



UN/CEFACT Quarterly Report

August 2006

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Useful Links

UN/CEFACT:
www.unece.org/cefact

Forum Management Group:
www.disa.org/cefact-groups/fmg

UN/CEFACT Bureau

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Mike Doran, Vice Chair
Tahseen Kahn, Vice Chair
Jean Kubler, secretariat
Mark Palmer, Vice Chair
Sue Probert, FMG Vice Chair
Christina Rahlén, Vice Chair
Dick Raman, FMG Chair
Mika Vepsäläinen, secretariat

2006 Plenary Session

The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) held its 12th Plenary session at the Palais des Nations 22 – 24 May. Over 100 participants from 29 countries attended the event.

The productive three-day meeting delivered a number of significant achievements. For instance, the Centre combined its earlier trade facilitation strategy and electronic business strategy into one “Integrated Strategy”. The new strategy is reflected in the 2007-2008 Programme of Work.

Fundamental document set complete

The Centre adopted the following four addenda to its Mandate and Terms of Reference:

- Intersessional Approval Process
- Rules of Procedure of the Bureau
- Updated Terms of Reference of Rapporteurs
- Intellectual property rights policy

Together, they complete the set of UN/CEFACT’s fundamental documents. The set comprises the following:

- Mandate and Terms of Reference of UN/CEFACT
- Rules of Procedures of UN/CEFACT Forum
- Integrated UN/CEFACT Strategy
- Programme of Work

The Plenary approved the Consolidated Documents Set (ECE/TRADE/CEFACT/2006/10 and Corrigendum 1) and the Technical Specification for XML naming and design rules (ECE/TRADE/CEFACT/2006/13 and Corrigendum 1). The Plenary confirmed the organizational arrangement made for the International Trade and Business Processes Group to be represented in the Forum Management Group from 2006 to 2008.

For the full list of decisions made by this year’s Plenary, visit www.unece.org/cefact



Intellectual Property Rights policy approved

The new intellectual property rights (IPR) policy for the Centre has been approved. The policy allows UN/CEFACT specifications to be used free from fees or other restrictions. It requires all participants in a UN/CEFACT Forum Group to waive their rights to enforce any of their IPR that would be necessary to implement or use a specification developed in that Group.

The participants' waiver is limited in the sense that it applies only to publication of the specification and parties implementing the specification. All other rights are retained by the participant.

The waiver is a precondition for participating in the UN/CEFACT open development process. The full text of the policy can be found on the website at http://www.unece.org/cefact/cf_docs.htm

UN/CEFACT responds to a changing international environment:

What our stakeholders think

In response to a rapidly changing international trade environment and the recent reform of the United Nations Economic Commission for Europe, the Bureau dedicated the first part of the Plenary to interactive stakeholder sessions. The three sessions focused on the perspective of countries, business sectors and international standards development organizations.

Countries

At this session, countries said they needed to have interoperable, intersectoral standards that help to create information links among government agencies and with the private sector. Such standards should allow the convergence of the multiple existing national standards. Many countries said it was vital for these standards to be adaptable to their particular national requirements. The standards should also be affordable, especially for small and medium-sized enterprises (SMEs).

Some countries offered to consider funding the development of UN/CEFACT products and services. The need for better communications among the Plenary delegations and the participants in the permanent groups and forums was also pointed out during this session.

This session concluded that the Centre must provide transparent and understandable processes that:

- generate standards in a timely way
- can receive and process external input
- provide cross-sectoral coordination and harmonization
- are coordinated with other standards development organizations.

Countries identified UN/CEFACT's client base as being a broad and diverse community of stakeholders, with a range of different needs:

- government policy makers
- government agencies that use the standards
- businesses that use the standards
- businesses that sell services based on the standards
- intermediary organizations such as Automotive Industry Action Group (AIAG), GS1, and SWIFT.



Business sectors

Participants in the sectoral discussions signalled the need for complete and consistent sets of implementable standards. They also looked at possible solutions, such as finding a neutral platform, for achieving convergence of the approaches of the different standard-setting organizations.

They agreed that UN/CEFACT should also be considered as an organization that provides technical support to other bodies, for instance to the World Trade Organization.

Delivery of standards needed to be accelerated so that implementations can begin as soon as possible. The session considered it very important to engage SMEs and take their specific needs into account.

Improved program coordination and project management was recommended, along with more attention to cross-sectoral coordination.

Both the sectoral delegations and the member States pointed out that additional resources would be needed for carrying out the required activities.

Standards Development Organizations

Participants confirmed the growing recognition of the value of UN/CEFACT's common semantic framework in the international standard-setting community.

Coordination needed to be strengthened to avoid duplication of work among the various standards development organizations.

The allocation of resources would also need to be improved. One option would be through creating informal mechanisms to improve communications among the different standards-development initiatives and with stakeholders.

India to host 9th UN/CEFACT Forum

India is hosting this year's UN/CEFACT Forum, which takes place from 2 to 6 October. The Meeting is being organized by the secretariat of the India EDIFACT Committee and the Ministry of Commerce and Industry. The venue will be the India Habitat Centre in New Delhi.

On 3 October, the TBG2 working group will hold a workshop on United Nations electronic Trade Documents (UNeDocs). TBG2 invites all participants from government agencies and private-sector companies that are interested in implementing paperless trade and Single Windows to attend this workshop.

The opening session will be immediately followed by plenary sessions of the permanent groups. In addition to the work in the groups, a number of lunch-and-learn sessions are being arranged.

For the programme, online registration, hotel reservation and side-event programme which includes a Taj Mahal tour and a spouse programme, please visit the website at <http://etrade.gov.in>

UN/CEFACT Deliverables: technical specification submitted for approval

Following successful completion of the Open Development Process, a new technical specification for XML naming and design rules was approved. A Material Safety Data Sheet Business Requirement Specification has been submitted for intersessional approval.



Regional rapporteurs: New Rapporteur for Africa

The Plenary elected **Mr. Ibrahima Nour Eddine Diagne** as Rapporteur for Africa for the period 2006 – 2008. Mr. Diagne is the Administrator of Dakar-based GAINDE 2000, an economic interest group set up in June 2002 by the Committee for the Management of Customs Computer Systems. The group provides services related to the development, deployment, exploitation, and promotion of ORBUS and TRADE X systems in Senegal, many other African countries, as well as internationally.

GAINDE 2000 has a 30-member staff, in addition to score experts from the Senegalese Customs Computer Systems Department and partner companies.

Website: <http://www.gainde2000.sn/>

Asia

Mr. Sangwon Lim continues as Regional Rapporteur for Asia. His current term comes to an end next year.

The Plenary also updated the Terms of Reference of the regional rapporteurs. The new text can be found in addendum 4 to R.650/Rev.4. As part of the update, the Plenary transferred the tasks of the Standards Liaison Rapporteur and the Legal Rapporteur to a Vice Chair, thus discontinuing these Rapporteur functions.

Workshops on UNeDocs

On 20 and 21 February, the TBG2 "Digital Paper" working group organized a two-day high-level capacity-building Workshop on International Standards for Paperless Trade in Kuala Lumpur. The workshop gave an overview of the standards and of global and

regional initiatives for efficient cross-border data exchange.

Subjects discussed included plans for using UNeDocs in Pakistan and the United Kingdom, the IATA eFreight initiative, the Pan Asian eCommerce Alliance, the Asia Europe Alliance for Paperless Trade (ASEAL) and the EU ITAIDE research project on paperless trade.

The workshop was followed by a three-day technical workshop on UN/CEFACT standards and UNeDocs implementation. At this workshop the participants developed a UNeDocs draft implementation of the Malaysian Customs declaration. DagangNet Malaysia used the attendance of the many international experts to organise a press conference and present their implementation plans for UNeDocs in Malaysia.

Over 80 participants from 19 countries attended the high-level workshop.

Single Window Stakeholder Group recommended

UN/CEFACT held a Symposium on Single Window Standards and Interoperability on 3-5 May 2006 in Geneva. The participants recommended that UN/CEFACT and the World Customs Organization set up a Single Window Stakeholder Group to assist Single Window operators in simplifying and harmonizing cross-border data exchange and in developing a Cross Border Reference Data Model to allow data interoperability for end-to-end trade transactions.

UN/CEFACT to publish Implementation Guidebook for Trade Facilitation

With financial assistance from the Swedish development agency, SIDA, UN/CEFACT is



preparing a comprehensive Guide to Trade Facilitation Implementation, based on international tools, standards and best practices. The Guide, which will take into account the current WTO negotiations on trade facilitation, will help countries to:

- identify trade facilitation needs and priorities
- assess and understand available tools, techniques and standards
- assess costs for implementation
- review implementation and funding options
- develop an effective national and/or regional trade facilitation implementation strategy.

A series of regional workshops will be organized under the project to train the target groups on the use of the Guide. Each workshop will be tailored to the specific needs of the countries or regions.

The Bureau's focal point for this project will be Ms. Christina Rahlén.

UN/LOCODE celebrates its 25th year: over 48,000 location codes in 236 countries

In today's security-conscious world, cargo labelled "AT WAR" or "AT GUN" could look highly suspicious to the average person. But maritime companies, traders and airline companies would recognize that these are two quite innocuous location codes taken from an internationally recognized code which is used for transporting goods.

Twenty-five years old this year, the 5-character UN/LOCODE, short for United

Nations Code for Trade and Transport Locations, is used internationally by major shipping companies, freight forwarders and the manufacturing industry. It is also applied by national governments and in trade-related activities such as statistics, where it is used in certain services by the European Union, and by the Universal Postal Union.

What does this code look like? It's very simple. Each element consists of five characters. The first two indicate the country (complying with ISO standard 3166), with the three following ones representing the place name. UN/LOCODE picks up the location identifiers of IATA (International Air Transport Agency) wherever possible, to benefit from their association value and to avoid unnecessary code confusion.

The latest version "UN/LOCODE 2006-1" includes 48,553 entries in 236 countries.

Managed and maintained by the UNECE secretariat, it is the product of a wide collaboration in the framework of the joint trade facilitation effort undertaken within the United Nations.

UN/LOCODE is freely available to all interested users. It can be consulted and downloaded from the website at www.unece.org/locode

Users are welcome to propose additional locations. For this purpose the secretariat has introduced a new, automated request procedure, as described at <http://unece.unog.ch/UNLocode>

History of the Code

Initiated within the UNECE Working Party on Trade Facilitation, UN/LOCODE is based on a code structure set up by the UN Economic Commission for Latin America and the Caribbean, and a list of locations originating in the UN Economic Commission for Asia and the Pacific. It was developed in the UN Conference



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on Trade and Development (UNCTAD), in cooperation with transport organizations including IATA and the International Chamber of Shipping, and with active contributions from governments and commercial bodies.

Its first issue in 1981 provided codes to represent the names of some 8,000 locations in the world.

In allocating codes, the secretariat tries to find some mnemonic association with the place names. This has is becoming increasingly difficult for large country lists where the 17,576 permutations of three letters are near exhaustion.

At the beginning, UNCTAD operated UN/LOCODE via punch-cards, using a mainframe computer and recording entries on magnetic tape. After various PC applications and distribution on diskettes, the code is now held in a relational database and presented on a dedicated website

Today's automated request procedure

The location list in the first version of UN/LOCODE was a compilation of code lists obtained from various sources, including UN regional commissions, shipping lines, airlines and some national governments. UN/LOCODE at that time focused on maritime ports and airports. With the advent of multi-modal transport, codes were also needed for inland destinations. These included container facilities, rail and road terminals and other places where internationally traded goods were produced or handled. Over the years, therefore, requests for new UN/LOCODE entries began to reach the secretariat in a steady stream.

The requests were transmitted, sometimes one by one, sometimes in large numbers, by mail and fax, by recorded computer diskettes and, in urgent cases, even by telephone. They were often incomplete and not presented in a standardized fashion, sometimes overwhelming the processing capacity of the secretariat.

In reorganizing the work and creating a new database for UN/LOCODE, the secretariat seized the opportunity to introduce an automated entry request system.

The new system (UN/LOC-REQ) is operational with in the 2006 issue of UN/LOCODE. Requestors can register online at <http://unece.unog.ch/UNLocode/>

Once registered, users are identified by a username and can submit requests, either one by one via a web form, or by uploading a data file containing any number of requests, using a prescribed template.

Data is automatically checked against present entries in UN/LOCODE, placename and code duplications are detected, and valid requests are immediately included in a temporary file, pending the next issue of the Code Requestors receive a response message, confirming receipt of the data submitted and issuing a request reference number for any subsequent communication with the secretariat. The response message states whether the request has been Accepted, in which case it is included in the next UN/LOCODE issue; or Noted, which means that further processing is needed but allowing the requestor to use the proposed code in the meantime. Rejected, on the other hand, means that the name already exists in UN/LOCODE, or that the proposed code has already been allocated. The reasons for the rejection are always given.

Other functions in the new system enable users to propose certain changes in existing entries, and to obtain a historic record of previous requests. The functions of the system are explained in the User's Guide.

This new entry request system is expected to speed up and simplify the processing of code requests, thus reducing delays caused by the very large number of requests for additions to UN/LOCODE. Annoying that they are clearly are, the delays are also testimony to the widespread popularity of this valuable UNECE product.



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Recent Publications

A Roadmap towards Paperless Trade
ECE/TRADE/371 – March 2006

Trade Facilitation Toolkit and Forms
Repository ECE/TRADE/329 – February 2006

Consolidated Documents Set

The Plenary approved the **UN/CEFACT Consolidated Documents Set** (ECE/TRADE/CEFACT/2006/10). It lists all relevant UN/CEFACT documents including procedures, technical specifications,

directories, methodological documents, Business Requirements Specifications and the current UN/CEFACT recommendations. This document serves as a formal reference list of fundamental background documents for all UN/CEFACT work. It can be found on the UN/CEFACT website at

http://www.unece.org/cefact/cf_docs.htm

Select UNECE press releases and News

23 February – Adapting to a changing European architecture - UNECE wraps up its sixty-first session.

30 March – Recommendations 20: Codes for Units of Measure used in International Trade and Recommendation 21: Codes for Passengers, Types of Cargo, Packages and Packaging Materials (with Complementary Codes for Package Names) were approved at the 8th UN/CEFACT Forum in Vancouver.

31 March – Public review of the Unified Modelling Methodology – UMM Foundation Module 1.0, UMM Base Module 1.0

25 April – Core Component Library (UN/CCL) published.

6 June – Common Regulatory Language for Global Trade - UNECE International Forum, Palais des Nations, Geneva, 20-21 June 2006

9 June – 2006-1 UN/LOCODE directory published.

28 July – ICG announces the release of the UN/CEFACT Registry Specification Version 1.0 for public review until 20th. September.



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Communications with Heads of Delegation

Messages from the Bureau to the Heads of Delegation List server		
Date	Sender	Topic
06-03-07	Mika Vepsäläinen	XML Name and Design Rules Technical specification (NDR)
06-03-10	Mika Vepsäläinen	The second UN/CEFACT Quarterly Report
06-03-16	Mika Vepsäläinen	Symposium on Single Window Standards and Interoperability on 3 - 5 May 2006 in Geneva
06-03-30	Mika Vepsäläinen	UN/CEFACT Forum breaks new ground with Core Components
06-04-03	Mika Vepsäläinen	Draft Agenda of the 12 th UN/CEFACT Plenary
06-05-05	Mika Vepsäläinen	Elections at the 12th UN/CEFACT Plenary 22 - 24 May 2006
06-05-09	Mika Vepsäläinen	Documents for the 12th UN/CEFACT Plenary
06-05-17	Mika Vepsäläinen	Nominations for Vice Chairs
06-05-17	Mika Vepsäläinen	Full set of documents for the 12 th UN/CEFACT Plenary
06-05-25	Mika Vepsäläinen	Decisions made at the 12th UN/CEFACT Plenary
06-06-16	Mika Vepsäläinen	Material Safety Data Sheet Business Requirement Specification for approval
06-07-04	Mika Vepsäläinen	Plenary report for intersessional approval

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