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ECONOMIC COMMISSION FOR EUROPE

COMMITTEE FOR TRADE, INDUSTRY AND ENTERPRISE DEVELOPMENT

Centre for the Facilitation of Procedures and  
Practices in Administration, Commerce and Transport  
(Second session, 15-19 September 1997)

**REPORT OF THE SECOND SESSION OF  
THE CENTRE FOR THE FACILITATION OF PROCEDURES AND  
PRACTICES IN ADMINISTRATION, COMMERCE AND TRANSPORT (CEFACT)**

1. The Centre for the Facilitation of Procedures and Practices in Administration, Commerce and Transport (CEFACT) held its second session in Geneva from 15 to 19 September 1997 under the chairmanship of Mr. Henri Martre (France).

2. Participants in the meeting included representatives from:

The following countries:

Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Japan, Korea, Luxembourg, Malta, the Netherlands, Norway, Poland, Romania, Russian Federation, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, The FYR of Macedonia, Turkey, United Kingdom of Great Britain and Northern Ireland and the United States of America.

The European Union (EU)

The following inter-governmental organizations:

Intergovernmental Organization for International Carriage by Rail (OTIF), World Customs Organization (WCO) and the World Trade Organization (WTO).

The following UN bodies:

United Nations Commission on International Trade Law (UNCITRAL), Conference on Trade and Development (UNCTAD), Economic and Social Commission for Asia and the Pacific (ESCAP), and the Economic and Social Commission for Western Asia (ESCWA).

And the following non-governmental organizations:

European Electronic Messaging Association (EEMA), International Association of Ports and Harbours (IAPH), International Air Transport Association (IATA), International Chamber of Shipping (ICS), International Organization for Standardization (ISO), Society for Worldwide Interbank Financial Telecommunications (S.W.I.F.T.) and the United Towns Agency for North-South Cooperation.

3. Observers to the meeting, present at the invitation of the secretariat, included representatives from: The European Board for EDI/EC Standardization (EBES), the International Federation of Inspection Agencies (IFIA) and the North American Trade Procedures Organization (NATPRO).

#### **Item 1 - Adoption of the agenda**

Documents:

- TRADE/CEFACT/1997/1 Report of the first CEFACT Session
- TRADE/CEFACT/1997/2 Provisional Agenda for the Second CEFACT Session

4. The provisional agenda (TRADE/CEFACT/1997/2) was adopted with the understanding that agenda items 2 and 3 would be dealt with under one discussion and that document TRADE/CEFACT/GE.1/1997/3 (UN/EDIFACT - Future Strategy and Organization) and document TRADE/CEFACT/GE.2/1997/3 (Report of the ITT Group) would be discussed under agenda item 7.1 and 7.2 respectively.

#### **Statement by the Director of the Trade Division**

5. In her statement, the Director of the Trade Division informed delegates that although the UN/ECE had undergone a comprehensive restructuring leading to a situation where the whole organization had fewer resources, additional staff had been made available to the Trade Facilitation Section via transfers from other sections and that, for the first time since her arrival, there were no vacant posts in the section. She also noted that although the section was fully staffed, it was evident that extra-budgetary resources would be required if CEFACT wished to accomplish the currently envisaged work programme. In particular, she requested that they consider contributions in kind to CEFACT in the areas of project proposal writing (for projects to promote trade facilitation in Eastern Europe and the CIS) and promotion.

#### **Items 2 and 3 - CEFACT Steering Group and Mandates for Approval**

Documents:

- TRADE/R.650 Recommendations for the Establishment of CEFACT
- TRADE/CEFACT/1997/3 Report of the CSG March Meeting
- TRADE/CEFACT/1997/4 Report of the CSG May Meeting
- TRADE/CEFACT/1997/CRP.1 Report of the Chair of the CEFACT Steering Group (CSG) to the CEFACT Plenary
- TRADE/CEFACT/1997/CRP.14 Framework Agreement between UN/ECE and UN/ESCWA
- TRADE/CEFACT/1997/CRP.21 EUROPRO Position on TRADE/CEFACT/1997/CRP.1

## **Mandates for approval**

6. The Chair of the CEFACT Steering Group (CSG), Mr. R. Walker (UK) introduced document TRADE/CEFACT/1997/CRP.1 (Report of the Chair of the CEFACT Steering Group (CSG) to the CEFACT Plenary). In opening the discussion on vision and mandates, he informed the Plenary that the CSG had decided that there should be a small number of high level mandates, rather than a large number of low-level mandates. In its report the CSG had included a diagram, which it was calling a "blueprint for development"; it was recommending for approval mandates of five permanent working groups; and it was submitting for noting the mandates for two ad hoc working groups. He further informed the Plenary that the mandate for the UN/EDIFACT working, as found in annex C, was at an advanced stage of development and the CSG hoped to present a mandate for that group to the March 1998 session for approval.

7. The delegate from Austria introduced TRADE/CEFACT/1997/CRP.21 (EUROPRO Position on TRADE/CEFACT/1997/CRP.1) which called for the combination of two of the proposed Working Groups and also included an explanatory diagram.

8. After discussion, **the Plenary concluded that complex diagrams are open to a variety of interpretations, many of which may not reflect the intentions of the authors. It therefore decided to only note the diagram, "A Blue Print for Development" as found in annex A of TRADE/CEFACT/1997/CRP.1, as well as the diagram in annex to document TRADE/CEFACT/1997/CRP.21.**

9. After discussion, changes were agreed to two of the mandates and **the Plenary agreed that all mandates should be accompanied by the Mission Statement and Mandate of CEFACT (as found on page 6 of TRADE/R.650) in order to ensure that their interpretation within the correct context.**

10. **The Plenary then approved mandates for the following permanent working groups as found in Annex A:**

- Business Analysis (BAWG)
- Codes (CDWG)
- International Trade Procedures (ITPWG)
- Legal (LWG)
- Techniques and Methodologies (TMWG)

11. **It also noted the mandates for the following ad hoc working groups as found in Annex B:**

- Electronic Commerce
- UN/LOCODE

12. The delegate from UNCITRAL, as one of the CEFACT Legal Rapporteurs, while not objecting to the terms of the draft mandate of the Legal Working Group, expressed a regret that neither the Legal Rapporteurs nor members of the Legal Rapporteurs' Team (LRT) had been formally associated with the final drafting of the text. He further expressed his view that the broad mandate being considered for the Legal Working Group would not be interpreted in a way that would conflict with the general mandate of UNCITRAL in the commercial law aspects of trade facilitation. **The Plenary fully supported this point of view.**

13. In summarizing the discussion, the Chairman noted that there was a consensus on how the work should be structured in the following areas: promotion and awareness had been entrusted to a CEFACT Vice-Chair, Ms. Bernadette Curry, the assessment of implementation to CEFACT Vice-Chairs, Messrs. K. Itoh and S. Mila, and Policy Development to the CEFACT Steering Group. Noting the diversified and constructive discussion on the mandates for the Business Analysis and International Trade Procedures Working Groups, he recalled that these decisions could be reviewed in the light of experience at a future plenary meeting. **The Chairman's summary was accepted by the Plenary.**

#### **External Relations**

14. Since the March 1997 session, to support the global role of CEFACT, the secretariat had taken the initiative to develop partnerships with the other UN Regional Commissions in the work areas covered by CEFACT. To strengthen these partnerships, the secretariat proposed that the Plenary establish the role of special representative. Those fulfilling this role would act as the principal contact point for the further development of these partnerships and the exchange of information between CEFACT and each Regional Commission. The delegate from UN/ESCAP then emphasized the benefits of deeper cooperation between the Regional Commissions and ESCAP's support for this initiative. The delegate from UN/ESCWA pointed out the importance of increased promotional activities for UN/EDIFACT and electronic commerce for ESCWA members and the support being given to this initiative within his region. **Three Regional Commissions: UN/ESCAP, UN/ESCWA and UN/ECLAC, had already nominated special representatives, respectively: Mr. Janardhan, Mr. Farahat and Mr. Rezende. The Plenary approved both the role of special representatives to CEFACT from the Regional Commissions and these nominations. It then noted TRADE/CEFACT/1997/CRP.14 (Framework Agreement between UN/ECE and UN/ESCWA) and expressed its support for the development of similar agreements with the other UN Regional Commissions.**

15. The Chair of the CSG then informed the Plenary that the WTO secretariat had convened a high level informal meeting between themselves and the WCO, ICC, UN/ECE and UNCTAD secretariats during July 1997. At the end of this meeting it was clear to the UN/ECE representatives that the WTO secretariat did not intend to duplicate trade facilitation work being undertaken elsewhere, but rather wished to endorse that work and, where appropriate, establish agreements recognizing it. Indeed the WTO welcomed the inauguration of CEFACT and looked forward to the further development of its work programme and deliverables.

16. The appointment, by the CSG, of an MoU management team to support the Memorandum of Understanding (MoU) between the UN/ECE, ISO and the IEC was then reported. There had been a number of informal meetings between representatives from this team and the ISO Central Secretariat. Further, a full MoU Coordinating Committee meeting between interested ISO committees and the UN/ECE team will be held on 19 September 1997.

17. In addition, the CSG had been able to send participants to the ISO High Level Group on CALS (HLGC) and was pleased to report that an agreement had been reached, and was reflected in the final report of the HLGC, to use the Inter-agency edi Agreement (to which both the ECE and ISO are signatories) to co-ordinate work around the CALS issue. It was further noted that CALS

organizations shared many of CEFACT's objectives with regard to the use of technology in the simplification of processes and procedures and that the CSG looked forward to further cooperation in this area.

18. After discussion, the Plenary noted the above reports on external relations and requested that a closer and more active relationship be established with the ITU.

#### **TRADE/R.650 and Procedures**

19. After an introduction and brief discussion, the Plenary took the decisions described below with regard to clarification and eventual modification of TRADE/R.650 and procedures.

20. As clarification to the procedures contained in TRADE/R.650 (Recommendations to the Establishment of CEFACT) the Plenary confirmed that UN/ECE (CEFACT) Recommendations to governments cannot be approved by working groups but only by the CEFACT Plenary.

21. It was agreed that an empowered group could appeal to the Plenary, following the relevant CSG procedure, in the case where a draft mandate has been significantly modified by the CSG. Because of the inclusion of these appeal procedures in the procedures of the CSG, the Plenary was asked, exceptionally, to approve the internal CSG procedures as contained in Annex F of Trade/CEFACT/1997/CRP.1 and the Plenary did so.

22. With regard to eventual revisions to TRADE/R.650 (Recommendations to the Establishment of CEFACT), the Plenary agreed that an amendment file be officially opened by the secretariat and that eventual amendments as submitted by the Plenary or the CSG be consolidated every two years into a formal proposal for the revision of TRADE/R.650.

23. In the case of a CSG member resigning before their term of office had expired, the Plenary approved the replacement procedure shown below and requested that it be placed in the amendment file for the future revision of TRADE/R.650.

"Where a CSG member has to resign before their term of office has expired, the Chair of the CSG shall contact the Head of Delegation (HoD) who made the original nomination of the resigning CSG member and invite the nomination of a replacement member. The replacement shall be expected to complete the term of office of the member originally nominated and shall act in an interim capacity until their nomination has been confirmed at the next meeting of the Plenary. In the absence of a nomination from the HoD within a 4 weeks, the details of the vacancy shall be circulated to all Heads of delegation with a request for a nomination to the CSG. If only one nomination is received, then that person shall serve in an interim capacity until confirmation by the next Plenary. If more than one is received, then the matter shall be referred to the Chair of CEFACT for decision. In taking his decision, the Chair shall consult with the CEFACT vice-chairs and the secretariat. Subsequently, the Chair's appointment shall serve in an interim capacity and be confirmed by the Plenary at its next meeting."

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#### Other CSG Matters

24. At its inaugural meeting the Plenary elected 15 members to the CSG. However, one of these members, Mr. A. Kent (USA), had to resign almost immediately. Following the procedure outlined above, the head of delegation for the USA had nominated a replacement, Ms. I. Navarro (USA), to complete the term of office of Mr. Kent. **The Plenary elected Ms. Navarro to the CEFACT Steering Group.**

#### Miscellaneous

25. **The Plenary noted the following documents as being for information: TRADE/CEFACT/1997/3 (Report of the CSG March Meeting), TRADE/CEFACT/1997/4 (Report of the CSG May Meeting).**

#### Item 4 - Programme of Work

##### Documents:

- TRADE/CEFACT/1997/CRP.10 Value Chain Analysis and Simple-EDI
- TRADE/CEFACT/1997/CRP.12 Work Programme, and A Proposed Methodology for its Development and Continuous Updating

26. The CSG Chair reported that a sub-group had been established within the CSG to recommend an approach and methodology that would allow for the development and continuous updating of the work programme.

27. Their initial report could be found in TRADE/CEFACT/1997/CRP.12 (Work Programme, and A Proposed Methodology for its Development and Continuous Updating): Section 1 of the report being the framework for the programme of work as approved by the Committee for Trade, Industry and Enterprise Development at its 45th session, and Section 2 being a proposed methodology for the development and continuous updating the work programme.

28. Mr. Peeters (EEMA), the CSG member responsible for the above mentioned sub-group, introduced the methodology proposed and the use of two types of programme management classifications, activity area and business value chain, in order to show and analyze significant aspects of CEFACT's trade facilitation work. He further informed the Plenary that the proposed methodology would allow the information to be stored in a database and the final programme presented in a number of different ways, such as a detailed planning report, a control report, or a performance report. A detailed description of the proposed programme management classifications could be found in section 2.4 of TRADE/CEFACT/1997/CRP.12.

29. **The Plenary then noted this document and agreed that delegations should submit written comments on this document to the secretariat before 21 November 1997. Proposals for modification to the work programme, as opposed to the proposed methodology, should be submitted for the next session. It also requested that substantive progress be made for the next session on the development of the work programme's content which was urgently needed in order to ensure the effective management of CEFACT's work.**

30. The delegate of the United Kingdom introduced TRADE/CEFACT/1997/CRP.10, Value Chain Management and Simple-EDI which provided an example of the use of

value chain management and simpler EDI. Value chain management being a valuable technique for the analysis of business and administrative processes across companies, institutions, industries, governments and economies for the purposes of simplification. The UK believed there were common elements underlying all the efforts for simpler EDI and undertook to provide a more substantive paper for the next session. **The Plenary noted this document.**

**Item 5 - Promotion**

31. In the absence of the Vice-Chair responsible for Promotion, the secretariat introduced this agenda item by calling attention to the need for effective promotion in order to ensure the participation of experts and the availability of sufficient resources to carry out the Centre's ambitious work programme. The following work items were then suggested: the development of a strategic plan for promotion, identification of the promotion and training materials necessary to support that strategic plan, the further identification of existing work or potential contributions in kind to supply these materials. In conclusion the secretariat indicated that this was too large a task to be undertaken by the secretariat alone and required the active support of delegations.

32. After discussion where a large consensus emerged for the need to improve and increase promotion of CEFACT's work, **the following recommendations were put forward by the Chair and approved by the Plenary:**

**A) The immediate launching of a communications programme to communicate CEFACT's message;**

**B) The emission of a press release immediately after each CEFACT session, beginning with this September 1997 meeting;**

**C) The development of a brochure prior to the next session on CEFACT and "who we are";**

33. The Chair thanked the delegation from the Netherlands for their assistance in preparing a draft press release for this meeting. He then further suggested the development of a recommendation to governments on simplification for the next session of CEFACT which could be followed by a press conference to highlight one of CEFACT's key roles.

**Item 6 - Implementation of CEFACT's Work**

Documents:

- TRADE/CEFACT/1997/CRP.16 ECOSOC Decision to Approve Recommendation 25 as an International UN Recommendation: Extract from Document E/1997/40/Add.1
- TRADE/CEFACT/1997/CRP.23 Draft Questionnaire on ECE/FAL Recommendations
- TRADE/CEFACT/1997/CRP.26 Report of the Regional Advisor on Trade Facilitation

#### **Approval of Recommendation 25 by ECOSOC**

34. The Secretariat introduced document TRADE/CEFACT/1997/CRP.16 (ECOSOC Decision to Approve Recommendation 25 as an International UN Recommendation: Extract from Document E/1997/40/Add.1) noting that as a result of the UN/ECE management giving this a high priority, and the international recognition of UN/EDIFACT, this resolution had been approved by ECOSOC in an almost "record" time of one year from the time CEFACT (WP.4) had requested its submission. The Plenary noted this document and its importance for the promotion to governments of UN/EDIFACT as a global standard.

#### **Report from the Vice Chairs Responsible for Implementation**

35. Mr. Kenji Itoh (Japan) reported that since there were no existing statistics or even general information on the implementation of UN/ECE Recommendations, he and Mr. Santiago Mila (IAPH) had worked with the secretariat to develop a draft questionnaire in order to collect this information. A copy of this draft questionnaire could be found in TRADE/CEFACT/1997/CRP.23 and delegations were requested to submit their comments on this document to the secretariat. **The Plenary then noted this document and deadline for comments of 31 October 1997.**

#### **Report from the Regional Advisor**

36. The Regional Advisor on Trade Facilitation summarized document TRADE/CEFACT/1997/CRP.26, (Report of the Regional Advisor on Trade Facilitation) informing the Plenary of recent ECE efforts to focus its advisory assistance on subregional programmes, such as the Southeast European Cooperative Initiative (SECI) and the joint ECE-ESCAP Special Programme for the Economies of Central Asia (SPECA). This approach is creating new opportunities for introducing trade facilitation concepts to countries with no prior exposure to the ECE trade facilitation activities.

37. These experiences had also led the Regional Advisor to recommend that Recommendation 1 (United Nations Layout Key for Trade Documents) be supplemented by practical implementation guidelines, such as those developed for the UK by SITPRO. In addition he believed that Recommendation 4 (National Trade Facilitation Organs) was an especially important recommendation for initiating national trade facilitation programmes, but urgently needed to be reviewed and rewritten to reflect today's trade environment. In addition, he noted that the limited availability of CEFACT materials in languages other than English remained a key obstacle to promoting wider use and applications of its recommendations, standards and codes. **The Plenary then noted this report.**

#### **Item 7 - Migration to CEFACT structures**

##### Documents:

- TRADE/CEFACT/GE.1/1997/1 Report of the 55th session of GE.1
- TRADE/CEFACT/GE.2/1997/1 Report of the 55th session of GE.2
- TRADE/CEFACT/GE.1/1997/3 UN/EDIFACT - Future Strategy and Organization
- TRADE/CEFACT/GE.2/1997/3 Analysis of the International Trade Transaction

- TRADE/CEFACT/1997/CRP.29 French Comments on document TRADE/CEFACT/GE.1/1997/3, UN/EDIFACT - Future Strategy and organization and on the AC.1 "Reference guide to the next generation of UN/EDIFACT"

38. The CSG Chair stressed the urgent need for Heads of Delegation to commit experts to the Working Groups so that they could be established in an effective manner and be able to carry out substantive work. In response to questions from the floor on the exact procedures for nominating members to the new working groups and the migration of existing groups and their members, **the Plenary decided that the CSG would draft a brief outline of these procedures, for inclusion in Annex C to this report. In addition, as an interim measure, at a Working Group's first meeting, if a delegation had not yet nominated participants, then existing participants from the groups "migrating into" the new working group who belonged to that delegation's country/organization would be considered nominated members for that meeting only.**

**Item 7.1 - Matters relating to the March 1997 Meeting of Experts on Data Elements and Automatic Data Interchange (GE.1)**

39. The Chair of GE.1 introduced Trade/CEFACT/GE.1/1997/1, Report of the March 1997 Meeting of Experts on Data Elements and Automatic Data Interchange. **The Plenary approved this report with its recommendations.**

40. After an introduction by the Chair of GE.1 and discussion, **the meeting noted document Trade/CEFACT/GE.1/1997/ (UN/EDIFACT - Future Strategy and Organization) and agreed that the document would be discussed at the GE.1 meeting later in the week and the September 1997 Joint Rapporteurs Team meeting in Anaheim in order for it to be further considered within the context of the work programme's strategic priorities.**

41. As part of the above discussion, the French delegation introduced TRADE/CEFACT/1997/CRP.29 (French comments on document Trade/CEFACT/GE.1/1997/3, UN/EDIFACT - Future Strategy and Organization and on the AC.1 "Reference guide to the next generation of UN/EDIFACT"). The Chair of AC.1 then invited the French delegation to present the technical issues raised in this document to the next meeting of AC.1 (which would coincide with the first meeting of the Techniques and Methodologies Working Group) to be held in Paris 10-14 November 1997. **The Plenary then noted TRADE/CEFACT/1997/CRP.29.**

**Item 7.2 - Matters relating to the March 1997 Meeting of Experts on Procedures and Documentation (GE.2)**

42. Document Trade/CEFACT/GE.2/1997/2, Report of the March 1997 Meeting of Experts on Procedures and Documentation (GE.2), was approved with its recommendations by the Plenary which further noted Trade/CEFACT/GE.2/1997/3 (Analysis of the International Trade Transaction).

Item 7.3 - Matters relating to the March 1997 joint session on legal matters of the Meeting of Experts on Data Elements and Automatic Data Interchange and the Meeting of Experts on Procedures and Documentation

43. The report from the March 1997 joint legal session, as recorded in annex to both Trade/CEFACT/GE.1/1997/1 and Trade/CEFACT/GE.2/1997/1, was approved by the Plenary.

Item 8 - Other business

Documents:

- TRADE/CEFACT/1997/CRP.24 Interim Report to CEFACT from the Ad Hoc Working Group on the UN/LOCODE

44. The delegate from ICS, as convenor of the Ad hoc Working Group on UN/LOCODE introduced their interim report which would be discussed in detail by the forthcoming GE.2 meeting but which had the overall objective of proposing amendments to Recommendation 16 in order to facilitate its use. The secretariat explained that it also had prepared a document (TRADE/CEFACT/1997/CRP.31) dealing with some technical issues related to the code which were not covered by the TRADE/CEFACT/1997/CRP.24. **The Plenary noted these documents.**

45. The secretariat then informed delegates of the following meeting dates and deadlines for document submission:

<u>CEFACT meeting beg.</u>	<u>Deadlines</u>		
	<u>Translation</u>	<u>Issuance as an "R" Document</u>	<u>Reproduction as a CRP</u>
Monday, 16 March 1998	1997 Dec. 19	1998 Jan. 17	1998 Feb. 28
Monday, 14 Sept. 1998	1998 June 15	1998 July 13	1998 Aug. 26

46. CEFACT noted the following meeting dates:

- CEFACT Steering Group - 1997 December 1-4, Geneva
- CEFACT Steering Group - 1998 Jan. 26-29, Concord, USA
- CEFACT Steering Group - 1998 June 15-18, Geneva
- CEFACT Steering Group - 1998 Oct. 26-29, Geneva
- CEFACT Steering Group - 1999 Jan. 25-28
  
- Joint Rapporteurs Team Meeting - 1997 September 19 - October 3, Anaheim, California (close to Los Angeles)
- 1998 April 27 - May 1, Miami
- 1998 September 7-11, Brussels
- Electronic Commerce - 1997 December 5, Geneva
- International Trade Procedures (formerly ITT) - 1997 November 10-12, Geneva
- AC.1 - 1997 November 10-12, Paris
- Techniques and Methodologies (formerly AC.1 & BIM) - 1997 November 13-14, Paris
- Joint (ECE/ISO) Syntax Working - 1998 January, to be confirmed

Group (JSWG)

47. Contact information for submission of comments, as requested in the above minutes can be found below. In all cases, submission of comments via e-mail is preferred.

Comments, prior to 21 November 1997 on document TRADE/CEFACT/1997/CRP.12, Work Programme, and A Proposed Methodology for its Development and Continuous Updating:

Mr. Jean Kubler  
Trade Facilitation Section  
UN/ECE Trade Division  
Palais des Nations, Rm. 432  
1211 Geneva 10  
Switzerland  
Fax: 41 22 917 0037  
Internet: jean.kubler@unece.org

Comments, prior to 31 October 1997, on document TRADE/CEFACT/1997/CRP.23, Draft Questionnaire on ECE/FAL Recommendations:

Mr. Dae Won Choi  
Trade Facilitation Section  
UN/ECE Trade Division  
Palais des Nations, Rm. 435-1  
1211 Geneva 10  
Switzerland  
Fax: 41 22 917 0037  
Internet: daewon.choi@unece.org

Comments for consideration by the CSG should be sent to:

Ms. Virginia Cram-Martos  
Trade Facilitation Section  
UN/ECE Trade Division  
Palais des Nations, Rm. 450  
1211 Geneva 10  
Switzerland  
Fax: 41 22 917 0037  
Internet: virginia.cram-martos@unece.org

Contact information for comments to be considered by the Plenary officers or other matters related to CEFACT:

Mr. Hans A. Hansell  
Trade Facilitation Section  
UN/ECE Trade Division  
Palais des Nations, Room 442  
1211 Geneva 10  
Switzerland  
Fax: 41 22 917 0036  
E-Mail: hans.hansell@unece.org

**Other Information**

48. For constantly updated information on Trade Facilitation and UN/EDIFACT work, as well as documentation for the next meeting, delegates can refer to:

The UN/ECE Internet WWW Trade Facilitation Information Exchange (TRAFIX)  
ADDRESS: <http://www.unece.org/trafix>

**Item 9 - Adoption of the report of the second session**

49. The Centre adopted this report of its second session.

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**ANNEX A**  
**(Pages 13-24)**

**Approved Mandates for Permanent Working Groups**

The CEFACT Mission and Mandate  
(To Accompany all Working Group Mandates)

Individual Mandates:

Business Analysis Working Group

Codes Working Group

International Trade Procedures Working Group

Legal Working Group

Techniques and Methodologies Working Group

**THE CEFACT MISSION AND MANDATE**  
**(To Accompany all Working Group Mandates)**

**Mission Statement**

The United Nations, through the UN/ECE, supports activities dedicated to improving the ability of business, trade and administrative organizations, from developed, developing and transitional economies, to exchange products and relevant services effectively. Its principal focus is to facilitate international transactions, through the simplification and harmonisation of procedures and information flows, and so contribute to the growth of global commerce.

This is achieved by:

- analysing and understanding the key elements of international transactions and working for the elimination of constraints;
- developing methods to facilitate transactions, including the relevant use of information technologies;
- promoting both the use of these methods, and associated best practices, through channels such as government, industry and service associations;
- co-ordinating its work with other international organizations such as WTO, WCO, OECD, UNCITRAL and UNCTAD; and
- securing coherence especially in UN/EDIFACT, by co-operating with other interested parties, such as ISO and ITU, in recognition that its work has broad application in the areas beyond global commerce.

**Mandate**

Trade facilitation is central to the remit of the United Nations Economic Commission for Europe (ECE) and has relevance to the development of world trade. To achieve improved world-wide co-ordination of trade facilitation, the ECE has decided to establish a Centre for facilitation of procedures and practices for administration, commerce and transport (CEFACT). The Centre is mandated to develop and undertake a programme of work that meets current and future demands as required by its mission.

The Centre will report to the Committee on Development and Trade (CDT) and, if requested, directly present reports on its activities to the Economic Commission for Europe.

**Mandate**  
**Business Analysis Working Group (BAWG)**

**1. Objectives**

**1.1 Purpose**

The purpose of the Business Analysis Working Group (BAWG) is to analyse current business processes , to identify constraints that adversely impact on the mission and objectives of CEFACT, and to propose appropriate changes to those business processes.

**1.2 Scope**

Business processes within the mission and objectives of CEFACT and its working groups.

**2. Key Deliverables**

The key deliverables of the BAWG are:

- analyses of business processes relevant to the mission and objectives of CEFACT using the common descriptive techniques and methodology agreed within the Centre;
- identification of constraints to more effective business processes;
- proposals, including draft Recommendations, for more effective business processes;
- assistance to other working groups in understanding approved proposals in order to enable them to develop solutions, based on these proposals, for the migration from existing to new business processes.

**3. Functional Expertise of Membership**

The BAWG is a group of experts with the broad knowledge in the areas of business processes relevant to CEFACT and/or in the tools necessary for implementing the common descriptive techniques and methodology agreed within the Centre. Each CEFACT head of delegation may designate one or more experts to the BPWG group. In doing so, they may delegate this task to one or more organisations, which may be national, regional or international. Experts, once designated, are expected to contribute to the work based solely on their expertise.

**4. Geographical Focus**

The focus is global.



**5. Delegated Responsibilities**

The BAWG is empowered in accordance with agreed procedures to:

- establish sub-groups and supporting teams as required;
- issue, publish and present: a) analyses of existing business processes, b) reports on constraints to more effective business processes, and c) proposals, to CEFACT and other organisations, for more effective business processes;
- develop and propose new draft Recommendations for approval by CEFACT as appropriate;
- publish guidelines for better business processes;
- co-operate and establish liaisons with other groups and organisations as required.

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**Statement of Resource Requirements**

Additional secretariat resources are not required. BAWG will supply the required resources via its membership.

**Mandate**  
**Codes Working Group (CDWG)**

**1. Objectives**

**1.1 Purpose**

The purpose of the Codes Working Group (CDWG) is to secure the quality, relevance and availability of code sets and code structures to support the objectives of CEFACT, including managing the maintenance of UN/ECE Recommendations related to codes.

**1.2 Scope**

Code sets and code structures within the mission and objectives of CEFACT and its working groups.

**2. Key Deliverables**

The key deliverables of CDWG are:

- proposals on procedures for the effective maintenance and publication of CEFACT code sets;
- proposals on procedures for the quality control of CEFACT code sets, including procedures for the periodic review of CEFACT code sets to ensure the relevance and consistency of these code sets;
- proposals, including draft Recommendations, for new code sets and code structures to support business processes and procedures.

**3. Functional Expertise of Membership**

The CDWG is a group of experts with broad knowledge in the areas of business processes and in the application of coding techniques and coding structures. Each CEFACT head of delegation may designate one or more experts to the CDWG group. In doing so, they may delegate this task to one or more organisations, which may be national, regional or international. Experts, once designated, are expected to contribute to the work based solely on their expertise.

**4. Geographical Focus**

The focus is global.

**5. Delegated Responsibilities**

The CDWG is empowered in accordance with agreed procedures to:

- establish sub-groups and supporting teams as required;
- maintain procedures for the maintenance and publication of code sets and code structures; including UN Recommendations;
- develop draft UN/ECE Recommendations related to code sets and code structures;
- publish guidelines for better business practice in the area of the mandate;
- co-operate and establish liaisons with other groups and organisations as required;
- co-ordinate with other relevant code maintenance agencies.

=====

**Statement on Resource Requirements**

The CDWG will require active participation of the UN Secretariat in the meetings of the group. This is expected to cover 4 meetings per year for a period of not less than 3 days and not more than 5 days per meeting.

**Mandate**  
**International Trade Procedures Working Group (ITPWG)**

**1. Objectives**

**1.1. Purpose**

The purpose of the International Trade Procedures Working Group (ITPWG) is to identify best practices in public and private sector international trade procedures and, as far as is possible, make them analogous to and as simple as domestic trade arrangements.

**1.2. Scope**

Within the mission and objectives of CEFACT and its working groups, the procedures and information flows covering the international trade transaction both in goods and relevant services, including alignment to domestic trade where relevant;

**2. Key Deliverables**

The key deliverables of the ITPWG are:

- draft trade facilitation Recommendations;
- proposals for amendments to existing Recommendations, based on a systematic review and monitoring of their implementation;
- the registration, maintenance and, where applicable, development of country specific international trade scenarios;
- contributions to and, where appropriate, efforts to influence related work in other organisations such as WCO and WTO;
- relevant educational and promotional material.

**3. Functional Expertise for Membership**

The ITPWG is a group of experts whose knowledge collectively provides a detailed and proven expertise in:

- international trade procedures;
- trade facilitation;
- United Nations Layout Key (UNLK) document design;
- awareness of ICT (Information and Communication Technology) (ICT) and
- associated developments.

Each CEFACT head of delegation may designate one or more experts to the ITPWG. In doing so, they may delegate this task to one or more organisations, which may be national, regional or international. Experts are expected to contribute to the work based solely on their expertise.

#### **4. Geographical Focus**

The focus is global.

#### **5. Delegated Responsibilities**

The ITPWG is empowered in accordance with agreed procedures to:

- establish sub-groups and supporting teams as required;
- issue, publish and present, in the area of procedures and information flows within the international trade transaction: a) analyses b) reports on constraints and c) proposals, to CEFACT and other organisations, for more effective procedures and information flows;
- propose amendments to ensure the maintenance of maintain existing UN/ECE CEFACT Recommendations as identified in the work programme; as identified in the work programme and
- develop and propose new draft Recommendations for approval by CEFACT as appropriate;
- publish guidelines for better business practice in the area of the mandate;
- co-operate and establish liaisons with other groups and organisations as required.

=====  
**Statement of Resource Requirements**

The ITPWG will require the same level of resources as those presently available for the equivalent GE.2 activities (approximately 2.5 staff per year and support for 4 one-week meetings) subject to review of this requirement every 12 months. This resource will be required to ensure the appropriate secretariat support for the ITPWG and the implementation and achievement of the Terms of Reference, including support for co-ordination with other organisations. As soon as possible, resources need to include support for at least two of the 4 one-week meetings to be held outside Geneva.

Additional extra-budgetary resources will be required to supply the software to support the work. In addition, the use of a full-time seconded consultant will be needed as soon as possible.

**Mandate**  
**Legal Working Group (LWG)**

**1. Objectives**

**1.1. Purpose**

The purpose of the Legal Working Group (LWG) is to analyse current legal processes and issues within the mission and objectives of CEFACT, to identify legal constraints that adversely impact the mission and objectives, and to propose practical improvements to these legal processes and issues.

**1.2. Scope**

The legal processes and issues within the mission and the objectives of CEFACT and its working groups.

**2. Key Deliverables**

The key deliverables of the LWG are:

- analysis, research and review of legal processes and issues;
- identification of constraints to more effective legal processes and procedures;
- practical proposals for the removal of such constraints;
- draft UN/ECE Recommendations;
- development, publication, and promotion, of guidelines supporting best legal practice;
- contributions to and, where appropriate, efforts to influence related work in other organisations such as UNCITRAL and ICC;
- provision, as required, of practical legal advice and assistance to the work being undertaken by other CEFACT permanent and ad hoc working groups and contributions to the formation of the legal aspects of policy.

**3. Functional Expertise for Membership**

The LWG is a group of experts with the collective functional expertise to address legal issues arising within the work programme of CEFACT. Each CEFACT head of delegation may designate one or more experts to the LWG. In doing so, they may delegate this task to one or more organisations, which may be national, regional or international. Experts are expected to contribute to the work based solely on their expertise.



#### **4. Geographical focus**

The focus is global.

#### **5. Delegated Responsibilities**

The LWG is empowered in accordance with agreed procedures to:

- establish sub-groups and supporting teams as required;
- issue, publish and present, a) analyses of existing legal processes and procedures, b) reports on constraints to more effective legal processes, and c) proposals, to CEFACT and other organisations, for more effective legal processes and procedures;
- propose amendments to ensure the maintenance of existing UN/ECE Recommendations;
- develop and propose new draft Recommendations as appropriate;
- publish guidelines for better business practice within the area of the mandate;
- co-operate and establish liaisons with other groups and organisations as required.

=====

#### **Statement of Resource Requirements**

Recognising that the work of the LRT has, as far as possible, been without recourse to CEFACT, or indeed WP.4, and that the demands on the LWG will be considerable, the following resources are requested:

##### **- Requirement for Centre resources**

The same level of resources as those presently available to the LRT will be made available to LWG, subject to a review of this requirement every twelve months. This resource will be required to ensure the appropriate secretariat support for LWG and the implementation and achievement of the Terms of Reference, including support for co-ordination with other organisations.

Additional financial resources will be required to set up and maintain a web site and the linkages with other web sites. Further extra-budgetary resources might prove necessary to address specific areas of concern or work items through research or consultancy.

##### **- Requirement for LWG resources**

The members of LWG will make voluntary contributions to augment the resources of the group and to permit the achievement of the agreed work programme.

**Mandate**  
**Techniques & Methodologies Working Group (TMWG)**

**1. Objectives**

**1.1 Purpose**

The purpose of the Techniques & Methodologies Working Group (TMWG) is to research and identify techniques and methodologies which could be utilised by CEFACT and its working groups to enhance the process by which its deliverables are produced and integrated.

**1.2 Scope**

Techniques and methodologies to support the mission and objectives of CEFACT and its working groups.

**2. Key Deliverables**

The key deliverables of the TMWG are:

- Proposals, including draft Recommendations, on how specific techniques and methodologies could be implemented to allow CEFACT to achieve its goals;
- Proof of concept, by feasibility studies and pilots, of the above proposals;
- Implementation and migration plan for any approved new technique and/or methodology.

**3. Functional Expertise of Membership**

The TMWG is a group of experts with broad based knowledge of existing techniques and methodologies used within CEFACT, technological developments, and the functions of CEFACT and its sub groups. Each CEFACT head of delegation may designate one or more experts to the TMWG. In doing so, they may delegate this task to one or more organisations, which may be national, regional or international. Experts are expected to contribute to the work based solely on their expertise.

**4. Geographical Focus**

The focus is global.

## 5. Delegated Responsibilities

The TMWG is empowered in accordance with agreed procedures to:

- establish sub-groups and supporting teams as required;
- issue, publish and present proposals for specific techniques and methodologies for use by CEFACT groups as well as feasibility studies and reports on the results of pilots on the use of these techniques and methodologies;
- issue, publish and present implementation and migration plans for new techniques and methodologies approved by CEFACT for use by its groups;
- co-operate and establish liaisons with other groups and organisations as required.

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### Statement of Resource Requirements

Additional secretariat resources are not required. TMWG will supply the required resources via its membership.

**ANNEX B**  
**(pages 25-27)**

**Mandates for Ad hoc Working Groups**

UN/LOCODE Ad hoc Working Group  
(approved May 1997 CSG meeting)

Electronic Commerce Ad hoc Working Group  
(approved August 1997 CSG meeting)

**Mandate**  
**Ad hoc Working Group On UN/LOCODE**

**Overall objective**

The overall objective of the working group shall be to propose amendments to UN/ECE Recommendation 16 so that the UN/LOCODE will be able to meet the requirements of its users.

**Key deliverables**

The working group shall deliver:

- An interim report to the September 1997 session of CEFACT - analysing the problems which users are experiencing with the UN/LOCODE and identifying areas where changes may be required to meet the needs identified by users;
- A final report to the March 1998 session of CEFACT - proposing a revised version of Recommendation 16 for adoption by CEFACT.
- To make proposals for long term maintenance and proper dissemination of codes

**Geographical focus**

The focus is global.

**Functional expertise for membership**

Membership of the working group shall be open to all users of the UN/LOCODE and their representatives. The following initial core members have been identified:

- Information System Agreement (ISA), USA
- International Air Transport Association (IATA)
- International Chamber of Shipping (ICS)
- P&O Nedlloyd, UK / Netherlands
- Tradegate Australia
- World Customs Organisation (WCO)
- The UN LOCODE Consultant

ICS is prepared to undertake the task of chairing the ad hoc group.

**Request for delegated responsibilities**

The working group shall be empowered to:

- undertake a comprehensive analysis of the problems areas presently associated with the UN/LOCODE as identified by users of the code;
- propose amendments to UN/ECE Recommendation 16 to CEFACT.

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**Statement of resource requirements**

Participants in the working group shall provide resources for their own participation. The existence and functioning of the working group shall not require any additional resources from the UN/ECE secretariat.

**Mandate**  
**Electronic Commerce Ad hoc Working Group (ECAWG)**

**1. Objectives**

**1.1 Purpose**

The purpose of the Electronic Commerce Ad hoc Working Group (ECAWG) is to analyse the applicability of the CEFACT work programme to the emerging Electronic Commerce environment and to identify the areas in which CEFACT is contributing to Electronic Commerce now and could contribute in the future.

**1.2 Scope**

Electronic commerce activities within the mission and objectives of CEFACT and its working groups.

**2. Key Deliverables**

The key deliverables of the ECAWG are:

- A working definition of Electronic Commerce for use within CEFACT;
- A report within six months presenting an analysis of the applicability of the CEFACT work programme to the Electronic Commerce environment and identifying the areas of CEFACT contributions;
- Draft proposals for areas of additional contributions by CEFACT.

**3. Functional Expertise of Membership**

The ECAWG is a group of experts with broad knowledge in the area of Electronic Commerce, the functions of CEFACT, and its working groups. Each CEFACT head of delegation may designate one or more experts to the ECAWG. Experts are expected to contribute to the work based solely on their expertise.

**4. Geographical Focus**

The focus is global.

**5. Delegated Responsibilities**

The ECAWG is empowered in accordance with agreed procedures to:

- present draft proposals to the CSG for CEFACT contributions to Electronic Commerce;
- co-operate with other groups and organizations as required.

=====  
**Statement of Resource Requirements**

Secretariat participation in the ad hoc working group is required.

**ANNEX C**  
**(pages 28-29)**

**Establishment of the CEFACT Working Groups**

At the second plenary session the Centre for Facilitation of procedures and practices for Administration, Commerce and Transport (CEFACT) which ended Tuesday, 16 September 1997, approval was given to a number of mandates to establish Permanent CEFACT Working Groups.

Following the request of the CEFACT Chairman Mr. Martre to ensure that the newly mandated Permanent Working Groups are established as quickly and smoothly as possible, the CSG ( CEFACT Steering Group) has appointed a number of its members to facilitate and assist in the establishment of these Groups and the development of their Terms of Reference. They are:

**Permanent Working Groups:**

Business Analysis:

Ms. Irene Navarro  
EC/EDI Standards Manager  
US Department of Defense  
DOD/DISA/CFS/(JEB CD)  
10701 Parkridge Blvd.  
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Tel:+ 1 703 735 3528  
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Codes:

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Australia

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Fax:+612 9555 1589  
e:mail: ddobbie@attmail.com

International Trade Procedures:

Mr. Raymond Battersby  
Director of Procedures  
The Simpler Trade Procedures (SITPRO)  
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Tel:+44 171 215 08 25  
Fax:+44 171 215 08 24  
e:mail: ray.battersby@sitpro.org.uk

Legal:

Mr. David Marsh  
Partner  
Needham & Grant Solicitors  
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LONDON WC2A 3BP  
United Kingdom

Tel:+44 171 242 5866  
Fax:+44 171 831 8254  
e:mail: 100074.2733@compuserve.com

Techniques & Methodologies:

Mr. K. Naujok  
Director, Standards  
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ANTIOCH, CA 94509  
United States

Tel:+1 510 602 2000/2091  
Fax:+1 510 602 2133  
e:mail: klaus@premenos.com

In addition, an Ad-Hoc Working Group for "Electronic Commerce" has been established with Mr. C. Chiaramonti as the convenor.

Mr. C. Chiaramonti  
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Heads of Delegations are now requested and encouraged to designate, **with immediate effect**, experts to participate in the above groups.

The names and contact details of the expert designations should be sent by fax, e:mail or letter as soon as possible to the CEFACT Secretariat (Mr. H. Hansell) who will register the designation and inform the relevant CSG "facilitator" or convenor.

In addition, the CEFACT Secretariat will be writing to all Heads of Delegations who already have experts working in existing groups such as the ITT and AC.1. requesting the transfer of these experts to the new Permanent Groups.

Delegations should also note, the following initial meetings of the above, Working Groups:

International Trade Procedures	1997 November 10 - 12	ECE, Geneva
Techniques & Methodologies	1997 November 13 - 14	EDIFRANCE, Paris
Electronic Commerce	1997 December 5	ECE, Geneva

To ensure satisfactory arrangements, Heads of Delegation are requested to designate those experts who will be attending these meetings to the CEFACT Secretariat no later than 1 month before the meeting.

Heads of Delegation will also be kept informed on a regular basis by the CEFACT Secretariat of the progress in the establishment of the new Permanent and Ad-Hoc CEFACT Working Groups.

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