UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

Global Standards Setting

Harm Jan van Burg
UN/CEFACT Vice-Chair
• UNECE and Trade Facilitation
• UN/CEFACT Mission
• UNECE UN/CEFACT Recommendations and Standards
• Project Development and Approval Process
• How to Participate
UNECE
UN Economic Commission for Europe (UNECE)

**FUNCTIONAL COMMISSIONS:**
- Human rights
- Narcotic drugs
- Crime prevention and criminal justice
- Sustainable development
- Etc…..

**REGIONAL COMMISSIONS**
- Economic Commission for Africa
- Economic Commission for Europe
- Economic Commission for Latin American and Caribbean
- Economic Commission for Asia and the Pacific
- Economic and Social Commission for Western Asia

**PROGRAMMES AND FUNDS**
- UNCTAD
- UNDP
- UNEP
- UNICEF
- UNCDF
- ……
UNECE Work Areas

- Transport
- Economic cooperation
- Sustainable energy
- Housing
- Trade
- Environmental policy
- Statistics
• One of UNECE’s key objective is economic integration

• Trade Facilitation and the efficient trade data interchange are the key tools of UNECE to achieve this objective
Objectives

- Simple, transparent and effective processes for global business
- Efficient and automated exchange of information

Outputs

- Global Trade Facilitation and Electronic Business Recommendations and Standards

Means

- Public Private Sector Partnership – over 200 experts from government and business
- Meet virtually every week plus two Forums per year
UN/CEFACT’s mission is to improve 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 on facilitating national and international transactions, through the simplification and harmonization of processes, procedures and information flows, and so contribute to the growth of global commerce.
International Trade - *Logistics, Transaction and Governance Layers*

Source: Marcel van Oosterhout 2008 (in David Hesketh’s paper “Weaknesses in the supply chain: who packed the box?”)
Facilitate - to make easy or easier

Trade Facilitation: “The simplification, standardization and harmonization of procedures and associated information flows required to move goods from seller to buyer and to make payment “
United Nations Economic Commission for Europe
United Nations Centre for Trade Facilitation and Electronic Business

UN/CEFACT

Buy-Ship-Pay

BUY

SHIP

PAY

Prepare for Export

Export

Transport

Prepare for Import

Import

INvolves

Commercial Procedures
• Establish Contract
• Order Goods
• Advise On Delivery
• Request Payment
• Packing
• Inspection
• Certification
• Accreditation
• Warehousing

Transport Procedures
• Establish Transport Contract
• Collect, Transport and Deliver Goods
• Provide Waybills, Goods Receipts Status reports etc.

Regulatory Procedures
• Obtain Import/Export Licences etc
• Provide Customs Declarations
• Provide Cargo Declaration
• Apply Trade Security Procedures
• Clear Goods for Export/Import

Financial Procedures
• Provide Credit Rating
• Provide Insurance
• Provide Finance
• Execute Payment
• Issue Statements

Source: The UN/CEFACT International Supply Chain Reference Model
Simplification: Process of eliminating all unnecessary elements and duplications in formalities, processes and procedures

Harmonization: Alignment of national procedures, operations and documents with international conventions, standards and practices

Standardization: Process of developing internationally agreed formats for practices and procedures, documents and information
UN/CEFACT Outputs
• Internationally agreed Recommendations and Standards

• Common Libraries

• Common Directories
Trade Facilitation Recommendations (over 30 Recommendations)

– Recommendation 1 - UN Layout Key for Trade Documents (ISO 6422)
– Recommendation 4 - Trade Facilitation Structures
– Recommendation 18 - Trade Facilitation Measures
– Recommendation 25 - UN/EDIFACT (ISO 9735)
– Recommendation 33 - Single Window

Plus:
– Code Lists, such as Recommendation 16 - LOCODE

Many are ISO Standards and covered in the WTO Trade Facilitation Negotiations
• Specifically endorsed in the WCO Revised Kyoto Convention and the draft WTO TF Agreement
• Basis for the EU Single Administrative Document (SAD)
• Endorsed by key international organizations
<table>
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<th>Mode of Transport</th>
<th>UN/Locode</th>
<th>ISO Country Code</th>
<th>Payment Terms</th>
<th>Currency Code</th>
<th>Units of Measurement</th>
<th>Commodity Code</th>
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The foundation of the library is the definition of the formats and semantic content of data. Each “Core Component” captures and defines the details of a concrete concept used in business or administration (for example: address).
Current Situation for Government & Traders

FROM

Trader
Electronic
Paper

Transport
Customs
Agriculture
Health Dept

TO

A 'Single Window' environment

Trader
Electronic
Paper

Transport
Customs
Agriculture
Health Dept

UNECE Recommendation 33
UN Economic Commission for Europe

Process Analysis and Simplification

National Data Harmonization

Cross Border Data Exchange

Single Window

• Business/Political Process - Collaboration Between Trader and Government (UN/CEFACT Rec. 4, Rec. 18), Revised Kyoto Convention
• UN/CEFACT International Supply Chain Reference model,
• Unified Modeling Methodology (UMM), Business Process Analysis Guide
• Trade Facilitation Implementation Guide (TFIG)
• Global Facilitation Partnership for Trade and Transport (GFP) Audit Methodology

Rec. 33, SW repository, (Rec 34,35)

Data Model based on International Standards (e.g. WCO DM)

Rec. 34, UNTDED, Core Component Library, UN LOCODE and code lists,

UN Layout Key, Master Document, UNTDED, TF Toolkit and Forms Repository

Document Simplification and Standardization

Process Analysis and Simplification

Single Window Related
UNECE’s Work for SWs

- UNECE Policy Rec.s
- UN/CEFACT

- UNECE Standards
- UN/CEFACT

- UNECE / UNNEExT
- Guidelines, Briefs, Case Studies

Outreach and Support
“Single Windows (SWs) are important drivers for the simplification, harmonization and automation of trade procedures”

WTO Bali Agreement“ Article 10.4: Members shall endeavor to establish or maintain a single window ..”

2005: in about 20 economies

2010: in 49 economies

2013: in 71 economies

2015: in 100 economies & some regions (ASEAN)?

UN Economic Commission for Europe

Methodology and Technology
• Development methodology
• Maintenance of technological specifications

• Naming and design rules
• Validation techniques

• EDI of Agronomical Observations Report
• eArchiving
• eDAPLOS

• Sectoral
• Transboundary movements of waste XML schema
• Recommendation for ensuring legally significant trusted transboundary electronic interaction
• Electronic Data Exchange Proxy
• MSDS
• GHS
• REACH
• Dangerous Goods Declaration

• Regulatory
• Supply Chain
• International Trade Procedures

• Cross Industry Catalog
• Cross Industry Invoice
• Cross Industry Ordering
• Cross Industry Scheduling
• Cross Industry Delivery
• Cross Industry Quotation
• Market Research Information
• eTendering
• Project Schedule and Cost Performance Management
• Contract Financial Execution Management
• Public Electronic Procurement

• International Trade Procedures
• PPP in Trade Facilitation
• Revision of Trade Recommendation 14 – finalised
• Trade Recommendation 36 – SW Interoperability
• Recommendation on Consultation Approaches for Public and Private Sector Consultation
• Cargo Tracing and Tracking

Programme Development Areas

Project Teams

Plenary
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Plenary Bureau

Programme of Work

Structure
UN/CEFACT Open Development Process
• Project proposals submitted by plenary delegation, an existing project team or a member of the Bureau
• Need support of 3 Heads of Delegation
• Approval by CEFACET Bureau
• Work undertaken by CEFACET Experts (from public and private sector)
- **Inception:** After Bureau’s approval, “Call for Participation” sent out by project leader

- **Requirements Gathering:** initial contributions collected in a comments log

- **Interim Draft:** draft-projects circulated for comments

- **Public Reviews:** minimum 60 days from publication on UN/CEFACT website

- **Project Exit:** Each project must go through a final quality assurance exercise to verify that final draft has addressed all the stated requirements of the project. The conclusion of this process is Bureau or Plenary Approval and then Publication.

- **Publication:** Final drafts published as UNECE documents

- **Maintenance:** changes requested by implementers may lead to new projects
• Recommendations submitted to UN/CEFACT Plenary for approval by member States
• Standards are approved by the Bureau within the context of the Programme of Work
• **All** UN member States can participate
How to Participate

- Concept of Head of Delegation (HOD) to UN/CEFACT
- Experts must contact their HOD to request participation and if approved, are nominated by HOD
- Experts can participate in specific projects
- Experts must agree to the UN/CEFACT IPR Policy and Code of Conduct
• Support the overall operation of UN/CEFACT within the UN Framework
• Organise UN/CEFACT Forums and Plenary
• Support the bi-weekly conference calls of the Bureau
• Publish EDIFACT, CCL and LOCODE Directories
• Maintain UN/LOCODE
• Entry Point for EDIFACT
• Support specific projects (e.g. Revision of Rec 4, development of Rec 36, Rec 40, etc)
• Manage the UN/CEFACT Project database in Confluence – project leaders maintain the project information
• Outreach, support and promotion to UN member States
• Prepare brochures and publications
• Develop of user Guides
• Liaise with other international organizations on TF
• Etc …..
UNECE’s role is to create the standards through participation of UN member States and the business community in UN/CEFACT Working Groups. We engage in an active Capacity Building programme to help countries understand how best to implement these standards, given their unique needs, priorities and resources while other organizations assist in long–term technical assistance (UNCTAD, WB etc). The WTO sets the rules
Welcome to the Trade Facilitation Implementation Guide
All UNECE and UN/CEFACT Recommendations, codes, standards and publications are available for free on our website at:

- www.unece.org/
- www.unece.org/trade
- www.unece.org/cefact/
- Tfig.unece.org

E-mail: uncefact@unece.org