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INLAND TRANSPORT COMMITTEE

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INTERSECTORAL ACTIVITIES

Cooperation with the Committee on Trade

Areas and activities of possible mutual interest between
the Committee on Trade and the Committee on Inland Transport

Note by the Secretariat

I. INTRODUCTION

1. The approved "Work Plan on ECE Reform" calls upon the Committee on Inland Transport to "strengthen activities in the fields of border crossing and trade facilitation in cooperation with the Committee on Trade" (E/ECE/1434/Rev.1, paragraph 35). The following document contains examples of possible areas of mutual interest between the two Committees and its purpose is to help the Inland Transport Committee to identify those areas where it would like to investigate further cooperation with the Committee on Trade.

2. The Committee on Trade (CT), has three subsidiary bodies, two of which undertake activities of possible interest to the Inland Transport Committee, these being: the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) and the Working Party on Regulatory Cooperation and Standardization Policies (WP.6). Following you will find a brief introduction to the activities of these two subsidiary bodies, including examples of potential areas for cooperation with the Inland Transport Committee and its Working Parties.

II. UNITED NATIONS CENTRE FOR TRADE FACILITATION AND ELECTRONIC BUSINESS (UN/CEFACT)

3. UN/CEFACT focuses on facilitating trade transactions through the simplification and harmonization of procedures and information flows over the entire trade transaction chain, from the initiation of the order for the goods to their final delivery. Key deliverables are: Trade Facilitation Recommendations, Electronic Business Standards, and Technical Specifications.

4. Over 30 trade facilitation and electronic business recommendations^{1/}, standards and tools (often collectively referred to as instruments) are now available from UN/CEFACT to help simplify and harmonise trade transaction procedures and information flows. These include:

- (a) UN Layout Key for Trade Documents, the international standard for layout and content of international trade documents;
- (b) UN/EDIFACT, the only internationally accepted standard for electronic interchange of business data;
- (c) Recommendations for standardising the data exchanged in trade transactions, including a number of codes that are widely used in the transport industry^{2/};
- (d) Recommendations and guidelines on the establishment of government/business dialogue on trade facilitation implementation;
- (e) Recommendations and guidelines on the establishment of Single Windows for export and import clearance;
- (f) A draft set of standardized trade documents (UN electronic trade Documents – UNeDocs) that when finalized will allow users to move easily from between paper and several of the most important electronic standards used in trade.

5. Concrete work on the development of specific trade facilitation and electronic business recommendations takes place in the UN/CEFACT “Forum” where five Groups work on different aspects of trade facilitation and e-business standards: Applied Technologies Group (ATG), Information Content Management Group (ICG), Legal Group (LG), International Trade and Business Processes Group (TBG), Techniques and Methodologies Group (TMG). These five Groups in turn represent some 30 subgroups where government and private sector representatives meet regularly to maintain the existing recommendations and to prepare new instruments and solutions for trade facilitation and e-business standards.

^{1/} http://www.unece.org/cefact/recommendations/rec_index.htm

^{2/} For example, the UN Location Code, which provides a unique internationally accepted code for ports, airports, inland clearance depots, etc. Other UN/CEFACT codes frequently used in transport include: codes for modes of transport, codes for units of measure used in international trade and codes for passengers, types of cargo, packages and packaging materials.

III. CURRENT DEVELOPMENTS RELATED TO TRANSPORT IN UN/CEFACT AND POSSIBLE AREAS FOR COOPERATION

6. In the area of e-business standards, UN/CEFACT promotes a technology and implementation neutral approach. It has developed a range of tools and instruments for e-business, such as UN/EDIFACT and more recently, technical specifications for the e-business extended mark-up language (ebXML) and Draft Standard Business Requirements Specifications.

7. The following Business Specifications have been approved:

- (a) TRADE/CEFACT/2005/20 Business Requirement Specification for Cross Industry Invoice
- (b) TRADE/CEFACT/2005/21 Business Requirement Specification for Cross Industry Remittance Advice
- (c) TRADE/CEFACT/2005/22 Business Requirement Specification for BoostAero e-Supply Chain
- (d) TRADE/CEFACT/2005/24 Business Requirement Specification for e-Tendering
- (e) TRADE/CEFACT/2005/36 Business Requirement Specification for Sanitary and Phytosanitary e-Certificate
- (f) TRADE/CEFACT/2006/13 Technical Specification for XML Naming and Design Rules

8. The following Business Specifications are underway:

- (a) Business Requirement Specification for Cross Industry Ordering
- (b) Business Requirement Specification for Material Safety Data Sheet
- (c) Business Requirement Specification for Steel Industry Invoice

9. The International Trade and Business Processes Group (TBG) of UN/CEFACT works on a wide range of areas^{3/}, including transport and customs related processes and issues. Below, an outline is presented of activities being undertaken by five of its working groups that may be of interest to the Inland Transport Committee:

A. TBG1 – Supply Chain & e-Procurement

10. TBG1 is working on the Requirement Specification Mapping documents for the Cross Industry Invoice, Cross Industry Remittance advice, Cross Industry Ordering, Material Safety Data Sheet (used in the transport of dangerous goods) and on Trade related core components in order to publish next year the XML (eXtended Markup Language) schemes for international trade as electronic business standards,

^{3/} <http://www.disa.org/cefact-groups/tbg/docs/Project/TBG%20project.xls>

11. A joint TBG1 – TBG6 project on the handling and the exchange of electronic catalogues completed the modeling of the business processes. The approval of this work as a UN/CEFACT Business specification of the electronic catalogue processes has been initiated.

12. TBG1 is currently working on the modeling of the business processes of the Supply Chain scheduling and delivery process.

13. TBG1 has also launched a new project on marketing research. The adoption of the electronic business standards defined by TBG1 covering the Supply chain and Procurement will simplify international trade not only for big enterprises, but also for the small and medium enterprises looking for an integrated solution and information exchange. Horizontally, the group cooperates with other working groups of the TBG, such as TBG3 (Transport & Logistics), TBG5 (Finance), TBG6 (Architecture, Engineering and Construction), TBG18 (Agriculture) and TBG14 (Business Process Analysis).

B. TBG2 – Digital Papers Domain

14. The United Nations electronic Trade Documents (UNeDocs)^{4/} project is under TBG2 and has as its objective providing a migration path for global trade from the current paper-based information exchanges to paperless trade. The adoption of an eventual UNeDocs standard will simplify international trade for traders and national administrations that need to use both paper and electronic. UNeDocs specifications integrate widely used UN standards for the simplification of trade documents and cross border trade^{5/}, with Electronic Data Interchange standards^{6/} and latest XML related standards^{7/}, and Web-based technologies. UNeDocs is designed to be implemented with low cost software and can serve as a platform to connect users to value added Web Services.

C. TBG3 – Transportation & Logistics

15. TBG3 is working on modelling transport business processes and on transport related core components (core components are definitions for the basic data elements, like “name” or “date” that are exchanged electronically). Current work items include modelling Transport Business Process definitions for XML messaging. New developments are being reviewed for possible action in areas such as freight security and supply chains. TBG3 has also launched a new project on rail transport data interoperability and coding.

16. As part of the preparation of a new ISO standard (ISO 24553), TBG3 operates closely with the World Customs Organization’s (WCO) Data Model Project Team, and it cooperates with the ISO Technical Committee for Intelligent Transport Systems (TC204) on data standards and message sets for intermodal freight (sensitive transport truck-air-truck) and geo-location. Horizontally, the group cooperates with other working groups of the TBG, such as TBG1 (Supply Chain and e-Procurement), TBG2 (Digital Paper – UNeDocs), TBG4 (Customs), TBG15 (International Trade Procedures), TBG5 (Finance) and TBG14 (Business Process Analysis).

^{4/} <http://www.unedocs.org>

^{5/} The UN Layout Key (Recommendation 1) and the Trade Data Element Directory Standard (ISO 7372)

^{6/} UN/EDIFACT (Recommendation 25)

^{7/} ebXML Core Components (ISO 15000-5)

D. TBG4 - Customs

17. This group's project to standardise and reduce the amount of data necessary to meet Customs requirements is developed externally through the World Customs Organization (WCO). Currently TBG4/WCO is developing Version 3 of the WCO Data Model. This version will also cover a number of data elements required by Other Government Agencies for electronic messages used in cross border transactions of goods or services. In addition, it participates actively in ISO/TC204. One of the aims of the group is to exchange information and to raise awareness of the WCO's Customs Data Model, the Unique Consignment Reference (UCR), and the Integrated Supply Chain Management (ISCM) Guidelines and security of the international trade supply chain, formally known as the WCO SAFE Framework of Standards. The target audience includes the 21 other working groups participating in TBG, and in particular in Trade, Transport, Environmental Management and the e-Cert Ratification Project Team. TBG4/WCO liaises with about 45 International Global/Regional Governmental and non-Governmental organisations on legal and non-legal matters.

E. TBG15 – International Trade Procedures Working Group.

18. TBG15 has developed a Recommendation and Guidelines on the establishment of a Single Window (SW) for export and import clearance and held several capacity building workshops on SW implementation. A 2006 Symposium on SW Standards and Interoperability resulted in a proposal being made for the creation of a special Stakeholder Group to assist SW operators in the simplification and harmonization of cross-border data exchange and in achieving interoperability for end-to-end trade transactions.

19. In the light of its work on the Convention on Harmonization of Border Controls, the Inland Transport Committee might find particularly interesting the following TBG15 activities:

- (a) Developing, in close cooperation with the WCO and the SW Stakeholder Group, an integrated international data model based on existing international standards, and reflecting the requirements for data exchange across the entire global supply chain (Cross-Border Reference Data Model);
- (b) Developing a methodology for Data Harmonization at the national, regional and international level;
- (c) Updating Recommendation 11 on Documentary Aspects of Dangerous Goods Transport based on the recommendations made by the United Nation's Economic and Social Council's (ECOSOC) Sub-Committee of Experts on the Transport of Dangerous Goods and legal instruments under the responsibility of the ITC Working Party on the Transport of Dangerous Goods. The updated version is now almost finalized thanks to the excellent collaboration between this group and the Transport Division of the UNECE secretariat.

IV. OTHER INITIATIVES

A. Transit corridors

20. The UNECE Regional Adviser supports and participates in trade and transport facilitation initiatives. A capacity building project for the transition economies in Central Asia and the Caucasus on the integrated management of trade information flows in the TRACECA countries (Transport Corridor Europe–Caucasus–Asia) has been developed based on UN Development Account Funding. The project is a result of a workshop on transit corridors and integrated management of information flows in the South Caucasus, organized jointly with the World Bank in Tbilisi Georgia in May 2004.

21. In many seminars, such as one organized through a capacity building project with the Czech Republic in Mongolia in November, the seminar organized with Transparency International in Armenia in December 2005, and the Seminar for the WTO negotiators from EECCA countries held in Chisinau, Republic of Moldova on 12-13 June 2006, the UNECE Regional Adviser on Trade actively promoted all UNECE tools for transport and trade facilitation, including, notably, the TIR and Harmonization Conventions. The UNECE Trade Division also contributed to the seminar on Trade and Transport Facilitation organized in Tbilisi, Georgia, in May 2006 by the Transport Divisions of UNECE and ESCAP on the basis of their 4th tranche UNDA project.

B. Modelling technology for the e-TIR Project

22. The UN/CEFACT Modelling Methodology (UMM) is an instrument constructed for capturing business requirements and modelling the collaborative business processes from business, formal and technical perspectives. Version N90 of the methodology is being implemented by the Transport Divisions within the e-TIR project. Further cooperation between UN/CEFACT and the Transport Division could be explored in the area of computerization of the TIR Carnets and the e-TIR project.

C. Global Facilitation Partnership for Transportation and Trade (GFP)

23. UNECE continues to support and to steer, in cooperation with UNCTAD, UNIDO, WCO, WTC (and others) the GFP. This partnership aims at pulling together all stakeholders (public and private, national and international). Cooperation takes the form of regular meetings and joint maintenance of a web-portal, designed as a single source for worldwide trade facilitation information and resources (including information about transport which is supplied by the UNECE Transport Division). The Internet address is <http://www.gfptt.org>

V. THE WORKING PARTY ON REGULATORY COOPERATION AND STANDARDIZATION POLICIES (WP.6)

24. The UNECE WP.6 supports the efforts of countries and regional organizations to approximate standards and harmonize related regulations. It has recently developed an “International Model for Technical Harmonization” (UNECE Recommendation “L”). The “International Model” consists of a set of voluntary mechanisms and principles for good regulatory practices to assist countries that want to align their regulatory regimes in specific

sectors or product areas. The basic principle of this Model is that the technical content of regulations should be drafted in terms of broad objectives (safety, environmental and other governmental concerns) and should refer to international standards for more detailed performance-based technical requirements.

25. Based on the “Model”, WP.6 has initiated a number of sectoral projects (telecom products and earth-moving machinery) and regional projects (in the CIS and Balkans) aimed at the development of a uniform regulatory framework for selected products or product areas, where countries see such a need.

26. The Committee on Inland Transport may wish to reflect on whether there are regulatory areas related to transport where they would like to initiate a harmonization project based on the WP.6 International Mode for Technical Harmonization.

27. Further information can be found at the Committee on Trade’s website at: <http://www.unece.org/trade> and more specific inquiries can be sent to trade@unece.org.

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