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Executive Committee

Centre for Trade Facilitation and Electronic Business

Twenty-first session

Geneva, 16-17 February 2015

Report of the Centre for Trade Facilitation and Electronic Business (UN/CEFACT) on its twenty-first session

I. Attendance

1. The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) held its twenty-first session in Geneva from 16 to 17 February 2015.
2. The following countries were represented: Austria, Canada, China, Croatia, Cyprus, Finland, France, Germany, India, Italy, Japan, Lesotho, Luxembourg, The Netherlands, Nigeria, Norway, Pakistan, Russian Federation, Senegal, Spain, Sweden, Switzerland, Thailand, Turkey, Ukraine, United Kingdom, and the United States of America.
3. The following United Nations organization participated in the meeting: United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) as well as the following intergovernmental organization: World Customs Organization (WCO). The following non-governmental organizations also participated in the meeting: GS1 and the International Organization for Standardization (ISO).
4. The Deputy Director of the Economic Cooperation and Trade Division (ECTD) of the United Nations Economic Commission for Europe (UNECE) opened the meeting. The Executive Secretary of UNECE welcomed delegates and underlined the key role of UN/CEFACT in supporting economic integration through the development of trade facilitation tools, such as standards and recommendations, with a view to supporting the removal of unnecessary trade procedures.
5. The Executive Secretary highlighted the value of UN/CEFACT's standards, recommendations and other trade facilitation tools and the work of the secretariat in supporting the implementation of the World Trade Organization (WTO)'s Trade Facilitation Agreement (TFA). Governments and administrative agencies already rely heavily on UNECE's trade facilitation tools and the Executive Secretary encouraged Members to further support the development and improvement of UNECE's trade facilitation tools and outreach work of the secretariat. The Executive Secretary thanked the outgoing Chair of UN/CEFACT for his longstanding and considerable contribution to UN/CEFACT and presented him with a Certificate of Appreciation in recognition of his work over the last 20 years.
6. The Chair of UN/CEFACT recalled the importance of the work of UN/CEFACT in providing a common language for international trade transactions. He spelled out the policies on open development process and intellectual property that drive the work of



UN/CEFACT, as well as the public-private partnership nature of UN/CEFACT. He closed his intervention by thanking delegates, colleagues from the private and public sector, and the secretariat of UNECE.

II Adoption of the agenda (agenda item 1)

7. The Chair reviewed the draft agenda ECE/TRADE/C/CEFACT/2015/1 and the secretariat recalled the inclusion of corrigenda.

8. The Plenary adopted the agenda as proposed (**Decision 15-01**).

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

9. The Deputy Director of the UNECE Economic Cooperation and Trade Division (ECTD), presented document ECE/TRADE/C/CEFACT/2015/3, "Matters Arising since the twentieth session". He reported that EXCOM had recently reached consensus on two important decisions: 1) to establish an ECE Steering Committee on Trade Capacity and Standards, to replace the former Trade Committee (ECE/EX/2015/L.6); and 2) that at the end of 2015, it may decide, after evaluation, whether it is desirable for UN/CEFACT to report to the Steering Committee on Trade Capacity and Standards.

10. The Deputy Director also provided an overview of the WTO's TFA and the relevant ratification process. The potential for economic growth generated by the implementation of this agreement is extremely high.

11. He explained that the WTO TFA involves many players in the field, and that this agreement is novel because it links implementation to the provision of technical assistance. He highlighted that amongst all these players, UN/CEFACT has a unique role to play, because it is the only public-private international body that sets UN Recommendations and Standards for trade facilitation and specific implementation tools. The work of UN/CEFACT, he said, is a perfect complement to the work of the other players, including the private sector.

12. Reporting on extra budgetary projects undertaken by the secretariat, the Deputy Director explained that the Greek Trade Facilitation Project, which concluded in January 2015, was extremely successful, with quantitative improvements in a broad range of indicators such as the World Bank's Logistics Performance Index. The Trade Facilitation Implementation Guide (TFIG) project was also completed in December 2014 and was a great success in terms of impact and users, with more than 500,000 accesses per month on the TFIG website (tfig.unece.org). He called on Members to continue to support the secretariat in this important work at a time that is so crucial for trade facilitation implementation.

13. The Chair of UN/CEFACT highlighted the difficulties faced by the secretariat in terms of resources and the need to recognize the role of the secretariat. He encouraged the EXCOM Contact Group to support the secretariat going forward in these areas.

14. The Plenary took note of the report on matters arising and requested that the secretariat report on matters arising again at the 22nd session in 2016 (**Decision 15-02**).

IV. Bureau overview of recent developments (agenda item 3)

15. The Chair briefed the delegations on recent developments in the Programme Development Areas (PDAs) and the relevant work of UN/CEFACT experts; he also gave a brief overview of on-going projects and projects completed since the twentieth session.

16. The Chair explained the UN/CEFACT structure and terms of reference. He recalled that PDAs and relevant domains represent a lively community of more than 200 experts around the world working in a spirit of cooperation and collaboration. He added that the work is distributed evenly within the Bureau, and that there is no rigid subdivision of projects according to their topics. He also presented the UN/CEFACT website and explained how to access project-related documents and material.

17. The Chair described the workflow of UN/CEFACT since the twentieth UN/CEFACT Plenary, in 2014. He presented the projects that had been approved during that period, including the revision of Recommendation 4 on National Trade Facilitation Bodies. At the invitation of the Chair, the Deputy Director explained that this revised Recommendation would assist countries in their efforts to establish national trade facilitation committees under the WTO TFA.

18. The Chair informed the Plenary about UN/CEFACT's forthcoming events: the 25th Forum to be held in Geneva in April 2015, and the 26th Forum to be held in Marseille, France in November 2015. The Chair recalled that during the Forum in Geneva two important parallel events would be organized, a meeting of the Global Facilitation Partnership on Trade and Transport (GFP, 22 April) and a UN/LOCODE conference (24 April).

19. The Chair highlighted the importance of setting up a helpdesk function to support the initiation of projects and the updating of project information. He also stressed the importance of project monitoring and reviewing, and reported that an archiving exercise was being undertaken by the Bureau with the support of the secretariat.

V. Reports of Rapporteurs (agenda item 4)

20. The Rapporteur for Africa presented his report on activities since the last session (ECE/TRADE/C/CEFACT/2015/4) and the Rapporteur for Asia and the Pacific also presented his report (ECE/TRADE/C/CEFACT/2015/5).

21. The Plenary commended the Rapporteurs for their continued support to expand the outreach of UN/CEFACT through the promotion of its work and outputs in the African and the Asian and Pacific regions and invited them to further develop synergies and cooperation among the regions.

22. The Plenary took note of the reports of the Rapporteurs for Africa and for Asia and the Pacific and requested that they provide reports again at the 22nd session (**Decision 15-03**).

VI. UN/CEFACT recommendations and standards (agenda item 5)

23. The UNECE secretariat presented Recommendation 40 on Consultation approaches (ECE/TRADE/C/CEFACT/2015/9) for discussion and approval by the Plenary.

24. The secretariat presented the main features of Recommendation 40 which consists of a division of the work into three layers in relation to consultation approaches (strategic,

operational and technical). He recalled the importance of this Recommendation in the light of the WTO TFA.

25. The representative of the Netherlands commended the drafters of the Recommendation. He commented on Recommendation 40 and proposed a slight modification of the introductory text of the Recommendation, requesting the insertion of a reference to Article 2 of the WTO TFA.

26. The representative of Sweden expressed support for the Recommendation and encouraged its quick approval by the Plenary.

27. The representative of the United States of America commended the drafters of the Recommendation. He also requested minor editorial changes to clarify who were the “stakeholders” and “Trade” mentioned in the recommendation.

28. The representative of Ukraine also highlighted the importance of the Recommendation in particular with respect to efforts in relation to the establishment of Trade Facilitation Committees at the national level pursuant to the WTO TFA.

29. The secretariat was requested to implement the amendments to the text of the Recommendation in consultation with the delegations who requested those changes.

30. The Plenary approved Recommendation 40 and its annexes, with the changes to be implemented by the secretariat (**Decision 15-04**).

31. The secretariat announced that, since the last Plenary, and according to agreed procedures, it had issued versions D14.A and D14.B of UN/EDIFACT, versions 2014-1 and 2014-2 of the UN/LOCODE standard, versions D.14A and D.14B of the UN/CEFACT Core Component Libraries (CCL) and Schemas D14.A and D14.B, and version D14.B of the UN/CEFACT XML Schema Library. The Plenary took note of the updated standards presented by the secretariat (**Decision 15-05**).

32. The secretariat announced that during the UN/CEFACT Forum in April 2015 a UN/LOCODE conference would be organized to discuss future developments of UN/LOCODE.

33. The secretariat also made a presentation on UN/LOCODE, covering the basic features of the standard and some challenges related to its maintenance and improvement. The latter included in particular the need for countries to nominate UN/LOCODE national focal points to streamline the information flow aimed at updating codes for locations and other relevant information.

34. The Chair of the Management Group for the Memorandum of Understanding on electronic business between the International Electrotechnical Commission, ISO, International Telecommunication Union (ITU) and UNECE (MoU/MG) expressed interest in exploring options for making UN/LOCODE more resilient to future needs of the trade community.

35. The secretariat highlighted that even though the UNECE website reported the highest number of hits on UN/LOCODE, and it was also well known that major international transport and logistics companies were active UN/LOCODE users, there was a real need for evaluating the impact of UN/LOCODE from a user’s perspective. The secretariat also recalled that the maintenance and improvement of UN/LOCODE is resource-intensive.

VII. UN/CEFACT structure, mandate, terms of reference, and procedures (agenda item 6)

36. The Chair introduced for information a draft work in progress prepared by the Bureau concerning “UN/CEFACT Project Review and Support Terms of Reference - with project proposal checklist” (ECE/TRADE/C/CEFACT/2015/Misc.2).

37. The representative of France asked when the draft would be updated and presented again to delegations and the Chair expected that this would be possible within two months.

38. The secretariat introduced for discussion the informal document “Discussion paper on Election Procedure of UN/CEFACT Bureau” (ECE/TRADE/C/CEFACT/2015/Misc.3).

39. The representative of Japan expressed support for UN/CEFACT’s activities, and praised teamwork within the Bureau. He suggested that his delegation would prefer to leave existing procedures in place, unchanged with regard to the current term of office.

40. The representative of the Netherlands informed the Plenary that the EXCOM Contact Group for UN/CEFACT had commented on a previous draft of the document and these comments were incorporated in the present draft. On behalf of his Delegation, he expressed support for the procedures as spelled out in Section 1 of the document. He added that other Members of the Contact Group might have additional comments.

41. The representative of the United States of America provided preliminary comments on the discussion paper prepared by the secretariat. These will be incorporated into the next draft.

42. The Plenary agreed that the secretariat will prepare a new version of the document incorporating comments received, and would circulate it among the Heads of Delegations for information and further input (**Decision 15-06**).

VIII. Future challenges in support of trade facilitation and electronic business; Strategic framework and Programme of work (agenda items 7 and 8)

43. The Plenary decided to merge items 7 and 8 of the provisional agenda. This enabled presentations and discussions of future challenges in support of trade facilitation and electronic business to be combined with documents: “A strategic framework for UN/CEFACT activities” (ECE/TRADE/C/CEFACT/2015/7) and “UN/CEFACT programme of work for 2015-2016” (ECE/TRADE/C/CEFACT/2015/8) for the Plenary’s consideration for approval.

44. In presenting an overview of emerging requirements and challenges, particularly with respect to international and multilateral agreements, the Deputy Director of ECTD recalled the importance of UN/CEFACT developing and maintaining deliverables as a *global* standard-setting body, where all UN Member States could participate on an equal basis.

45. In addition, the Deputy Director communicated that EXCOM had requested the secretariat to mobilize extra-budgetary resources in order to implement technical assistance projects related to the globally-relevant recommendations and standards of UN/CEFACT.

46. He reported on the success of the Greek Trade Facilitation project, as requested and subsequently funded by the EU, which had involved three years of work in close cooperation with the Greek government and the European Commission, and produced a “National Trade Facilitation Strategy and Roadmap”. This Roadmap could have broad usage within other economies.

47. The Deputy Director also reported on the success of the Trade Facilitation Implementation Guide (TFIG), which contains references to all trade facilitation instruments developed by key international actors, including the WCO, the World Bank and UNCTAD. The guide includes a table on the WTO TFA with links to the TFA's specific measures as well as to tools to assist in the implementation of the agreement. He also emphasized that at present there was no budget available to extend and maintain the TFIG project and that extra-budgetary funding would be welcomed.

48. The Deputy Director referred to the Country Needs Assessments prepared by the UNECE secretariat in order to identify bottlenecks and regulatory barriers to trade. In his concluding remarks, he highlighted the importance of establishing a "communication and outreach" focal point within the Bureau, in order to capitalize on UN/CEFACT's excellent substantive work in concert with the secretariat's efforts in helping countries implement trade facilitation measures.

49. The Chair reviewed opportunities to be addressed, particularly in the context of semantic interoperability, emerging from national and regional initiatives and legislation. Moreover, he noted how current and envisaged projects could be seen as positioning UN/CEFACT to make strategic and sustainable contributions to trade facilitation and electronic business for 2015-2016 and the years ahead.

50. The Chair of the MoU/MG noted with enthusiasm that he and his colleagues welcomed what is being articulated in UN/CEFACT's strategic framework and programme of work as they serve to focus on the real challenges for standard-setters: to propose the best solutions to end user requirements. He praised the TFIG and noted that several other entities are now starting to develop similar products. He concluded by expressing his appreciation to the UN/CEFACT Chair for his continuous efforts over the years in actively supporting MOU/MG activities in cooperation with all participating organisations.

51. The representative of the Netherlands praised the work of the Bureau and supported both documents under consideration for approval (ECE/TRADE/C/CEFACT/2015/7 and ECE/TRADE/C/CEFACT/2015/8). The Dutch delegation thanked the Bureau Members for all the work put in these two documents. They supported the strategy and the programme of work as the basis for the coming years. They expressed appreciation for the emphasis put on cooperation with other standard-setters; on the need to avoid duplication; and on striving for interoperability at all levels with the emphasis on semantics and business processes. The Delegation also praised the manner in which some of the elements of their position paper prepared the previous year had been reflected into the two documents.

52. The Plenary approved the documents "A strategic framework for UN/CEFACT activities" (ECE/TRADE/C/CEFACT/2015/7) and "UN/CEFACT Programme of Work 2015-2016" (ECE/TRADE/C/CEFACT/2015/8) (**Decision 15-07**).

53. The Regional Advisor on trade facilitation made a presentation to the Plenary on recent activities to support implementation of trade facilitation in transition economies.

54. The Secretariat presented an overview of the upcoming Global Facilitation Partnership Meeting that will be held in Geneva on 22 April 2015. The theme of the event will be the role of the private sector in supporting the implementation of the WTO TFA.

IX. Elections (agenda item 9)

55. Following a secret ballot with three candidates, the Plenary elected Mr. Lance Thompson as UN/CEFACT Chair for the period 2015-2018.

56. The delegation of Nigeria proposed Mr. Ibrahima Nour Eddine Diagne as Rapporteur for Africa. The Indian delegation proposed Mr. Mitsuru Ishigaki as Rapporteur for Asia and the Pacific.

57. The Plenary elected by acclamation Mr. Diagne as Rapporteur for Africa and Mr. Ishigaki as Rapporteur for Asia and the Pacific for the period 2015-2017.

X. Other business (agenda item 10)

58. The Plenary expressed its sincere appreciation to the outgoing Chair for his dedication, support and endurance in his long-standing service to UN/CEFACT.

XI. Adoption of decisions and report of the twenty-first session (agenda item 11)

59. The Plenary adopted the decisions made and the report of the 21st session. (**Decision 15-08**).
