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Strategic directions and Programme of work

Draft United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) Programme of Work 2014

Submitted by the UN/CEFACT Bureau for decision

Summary

This document contains the draft programme of work for 2014 of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT).

It is being presented to the Plenary for discussion and approval.

Introduction

1.   This document sets out the programme of work of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) for 2014[1]. It is submitted to the twentieth Plenary for discussion and approval.

2.   The paper gives a general overview of UN/CEFACT work, with the key administrative and commercial challenges facing trade today, and indicates the critical role of UN/CEFACT in tackling related constraints. It briefly reviews UN/CEFACT deliverables and accomplishments in 2012-2013 on the basis of the earlier integrated strategy (ECE/TRADE/CEFACT/2006/5) and then turns to proposed activities for 2014.

3.   Activities are driven by the expressed needs of member States and the recommendations of the UNECE Executive Committee for UN/CEFACT[2].

Part One

General overview of UN/CEFACT work

I.   Background

4.   Within the framework of the United Nations Economic and Social Council, the United Nations Economic Commission for Europe (UNECE) serves as the focal point for trade-facilitation recommendations and electronic business standards, covering both commercial and government business processes that can stimulate growth in international trade and related services.

5.   UNECE established the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) as a subsidiary, intergovernmental body. It reports to the UNECE Executive Committee. It is mandated to develop a programme of work of global relevance to achieve improved worldwide coordination and cooperation in the above areas.

6.   UN/CEFACT identifies and proposes ways to simplify and streamline international trade procedures and underlying electronic business processes, particularly towards enhancing the efficient exchange of goods across international borders.[3]

7.   Working from a Plenary-approved integrated strategy, its principal activities focus on simplifying, aligning and standardizing the core procedural aspects of international trade and the associated information flows. Two of the basic challenges it addresses are (a) the reality that goods cannot move faster than the processes and information that accompany

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[1]   Usually the programme of work is prepared on a biannual basis. Given the planned discussion of the proposed integrated strategy during the twentieth Plenary and the election of Bureau Vice Chairs, a one year programme of work for 2014 is being proposed to foster progress of project developments and maintenance efforts until the Plenary's review and approval process is concluded and plans for 2015 can be proposed.

[2]   EXCOM document "Recommendations Concerning the United Nations Centre for Trade Facilitation and Electronic Business (ECE/EX/4) dated 13 March 2009. Further references to EXCOM decisions in this document refer to ECE/EX/2009/L.5 if not stated otherwise.

[3]   The Revised Mandate, Terms of Reference and Procedures for UN/CEFACT (ECE/TRADE/C/CEFACT/2010/15/Rev.5) were approved in 2011 and it replaced "TRADE/R.650, Mandate and Terms of Reference of UN/CEFACT" that had been approved by WP.4, the predecessor to the UN/CEFACT, at its final meeting in September 1996.

them and (b) that society increasingly requires safe and reliable trade processes in order to be able to monitor and control the effective and efficient flow of goods from origin to destination.

8.   UNECE recommendations and UN/CEFACT standards cover a wide range of intermediary steps associated with international supply chains. They cover business processes and procedures that include, for example, commercial, transport, regulatory and payments domains. These instruments currently include:

- United Nations Layout Key for Trade Documents (Recommendation 1) — the international standard for the layout and content of trade documents.

- UN/EDIFACT — the international standard for Electronic Data Interchange for Administration, Commerce and Transport.

- Recommendations for the codification of trade information.

- Recommendations on the Single Window (Recommendations 33, 34 & 35).

- UN/CEFACT International Supply Chain Reference Model.

- United Nations Trade Data Element Directory (UNTDED).

- Core Component Library (CCL).

- ebXML Core Component Technical Specifications & XML Naming and Design Rules.

9.   The need for these instruments has intensified in recent years, especially in the context of advance (i.e. pre-arrival and pre-departure) information that is being requested for security, health and customs authorities. The instruments also help reduce the increasing complexity and facilitate the geographic extension of international supply chains.

10.   In addressing the new challenges, the exchange of information between actors in world trade must be facilitated—not impeded. UN/CEFACT standards are of vital importance in stimulating the efficient allocation of production means and the flow of goods and services. Meeting these challenges requires taking advantage of information and communication technology.

11.   UNECE recommendations and UN/CEFACT standards provide a coherent set of trade-facilitation instruments that increase efficiency and effectiveness, as well as encouraging small and medium-sized enterprises, and transition and developing economies, to extend their engagement in international trade.

12.   Business and government agencies can apply UNECE recommendations and UN/CEFACT standards to facilitate information-interchange systems based on common nomenclature and components. When they employ standardized methods, they can bring about greater effectiveness and efficiency through the interoperability among parties and application systems; reductions in cost; reductions in dependence on a single vendor or software choice; and, ultimately, facilitate trade with minimal obstacles.

13.   To reduce costs and improve security, it is important to be able to process and communicate information in a completely unambiguous way, thereby providing clarity both internally and with external trading partners.

14.   Regulators, government bodies and the general public are increasingly requesting the fullest protection possible from terrorism, hazardous materials, fraud, mistakes and accidents. Recent food-safety issues illustrate the severe impact on trade that a food-related health alarm can cause. Translated to the trade sector this means participants need to be able at any moment to account for their transactions.

15.   Traceability is a major concern in providing consumer protection. International supply chains must be in compliance with local regulations throughout the transaction, and across borders. Traditionally, control has been based on analysing risks at any given moment in the supply chain and does not guarantee full control throughout the full business process. Standards, however, offer opportunities to enable maximum security all the time.

16.   Governments and regulatory agencies around the globe are increasingly (sometimes even exclusively) focusing on electronic business using international, open standards rather than domestic, national or proprietary standards. In these scenarios, processes in areas such as procurement, trade, taxation and payments require comprehensive and easy-to-use standard libraries. UN/CEFACT helps the stakeholders by supporting interoperability frameworks—including initiatives that focus on semantic libraries.

17.   The constantly increasing growth of the Internet for online trade transactions involves the use of efficient, trusted, reliable and secure information exchanges. This can be more effectively achieved globally through the use of internationally agreed shared libraries and dictionaries. In particular, organizations such as the World Trade Organization and the World Customs Organization have recognized that shared global libraries are of the utmost importance and UN/CEFACT regards these as its key assets.

II.   Vision, mission and core activities

18.   The vision of UN/CEFACT is to enable simple, efficient and effective information exchanges for global business in the collective interests of member States and stakeholders. Briefly stated, this involves developing, through open and unbiased processes, recommendations and standards that are made freely available in helping to reduce red tape and thus facilitate trade.

19.   Under the leadership of members of the Bureau, experts nominated by Heads of Delegation from a wide range of specialized domains, contribute through Programme Development Areas to the formulation and monitoring of the Plenary-approved programme of work.

20.   Three countries need to express support for specific projects that concern proposals for recommendations and standards that need to fit within the programme of work. Moreover, projects are conducted in a Plenary-approved Open Development Process (ODP), with responsibility for the projects in the hands of project "leads" confirmed by the Bureau. The projects are conducted by experts, managed by the Bureau, with support for the activities being provided by the UNECE secretariat.

21.   It is the experts from five continents that make UN/CEFACT achieve its goals. They work together as volunteers on projects, focus on domain requirements, and provide assistance to UN/CEFACT activities. Their expertise covers a wide range of skills and experience. Domain Coordinators play a key role, especially in ensuring that domain issues of concern are focused upon and brought to the attention of the Bureau.

22.   A database of UN/CEFACT participants helps to identify those experts willing to be called upon to participate in supporting UN/CEFACT tasks. The roster also serves as a means to extend UN/CEFACT's efforts in outreach to potential new participants who would like to become familiar with how the UN/CEFACT team works.

23.   Twice a year, UN/CEFACT Forums are organised at different locations throughout the world[4] to enable experts to work together, in particular, to advance projects, maintenance activities and cross-domain coordination. The Forums play an important role

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[4]   See list of UN/CEFACT Forums at www.unece.org/cefact.

in fostering collaboration, strategic thinking and the formulation of new projects. Special parallel sessions help to promote awareness of UNECE recommendations and UN/CEFACT standards.

24.   All work within UN/CEFACT is undertaken within the following framework:

A.   Mission

To improve the ability of business, trade and administrative organizations, from developed, developing and transitional economies, to exchange products and relevant services effectively, and so contribute to the growth and sustainability of the global economy.

B.   Core objective

The simplification and alignment of processes, procedures and associated information flows for national and international trade-related transactions and, where required, non-trade-related areas that may also benefit from UN/CEFACT standards, UNECE recommendations, and methodologies.

C.   Core values

UN/CEFACT will work in an open, transparent and non-discriminatory environment based on United Nations principles, rules and regulations, and in response to the expressed needs of the Member States of the United Nations. Such work is carried out with the highest level of integrity, courtesy and respect for individual opinion and cultural diversity.

D.   Key activity areas

To achieve this mission, UN/CEFACT undertakes activities in the following activity areas, in response to the needs of countries, regulators and international business:

1.   Identification and analysis of opportunities to simplify, align, and standardize international trade processes, procedures and information flows within and between countries.

2.   Delivery and governance of recommendations, standards and instruments in support of international trade facilitation, in response to the needs of countries and other stakeholders in international business, including working with other key players with the view to avoiding duplication of work and to building together an internationally consistent framework.

3.   Promotion of the use of UN/CEFACT recommendations, standards and instruments worldwide through awareness-building and outreach, with a special focus on countries in transition.

25.   UN/CEFACT's work supports the United Nations Millennium Development Goal 8 to "develop further an open trading and financial system that is rule-based, predictable and non-discriminatory and includes a commitment to good governance, development and poverty reduction—both nationally and internationally".

III.   Recent achievements

26.   In 2012-2013, UN/CEFACT completed several key projects and made important advances in many others. Among these achievements the following deliverables are noted:

- Core Components Data Type Catalogue V3.1.

- Release of UN/EDIFACT Directories D.12A, D.12B, D.13A.

- Business Requirement Specifications (BRS), Documentation Template Guidelines.

- Requirements Specification Mapping (RSM), Documentation Template Guidelines.

- Core Components Business Document Assembly Technical Specification (CCBDA)

- Rules for Presentation of Standardized Message and Directories Documentation (R.1023 - Revision 12.0).

- Core Component Library issues D.11B, D.12A, D12B, D13A.

- Publication of code lists:

    - UN/LOCODE directories 2012-1, 2012-2, 2013-1 and 2013-2.

    - Codes for Units of Measure Used in International Trade (Recommendation 20 - Revision 8 of code list).

    - Codes for Passengers, Types of Cargo, Packages and Packaging Materials (Recommendation No.21 - Revision 9 of code list).

    - Freight Cost Code (FCC) (Recommendation No. 23 - Revision 9 of code list).

27.   UN/CEFACT has also undergone a major restructuring, designed to simplify the standards-development process and continue to promote a transparent and effective project-oriented approach.

IV.   Priority outputs for 2014

28.   For 2014, UN/CEFACT will operate in an organizational structure based on cross-domain collaboration in Programme Development Areas. Priority objectives will be on maintaining a stable status with regard to preserving investments in existing standards and recommendations while at the same time responding to various strategic challenges and opportunities to continue to serve member States and other stakeholders.

29.   Continued strong developments relating to the Single Window should see a further enhancement of the use of UN/CEFACT standards. The global movement towards Single Window is a strong catalyst for the broader implementation of the entire suite of trade-facilitation instruments. It constitutes a major opportunity for countries, especially developing and transition economies, to make progress in trade facilitation. UN/CEFACT plans to supplement the existing Recommendations 33, 34 and 35 by developing and publishing Recommendation 36 on Single Window Interoperability, as well as the continued development of the Single Window Repository.

30.   Another priority will be to continue to promote and support the implementation of UNECE recommendations, UN/CEFACT standards and instruments in developing countries and countries with economies in transition. This includes encouraging participation in the work of UN/CEFACT by experts from these countries. UN/CEFACT will collaborate with the secretariat in developing awareness-building materials and programmes. These may be used in various outreach efforts by UNECE, other regional commission secretariats and various other organizations, with a view to strengthening trade facilitation.

31.   UN/CEFACT looks forward to increased cooperation with regional initiatives, such as those of the European Union and the Asia-Pacific Economic Cooperation (APEC) forum, to ensure broad-based adoption of UNECE recommendations and UN/CEFACT standards. This may involve, for example, cooperation with the European Commission on EU activities to enhance the exchange of information between member States by standardized advance arrival information.

V. Resources

32.   As member States and other stakeholders look to UN/CEFACT to provide effective standards for specific requirements, governmental bodies, standards development organizations and other stakeholders will be invited to collaborate closely and actively with the Bureau and the secretariat with a view to bridging critical resource gaps.

33.   The Bureau and the secretariat will continue to work together to further define roles and responsibilities that will ensure maximum effectiveness and efficiency in the use of resources.

34.   Special efforts will also be made over the period to identify priority areas and to ensure close monitoring of targets, fostering a positive and realistic management of expectations. In particular, UN/CEFACT will consider ways to facilitate support for additional national experts, and to help resource a pool of UN/CEFACT delegation-nominated experts (the roster of experts) from whom to draw needed competencies. In some cases, to address specific project proposals this may involve requesting direct support from member States.

Part Two

Detailed Work Plan

Introduction

35.   The following sets out in detail the activities for 2014, under the three major subject categories below.

1.   Identification and analysis of opportunities to simplify align and standardize international trade processes, procedures and information flows within and between countries.

2.   Delivery and governance of recommendations, standards and instruments in support of international trade facilitation, in response to the needs of countries and other stakeholders in international business, including working with other key players with the view to avoiding duplication of work and to building together an internationally consistent framework.

3.   Promotion of the use of UN/CEFACT recommendations, standards and instruments worldwide through awareness-building and outreach, with a special focus on countries in transition.

Key activity area I: Identification

1. **Identification and analysis of opportunities to simplify, harmonize and standardize international trade processes, procedures and information flows within and between countries**

1.1 **Identify trade facilitation needs and priorities working together towards the elimination of constraints**

For each trade and business domain, identify trade-facilitation needs and priorities of countries and business, and develop instruments to address them. Governmental authorities, and public/private-sector bodies are critical in driving the adoption of UN/CEFACT standards; as such UN/CEFACT needs to be certain it understands how to ensure delivery of standards that respond to these stakeholders' needs.

Activities/Outputs:

1.1.1 Identify and prioritize country and business trade-facilitation needs in collaboration with key stakeholders.

1.1.2 Identify specific requirements of countries with economies in transition.

1.1.3 Conduct further analysis to ascertain what gaps exist between what UN/CEFACT is developing - or plans to develop - and standards for priority areas such as trade and transport facilitation, supply chain, regulatory and sectoral.

1.1.4 Identify gaps where UN/CEFACT can add value in the short term.

Target audience: Countries, the private sector and international organizations.

1.2 **Coordinate with other organizations and agencies**

Cooperate with national and international organizations active in trade facilitation, standards development organizations, and regional and subregional country groupings with a view to better understanding stakeholder requirements and avoiding duplication of effort.

Activities/Outputs:

1.2.1 Identify and monitor the work of other organizations that is relevant to UN/CEFACT work, and, where appropriate, cooperate with such organizations to identify requirements and work in progress to avoid any duplication of effort and to generate synergies (e.g. with the United Nations regional commissions in trade facilitation, and the European Union in e-procurement).

1.2.2 Review stakeholder requirements as seen by other standards-setting organizations to ensure a coherent approach to such activities and to promote common global standards.

1.2.3 Identify core partners/agencies that may be vital to fulfilling stakeholder requirements. In this context, define, review and agree upon the possible division of labour and respective roles and responsibilities. Develop a mechanism for potential cooperation and coordination.

1.2.4 Evaluate the feasibility of avoiding duplication fulfilling stakeholder requirements with respect to technical work with other standards-development organizations in a manner that ensures stakeholder benefits and good governance.

1.2.5 In close collaboration with the Bureau, the secretariat and the Regional Adviser on Trade Facilitation, prepare a report to the UN/CEFACT Plenary on stakeholder

requirements and existing and potential synergies in addressing them through relevant organizations in countries with economies in transition.

Target audience: Countries and other organizations.

Key activity area II: Delivery

2. Delivery and governance of recommendations, standards and instruments in support of international trade facilitation, in response to the needs of countries and other stakeholders in international business, including working with other key players with the view to avoiding duplication of work and to building together an internationally consistent framework

2.1 Documentation and analysis of key elements of international processes, procedures and transactions for each trade and business domain

For each trade and business domain, capture and document business and trade-facilitation process requirements with particular reference to the UN/CEFACT International Supply Chain Reference Model.

Activities/Outputs:

2.1.1 Publish and maintain an integrated and detailed reference model of the International Supply Chain; this model will provide the framework for the various project activities of UN/CEFACT to enable alignment and integration of recommendations, standards and instruments.

2.1.2 Publish and maintain guidelines for countries and the private sector on the use of UNECE recommendations, UN/CEFACT standards and instruments to facilitate international trade.

2.1.3 Report on the impact of UNECE recommendations, UN/CEFACT standards and instruments implemented by countries and businesses.

2.1.4 Develop guides to trade-facilitation recommendations.

Target audience: Countries, the private sector and international organizations.

2.2 Development

Activities/Outputs:

2.2.1 Identify projects on which to develop recommendations, standards and instruments in response to the needs of key stakeholders.

2.2.2 Prioritize envisaged outputs, for example, with respect to trade and transport facilitation, supply chain, regulatory and sectoral areas.

2.2.3 Undertake all projects using the revised Open Development Process (ECE/TRADE/C/CEFACT/2010/24/Rev.2).

2.2.4 Encourage experts from countries with economies in transition to participate in the work of UN/CEFACT.

2.3 Maintenance

Activities/Outputs:

2.3.1 Maintain, publish and translate UNECE Recommendations and appropriate sections of other UN/CEFACT standards and instruments (such as UN/LOCODE) into all UNECE official languages.

2.3.2 Undertake maintenance activities using the Open Development Process (ECE/TRADE/C/CEFACT/2010/24/Rev.2).

2.4 Validation

Activities/Outputs:

2.4.1 Develop a validation methodology for new UN/CEFACT standards and instruments.

2.4.2 Publish a validation guide for implementing UN/CEFACT standards and instruments.

2.4.3 Identify experts, with the help of Heads of Delegation, to participate in the highly-skilled validation processes.

2.5 Methodologies

Activities/Outputs:

2.5.1 Identify or develop additional techniques that support UN/CEFACT projects and outputs in the areas of:

- Business process modelling.
- Data modelling.

2.5.2 Identify or develop additional techniques that support UN/CEFACT activities in the areas of:

- Library maintenance:

  Harmonization

  Validation

- Library production.
- Library publication.

2.5.3 Identify or develop techniques to assist in the implementation UN/CEFACT standards and UNECE recommendations, based on the contextualization of common models that can be consistently applied both to human interfaces (such as paper and screen) and to machine-processible formats (such as XML and UN/EDIFACT).

2.5.4 In collaboration with related initiatives, develop a UN/CEFACT document-modelling architecture and establish a conformance model to promote interoperable implementation.

2.5.5 In collaboration with related initiatives, develop a UN/CEFACT process-modelling architecture and establish a conformance model to promote interoperable implementation.

2.5.6 Develop guides on implementing the UN/CEFACT International Supply Chain Reference Model.

2.5.7 Collaborate with governments to provide UN/CEFACT instruments in languages other than English.

2.5.8 Develop guides on implementing and customizing UN/CEFACT standards and instruments.

2.5.9 Develop and implement a framework for self-conformance that can foster interoperability of standards.

2.6 Technologies

Activities/Outputs:

2.6.1 Identify and evaluate available specifications, (standards, technical specifications, reference models, guidelines and methodologies) for effectively applying information and communication technologies supporting UN/CEFACT's mission.

2.6.2 Formulate requirements for software tools to support the development and use of UN/CEFACT standards. In this context, encourage vendors to offer low-cost or freely-available tools as well as exploiting the possibilities offered through open source solutions.

2.6.3 Create a multi-lingual online publications registry to promote the development, publication and access to UN/CEFACT standards and instruments, their opportunities for use, and the extent of their evolving use around the world. Collect and publish examples of best practices.

Target audience: UN/CEFACT, stakeholders and technology providers.

2.7 Collaboration with organizations involved in standards development

Activities/Outputs:

2.7.1 Collaborate with international organizations as appropriate to develop joint deliverables to meet the needs of member States and other stakeholders, with special attention to the needs of countries with economies in transition.

2.7.2 Report on the cooperation with the World Customs Organization and the implementation of UN/CEFACT standards for cross-border regulatory transactions and, in particular, their value for small and medium-sized enterprises (SMEs), transition and least developed economies. Ensure that the standards are of practical use for SMEs, transition economies and developing countries.

Target audience: Countries, World Customs Organization, regional commissions of the United Nations, international organizations, organizations involved in standards development.

2.8 Collaboration with the UNECE Executive Committee and other parts of the UNECE secretariat

To identify areas of cooperation under the UNECE Executive Committee and other UNECE units that could be used to reinforce trade facilitation, such as regulatory convergence and the analysis of regional trade agreements and technical barriers to trade.

Activities/Outputs:

2.8.1 Report to the UNECE Executive Committee and the UN/CEFACT Plenary on joint activities undertaken by the UN/CEFACT with expert groups from other work areas of UNECE.

2.8.2 Use the UNECE Multiplier Point network to disseminate information on UN/CEFACT standards and UNECE recommendations.

Target audience: Countries, regional commissions of the United Nations, UNECE Executive Committee.

Key activity area III: Promotion

3. Promotion of the use of UN/CEFACT recommendations, standards and instruments worldwide through awareness-building and outreach, with a special focus on countries in transition

3.1 Awareness-building

Take steps to explain the benefits and use of UNECE recommendations, UN/CEFACT standards and instruments in support of facilitation and e-business, responding to requirements of member States and other stakeholders, with particular attention to engaging countries with economies in transition and developing countries.

Activities/Outputs:

3.1.1 Collaborate with the UNECE secretariat and with international organizations as appropriate to formulate realistic targets for awareness-building to meet the needs of member States and other stakeholders, with special attention to the needs of countries with economies in transition.

3.1.2 Identify opportunities to extend the Trade Facilitation Implementation Guide.

3.1.3 Maintain and revise the Trade Facilitation Implementation Guide in response to feedback from countries and changing needs.

3.1.4 Report on implementation of UN/CEFACT standards and instruments by member States and other stakeholders.

Target audience: Countries, in particular countries with economies in transition and developing countries

3.2 Communication and awareness

Promote UN/CEFACT work by developing promotional and guidance material.

Activities/Outputs:

3.2.1 Further develop and implement a communications strategy, in close collaboration with the secretariat, Member States and other stakeholders, with an emphasis on improving the use of the UN/CEFACT website for information dissemination.

3.2.2 Report on collaboration with the Regional Advisor concerning efforts to implement UN/CEFACT standards and instruments.

3.2.3 Seek resources to translate UN/CEFACT publications into all three official UN languages (English, French and Russian).

3.2.4 Develop high-level management guides to clarify the requirements for implementing specific standards and recommendations.

Target audience: Countries and international organizations, UN/CEFACT heads of delegation

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