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United Nations electronic Trade Documents (UNeDocs)

Implementing digital trade facilitation

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Implementing digital trade facilitation

Every year goods in the value of more than US\$ 5,500 billion are sold on international markets. In today's open and global economies the exchange of these goods is managed through increasingly specialized supply chain processes, relying on sophisticated logistic and information and communication technologies. However, when analysing the information exchange that takes place between the supply chain operators one will find a rather surprising situation: the core information exchange that steers and controls the acquisition, transport and payment processes is still relying on traditional, paper-based documents. The collision between the digitalized in-house information processing technology and a historic, paper-based document system introduces enormous costs in the international supply chain: the cost for paper-based trade documentation usually is estimated as 5% to 10% of the value of the traded goods.

From the beginning the UNECE has recognized the crucial role of trade documentation and has developed recommendations and standards in support of efficient international trade, specifically:

- Recommending a common standard for the layout of trade documents (United Nations Layout Key)
- Developing a semantic repository for document data (United Nations Trade Data Element Directory, ISO 3535)
- Developing a standard for electronic business (UN/EDIFACT)
- Recommendations that simplify and standardize documentary trade procedures

Today, documentary standards developed in the UNECE and other international organizations have been widely adopted by the advanced trading countries and are an important structural component of the global trading system. However, the UNECE and other United Nations regional commissions recognize that further efforts are necessary to implement modern trade standards and technologies for trade documents in SMEs, transition economies and developing countries. The low level of trade procedure standardization and the low penetration of electronic business in these countries are one important aspect of the digital divide and are an obstacle to the integration of SMEs and transition economies into advanced markets and supply chain processes.

In June 2001 the UNECE initiated the United Nations electronic Trade Documents (UNeDocs, Internet: www.UNeDocs.org) project. In the framework of this project the UNECE will facilitate the alignment of national trade documentation systems to international standards and provide tools to generate the electronic equivalent of the aligned paper documents. By combining existing trade document standards with latest Internet technologies, the UNECE aims to provide a solution that is accessible to SMEs and transition economies and opens a migration path into electronic business environments.

The UNECE believes that UNeDocs will complement the development of trade standards carried out in UN/CEFACT by implementing standards. The UNECE has received interest and support for the UNeDocs project from other United Nations regional commissions such as ESCWA and ESCAP, as well as the private sector. The first UNeDocs project phase is financed by the Government of Switzerland through the Secrétariat d'Etat à l'économie (SECO). The Government of the United Kingdom through SITPRO Ltd. has recently signed an Memorandum of

Understanding with the UNECE, which provides the WebElecTra system as a donation in kind to UNeDocs. WebElecTra is an Internet-based software solution that allows traders to generate, email and print aligned trade documents, either in paper or in electronic format. Together with SITPRO the UNECE intends to integrate the system into UNeDocs and to implement it in the framework of technical cooperation projects.

The *Proposal for a Future Structure and Organization of the UN/CEFACT Permanent Working Groups* (TRADE/CEFACT/2002/8) lists as a deliverable of the Applied Technologies Group (ATG) in para. 32 a “UN e-docs” standard. Further, in para. 33 the ATG activities include “UN eDocs” activities. As these activities are not further specified UNECE secretariat would like to clarify that

- UNeDocs is an activity of the UNECE whose aim is to provide solutions which implement existing trade standards and best practice in international trade. The project specifically focuses on facilitating the access of SMEs and transition economies to global markets. UNeDocs is based on existing and approved international documents and standards and does not require the development of specific, new standards.
 - From the start of the project UNeDocs project the UNECE has received interest and support from UN/CEFACT working groups, specifically from the experts of the International Trade Procedures Working Group (ITPWG). The UNECE hopes that in the new structure interest from expert groups will continue. The UNECE is specifically interested in feeding back experience in the implementation of trade standards in transition economies into the International Trade and Business Process Group (TBG).
 - The UNECE secretariat understands that work of the ATG regarding trade, business and administration document structures, as mentioned in the document, relates to future syntax specific implementation standards. The UNECE will integrate relevant standards developed by the ATG into the UNeDocs project as appropriate.
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