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Centre for Trade Facilitation and Electronic Business

Sixteenth session

Geneva, 8-10 December 2010

Item 12 of the provisional agenda

Adoption of the report

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

I. Attendance

1. The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) held its sixteenth session in Geneva from 8 to 10 December 2010.
2. Participants in the meeting included representatives of the following countries: Australia, Austria, Azerbaijan, Belarus, Belgium, China, Cyprus, Finland, France, Georgia, Germany, Hungary, Ireland, Italy, Japan, Kazakhstan, Netherlands, Norway, Republic of Korea, Republic of Moldova, Russian Federation, Senegal, Spain, Sweden, Switzerland, Tajikistan, Ukraine, United Kingdom and United States of America.
3. Representatives of the European Union (EU) and the Eurasian Economic Community (EURASEC) attended the meeting.
4. The following non-governmental organizations participated in the meeting: GS1, International Organisation for Standardisation (ISO).
5. Observers present at the invitation of the secretariat included representatives of the following organizations: Federal Agency on Technical Regulation and Metrology (Russian Federation), and the Institute of Informatics Problems of the Russian Academy of Science (Russian Federation).
6. The Chairman opened the meeting. The Deputy Executive Secretary of the United Nations Economic Commission for Europe (UNECE) welcomed the delegates.

II. Adoption of the agenda (agenda item 1)

7. It was agreed to amend agenda item 10 to read Election of Bureau vice-chairs and of the Rapporteur for Africa. An update was provided on the available documents. **The Plenary adopted the amended agenda (Decision 10-01).**

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

8. The Chief of the Global Trade Solutions Section introduced three progress reports to EXCOM on activities undertaken in response to the February 2009 recommendations of EXCOM (documents ECE/TRADE/C/CEFACT/2010/2, Add.1 and Add.2), noting that the secretariat had originally hoped to have Add.1 and Add.2 issued as a single document.

9. After summarizing the information in document Add.2 on the capacity-building work of the secretariat and on its work to enhance the participation of transition economies in the work of UN/CEFACT he indicated that documents Add.1 and Add.2 would be presented to EXCOM at its meeting on 16 December 2010 (document ECE/TRADE/C/CEFACT/2010/2 having already been presented in July 2010). **The Plenary took note of documents ECE/TRADE/C/CEFACT/2010/2, Add.1 and Add.2 (Decision 10-02).**

10. The delegation of the Russian Federation expressed appreciation for the Russian language version of the welcome page of the UN/CEFACT website and called for more work to enhance user-friendliness for Russian speakers in line with the EXCOM recommendations.

11. The French delegation also expressed satisfaction with the reports, stressed the need for timely translation of the Plenary documents and the equal treatment of all official languages. He also requested the Secretariat to encourage Heads of Delegation to provide prompt reactions to requests for support for project proposals.

IV. Bureau overview of developments (agenda item 3)

12. The Bureau Chair reviewed developments since the fifteenth Plenary and referred to the major focus on outreach to stakeholders, communication and the reaching of consensus on the UN/CEFACT restructuring proposals within the Extended Bureau. He recalled that the presentation and exchange of views on this proposal was the major issue on the agenda of the current Plenary and asked for delegations' participation and inputs, as this would create confidence in the success of the UN/CEFACT restructuring process.

V. Activities of the Forum Management Group and Permanent Groups (agenda item 4)

13. The Chairperson of the Forum Management Group (FMG) reviewed activities undertaken since the last Plenary session, referring to document ECE/TRADE/C/CEFACT/2010/4 and emphasising the introduction of the "3 country rule" procedure and the recent publication of a European Commission (EC) communication on e-invoicing calling for collaboration with UN/CEFACT (COM (2010) 712 final, dated 2 December 2010). He reported that the next UN/CEFACT Forum was planned to take place near Washington DC (March-April 2011), and that proposals for hosting the UN/CEFACT Forum in the fall of 2011 would be welcomed. Detailed presentations on the work of the respective groups were made by the chairpersons, vice-chairpersons or designated representatives of the International Trade and Business Processes Group (TBG), the

Information Content Management Group (ICG), the Applied Technologies Group (ATG) and the Techniques and Methodologies Group (TMG). The FMG Chair made a presentation on behalf of the Legal Group. The presentations are available on the Plenary website http://www.unece.org/cefact/cf_plenary/plenary10/UNCEFACT%2016TH%20PLENARY_full_rev5.ppt. **The Plenary took note of the presentations on the activities of the FMG and Permanent Groups (Decision 10-03).**

14. Based on these presentations, the Plenary reviewed developments in the work of the Permanent Groups. The French delegation enquired whether the FMG or TBG Steering were ever requested to arbitrate disputes between the various working groups, such as on TBG17's work on standards' harmonisation. The Chairperson of the FMG and the Vice-Chair of the TBG indicated that no such disputes had arisen over the last year.

15. The Dutch delegation expressed concern regarding the lengthy approval process for Memoranda of Understanding (MoU) with key organisations, including the UBL collaboration agreement, which was of particular importance for EU member States. The member of the Bureau responsible for liaison activities noted that an agreement already existed with OASIS regarding UBL and, therefore, the issue was not an agreement but the lengthy time that had been required for the technical work under that agreement, although this was now close to being finalized. The only MoU under discussion at the time of the session was one with ETSI which was in the process of being finalized to bring it in line with UN rules. The Chief of the Global Trade Solution Section recalled that MoUs with outside organisations needed to be negotiated by the UNECE secretariat on behalf of UN/CEFACT and were subject to the approval of the UN Legal Advisor and the UNECE Executive Office.

VI. New and revised standards and recommendations (agenda item 7)

16. The Russian delegation stated that the Russian translations of the Recommendations under this item had been made available too late to conclude the national review in time for the Plenary. Therefore, the delegation requested these Recommendations be re-submitted for intersessional approval.

17. **The Plenary decided to submit to member States the drafts of Recommendation 34 and 37 and the Annex on e-invoicing to Recommendation 6 for intersessional approval, with the approval period ending on 11 February 2011 (Decision 10-04).** It was noted that this would provide an opportunity for all delegations to submit comments on these documents.

18. **The Plenary decided to take note of revised recommendations 20, 21, 23 and 28 (Decision 10-05).**

19. The Russian delegation enquired as to whether Recommendations were considered as UN/CEFACT or as UNECE recommendations. The Director of the Trade and Timber Division explained that Working Party 4 (which later became UN/CEFACT) had been authorized to publish its recommendations as UNECE outputs. **The Plenary decided that all recommendations should consistently be published as UNECE recommendations (Decision 10-06).**

20. The Russian delegation also indicated that they would like some further clarity on what was understood by the wording of the EXCOM Recommendation B (i) "the proposed standards should respond to a minimum of common interest expressed through support by at least three countries" and noted that after further discussions they might seek clarification from EXCOM on this matter.

VII. Activities of the Rapporteur for Africa (agenda item 5)

21. The UN/CEFACT Rapporteur for Africa presented his report for the period 2009-2010. He emphasised positive developments in the field of e-trade facilitation and the strengthening of the African Alliance for e-commerce, established in Addis Ababa in March 2009. The second General Assembly of the African Alliance was organised in collaboration with UNECA (UN Economic Commission for Africa) in Addis Ababa on the 1 June 2010. He also reported on future projects and events. **The Plenary noted the report of the Rapporteur for Africa (Decision 10-07).**

22. The delegation of France complimented the work of the Rapporteur for Africa.

VIII. Strategic directions and next steps, UN/CEFACT structure, mandate, terms of reference and procedures (agenda items 6 and 8)

23. With the approval of the Plenary, the Chair merged Agenda item 6 (Strategic Directions and Next Steps) and Agenda item 8 (UN/CEFACT Structure, Mandate, Terms of Reference and Procedures).

24. On behalf of the Bureau, the Chair presented its proposals for the way forward for UN/CEFACT (Document ECE/TRADE/C/CEFACT/2010/MISC.1). It covered the drivers for change and the proposed new structure and procedures.

25. The following delegations expressed their support, in principle, for the proposed way forward, restructuring proposals and timeframe: Australia, Austria, Belarus, Finland, France, Italy, Ireland, Japan, Netherlands, Norway, Russian Federation, Sweden, United Kingdom and the United States. GS1 also expressed their support. Delegations expressed a strong sense of urgency in going forward and stressed that this was a matter of importance to UN/CEFACT experts around the world.

26. The Dutch delegation expressed its appreciation to the Bureau for the preparation and presentation of the proposal for change. In particular, it welcomed the fact that the Bureau had taken into account ideas put forward in a paper submitted by their delegation (ECE/TRADE/C/CEFACT/2010/21). They also encouraged the Bureau, in its next steps, to prepare a paper outlining objectives of the proposed reform and the intended outcomes, which would make it possible, in due course, to measure its success.

27. The Russian delegation suggested that the role and position of the HoDs and secretariat be reflected in the organigramme.

28. The United Kingdom delegation welcomed an integrated project-based approach as leading to knowledge-sharing, speedier delivery of better deliverables and greater accountability and transparency. It supported adopting a Roster of Experts, which would help to retain participating experts and encourage new participation. It suggested that closer cooperation between UN/CEFACT and the secretariat was desirable for ensuring the success of the restructuring and the secretariat's envisaged support of UN/CEFACT should therefore be outlined to the Plenary, to better understand resource issues with respect to the programme of work. It considered that, while the Transitional Plan was adequate at this early stage, it would need to be further developed, while delegates attending the next Forum should be provided with the best possible advice to enable them to engage actively in the further development of the new structure. The success of the new structure would also depend upon the choice of Vice Chairs who would need to demonstrate strong leadership qualities. The delegation agreed with the timetable for progression and considered it vital

that progress now continued so that the expectations of experts, Government administrators and global trade facilitation organisations were met.

29. The Russian delegation suggested that the Bureau prepare an assessment of the advantages and disadvantages of the proposed restructuring to help in communicating the issues to national capitals. The Swedish delegation suggested that the gap analysis performed by UN/CEFACT experts during the last Geneva UN/CEFACT Forum could be helpful for this purpose. The Australian delegation suggested that this might be usefully taken up through specific bilateral communications, as needed, given that developments in the Plenary were well beyond that stage in going forward.

30. The Russian delegation requested that the secretariat continue to support the Bureau and the Plenary with respect to guidance on UN rules and regulations, particularly regarding submissions to Heads of Delegation for approval.

31. The French and Japanese delegations noted the importance of communicating information about the proposal and transition issues to UN/CEFACT experts as part of preparations for the next UN/CEFACT Forum. The Japanese delegation also requested that the reform should not delay the development of existing projects. It stated that, while it understood the importance of capacity-building and the difficulties posed in this regard by the language barrier, it considered that holding back progress on projects as a consequence of the requirement for translation of documents could be seen by some delegations, especially those outside of UNECE, as non-conformity with UN/CEFACT's global remit.

32. The Irish delegation suggested using the roster of experts to direct resources toward priority areas in the UN/CEFACT programme of work. It also emphasised the important role of vice-chairs in the new structure and requested that terms of reference be drafted for them. It underlined the need for measures to ensure that UN/CEFACT's work met the needs of the wider business community.

33. GS1 noted the importance of developing a transition plan for the current work in progress.

34. The delegate of Belarus, speaking on behalf of those countries in transition which had participated in a technical briefing session on UN/CEFACT standards and tools (at <http://www.unece.org/cefact/TechnicalSessions/2010/TechnicalSession.html>), expressed the satisfaction of the participants with the briefing, thanked the secretariat for organizing the event and requested that such a practice be continued in future. She reviewed the conclusions of the briefing session which outlines the assistance with implementation of UN/CEFACT Standards and UNECE Recommendations that a number of countries with economies in transition would like to receive. These conclusions can be found at http://www.unece.org/cefact/TechnicalSessions/2010/Conclusions_RoundTable%20.doc. In response, the Chair reassured the delegate of Belarus that such briefings, as were also held some months ago at the time of the last UN/CEFACT Forum, were envisaged to continue on a regular basis.

35. The Chair, on behalf of the Bureau, expressed sincere appreciation to the many delegations and their experts that had participated in drawing up the proposal for change. In particular, he noted the exceptional advisory contributions of Christina Rahlen (Sweden) and Eduardo Gutentag (United States).

36. The Plenary agreed to support, in principle, the Bureau's proposals for a revised structure, mandate, terms of reference and procedures for UN/CEFACT, as presented by the Chair (Decision 10-08).

37. The Plenary agreed on the following process and timeframe for approval of document ECE/TRADE/C/CEFACT/2010/15:

- 1) comments from delegations on the current draft document to be submitted to the secretariat by 15 January 2011;
- 2) revised draft of document to be submitted for intersessional approval by 28 January 2011 with the closing date for final comments being 28 March 2011 (Decision 10-09).

38. The Plenary agreed that comments on the remaining documents for the restructuring process (ECE/TRADE/C/CEFACT/2010/16, 17, 18, 19, 20, 22 and 24) should be submitted to the secretariat by 15 February 2011. The revised drafts will be prepared for consideration at the 17th Plenary in July 2011 (Decision 10-10).

39. The United Kingdom delegation requested, and the Plenary agreed that revised draft documents ECE/TRADE/C/CEFACT/2010/16, 17, 18, 19, 20, 22 and 24 be prepared in all three official languages and distributed intersessionally before the end of March 2011 in order to allow time for full review and consultation (Decision 10-11).

40. The Chief of the Global Trade Solutions Section presented document ECE/TRADE/CEFACT/2010/7, prepared by the secretariat pursuant to a request from delegations at the fifteenth UN/CEFACT Plenary. The document provides a mapping of Plenary requests from the 2008 and 2009 sessions and the 2008 survey of member States' needs, to the UN/CEFACT 2010-2011 programme of work. The Plenary noted the document ECE/TRADE/CEFACT/2010/7 without comment (Decision 10-12).

IX. Review of the mandates of permanent groups (agenda item 9)

41. In light of the on-going UN/CEFACT restructuring process, the Plenary requested extension of the mandate of the Permanent Groups until the next Plenary session in July 2011 and, in consequence, confirmed that the next Forum would be organized based upon the existing structure, in order to maintain the production schedule and provide adequate time for consultations about the re-organization (Decision 10-13)¹.

X. Election of Bureau Vice-Chairs and of the Rapporteur for Africa (agenda item 10)

42. In light of the on-going UN/CEFACT restructuring process, the Plenary extended the mandate of the Bureau vice-chairs until the next Plenary session in July 2011 (Decision 10-14).

43. The Plenary thanked Mr. Ibrahima Diagne, for the excellent work done and elected him as UN/CEFACT Rapporteur for Africa for a two-year period (Decision 10-15).

XI. Other business (agenda item 11)

44. The Japanese delegation requested procedural clarification concerning nomination and election of the Rapporteur for Asia. The secretariat suggested that nomination and election could be done through the intersessional approval process.

¹ In order to clarify the drafting of Decision 10-13 at the time of the Plenary, the word "consultations" was used in the context of envisaged discussions among Forum participants regarding practical next steps in re-organization.

XII Adoption of the report (agenda item 12)

45. The Plenary provisionally approved the draft minutes including the amendments requested by delegates, with final comments to be submitted to the secretariat no later than 31 December 2010 (Decision 10-16).
