technological development and cooperation with international, regional and national professional organisations in the field of introduction and implementation of modern business communication systems was very unfavourable. Owing to the understanding of a number of UN/ECE/CEFACT representatives, especially Mr Hans Hansell, UN/ECE Trade Division Deputy Director, a representative of the national non-governmental organisation – YUEDI – attended the March 1998 session of the organisation as an observer, established some contacts and explained that some work had been done despite so unfavourable conditions in this field in the previous period.

In this context, we intend to inform this esteemed public about the activities related to the implementation of e-business which have started and have been done in the Federal Republic of Yugoslavia.

The platform for the introduction of e-business in our country is undeveloped, as a result of years of neglect and lack of competent persons's interest in the development of any technologies, especially sophisticated business communications.

As we know, for the development of electronic business operations, the required elements are:

- sound knowledge of computer communications systems;
- use of standardised systems of business message exchange;
- existence of a suitable network – equipment for the support to such a system;
- provision of conditions for a safe transmission of messages in the field of legal and technical and technological regulations.

The knowledge of the computer communication system has been largely jeopardised by a huge brain-drain, caused by a lack of jobs and adequate financial support.

The complete standardisation activity has been entirely neglected, so that the part of document preparation in the field of electronic messages as well as technical and technological standards and relevant regulations is almost completely unprocessed and very scarcely known among the experts, most of whom never tried to follow the development of these technologies on their own.

The telecommunications infrastructure has been has undergone a period of low development and it is presently insufficiently prepared for the introduction of electronic business operations. At the same time, the protection system has to be speedily developed, since there is already much invasion of the information exchange systems and hardware is of dubious origin, mostly from the region of Taiwan; most of the used software are pirate versions, with a low number of issued licences, which seriously hampers the development process.

Legal regulations impermissibly lag behind modern technologies. Most of our legislation does not support the modern European legislation trends, and there are very frequent cases in which the provisions of different laws are in collision.

In order to prepare all the elements necessary for the introduction and implementation of electronic business operations in the country, the country's competent organs and organisations have to be addressed and the process must start of complex purging and modification of norms in keeping with international standards, EU regulations and the needs of national legislation and complex technical and technological development.

It is the usual practice in the world that two organisations carry out the development and introduction of electronic business operations in one country: a governmental organisation, set up by the national government (PRO organisation). This organisation is in charge of the initiation and preparation of regulations, coordination between competent ministries and communication with international government bodies. The process of setting up the national PRO organisation has started in Yugoslavia. The non-governmental organisation mostly has its own personality and intensively relies on the national Chamber of Commerce.

Its role is to establish contacts with business entities, educate, work on the projects of development and introduction of e-business, cooperate with international, regional and foreign national organisations as well as to cooperate with national organs and organisations on the joint task of carrying out the national program of e-business.

Such an organisation has existed in Yugoslavia since June 1993, as the YUEDI Association, which has for years struggled to have the domestic business entities join the world of modern communications. Until recently, this task was mostly unsupported by the state organs, with minimum funds, but it was recognised and supported by UN/ECE/CEFACT. This Association and its members have gone a long way, which has not been easy, and as the country successively joined the international legal operations, it has activated and undertook steps which largely facilitate the bridging of the previous period. It is important to mention that it has held five national conferences, issued a number of publications and started five projects with the National Bank of Yugoslavia in the field of translation and processing of financial UN/EDIFACT messages, legal regulations, telecommunications platform, protection system and software solutions. The projects were made in 1994-1996, but were, unfortunately, halted. Meanwhile, the Accounting Act has been adopted, including elements necessary for recognising electronic business and service provider, and the Law on Payment Operations has also included legal elements which should be elaborated in detail to secure that they fit into the international business system.

Finally, in November 2000, the YUEDI Association concluded an Agreement on Business Cooperation with the Yugoslav Chamber of Commerce and Industry, which allows for a gradual recovery and institutional support of the profession on the basis of national needs.

New activities have started as a result of new trends.

The YUEDI Association took part in a public debate and supported the work on the preparation of a Law on Non-governmental Organisation, which is of great importance for the modernisation of national regulations in this field. It has also addressed the media with a platform on the plans and the program of work and cooperation with national and regional Chambers of Commerce in the country, which includes the reorganization of the Chamber system and provides conditions for the development of a Register of Business Entities in the country, as a precondition for a correct development of e-business. In this context, in March 2001, an agreement was concluded in the YCCI on the making of a plan of the integral information system. It is expected to result in the work on the main project, which would encompass the complete flow of business information with state organs and business entities in the country. The work on the reorganisation of the Chamber system is expected to start, too. The information system project has received the support of the officials of the Stability Pact and the EDIRA Project. A marketing and educational preparation of competent persons and regional Chambers of Economy in the country is under way.

These activities have been officially supported by UN/ECE/CEFACT, and cooperation and professional support has been offered in this process.

The YUEDI Association members participate in the work of a team of experts for the adoption of the Law on Electronic Business. The law should include a legal and technological platform for the implementation of e-business in the country. However, this law cannot be expected to be implemented without other regulations in the field of telecommunications, civil law, administrative law and criminal law.

There is a lot of work to be done if it is understood seriously. Cooperation with good-willed experts is more than necessary.

Individual personal and business interests have no serious sense, because good work, which is based on the regulations and experience of other countries, will pave a way to all interested parties to take an equal part in the exchange of goods, services and money with domestic and foreign partners with a considerable simplification and reduction of costs.

Therefore, in the field of e-business development and implementation in FRY it is necessary to provide:

- professional support within the work on the projects;
- education process as a key element for a complex realisation of the necessity for developing these technologies;
- financial support to serious projects which secure a speedy overcoming of long-term isolation and lack of work on the global development of business operations in the most competent way.

Finally, thank you for your attention and we hope for a successful cooperation in the coming period.
