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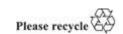**Recommendations and standards**
Related issues

Report of the 2016 Conference on the United Nations Code for Trade and Transport Locations (UN/LOCODE)

I. Introduction and attendance

1.   A UN/LOCODE Conference took place on 28 April 2016 at the Palais des Nations in Geneva. It was organized by the secretariat of the United Nations Economic Commission for Europe (UNECE) and the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT).

2.   The objective of the Conference was:

a)   To bring together stakeholders from the UN/LOCODE User Community, including government administrations, private sector companies (and their industry associations) and international organizations in order to discuss the technological and strategic framework in which UN/LOCODE will be used in the future, as well as issues relating to the maintenance and further development of this standard.

b)   To discuss locations which are currently outside the scope of UN/LOCODE but that are relevant to international trade and transport transactions. Such "areas" could be, for example, metropolitan areas, fishery management zones, agriculture production zones or traffic control areas. The session aimed to establish the needs and importance of identifying these "areas" and their possible relationship to UN/LOCODE.

c)   To discuss whether the use of UN/LOCODE needs to be extended to areas that extend beyond international trade, such as the maritime industry.

d)   To set up a UN/LOCODE Maintenance Group and to discuss important issues related to UN/LOCODE maintenance. As a follow-up to last year's UN/LOCODE

Conference, a UN/LOCODE Focal Point Network is in the process of being established. All UN/LOCODE Focal Points and key stakeholders interested in the Maintenance Group were welcome to participate in this session.

3.   The following countries were represented: China, Estonia, Italy, Japan, Morocco, Norway, Thailand, The Netherlands, Senegal and Ukraine. Representatives of the European Union (EU) were also present. The following United Nations Agencies took part in the Conference: Food and Agriculture Organization of the United Nations (FAO), International Maritime Organization (IMO), International Trade Centre (ITC), United Nations Conference on Trade and Development (UNCTAD) and Universal Postal Union (UPU). The following non-governmental organizations also participated in the meeting: Bureau International de Conteneurs (BIC) and GS1. Private sector representatives that participated in the conference included COSCON, Esri, Google, GT Nexus, IHS Maritime & Trade, SMDG and International Port Community Systems Association (IPCSA).

II.   Background presentations

A.   Welcoming address

4.   The Director of the UNECE Economic Cooperation and Trade (ECT) Division opened the Conference jointly with the Chair of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT).

5.   The Director expressed satisfaction with the work done since the 2015 UN/LOCODE Conference and she hoped that this would continue in the future. She gave an overview of the use of UN/LOCODE by the private sector, government agencies (in particular customs authorities) and international organizations, and recalled that UN/LOCODE is not only an instrument of trade facilitation but also of maritime security and environmental protection. She also mentioned the need to make efforts to involve representatives from Latin American countries in the UN/LOCODE user community. She highlighted the need for increased engagement of the user community in the maintenance of UN/LOCODE—namely to mobilize the resources and support for sustainable maintenance and improvement of UN/LOCODE, especially in the light of ongoing budget reductions within the UN system.

6.   The Chair of UN/CEFACT reminded conference participants of the importance of this standard and its widespread use within UN/CEFACT, as it is referenced in a number of Trade Facilitation recommendations. He also outlined its use in many regulations worldwide including certificates of origin, international transport conventions, sanitary and phytosanitary certificates, CITES standards and nearly all customs regulations worldwide. He also underlined the direct cooperation with other standards bodies such as the International Air Transport Association (IATA), IMO, the World Customs Organization (WCO) as well as many of the other organizations present.

B.   Report of the Secretariat on the UN/ LOCODE activities since the UN/LOCODE Conference in 2015

7.   The UNECE secretariat presented a report on UN/LOCODE development since the UN/LOCODE Conference held on 24 April 2015 and recalled the decisions taken during the Conference (ECE/TRADE/C/CEFACT/2016/8 Part VI). In 2016, the 22nd UN/CEFACT Plenary approved the report on the 2015 Conference.

8.   Following the decision made in 2015, the UNECE secretariat established a UN/LOCODE Focal Point Network. There are currently 28 nominated National Focal Points (NFPs). A special effort was made to elicit nominations for the 20 Member States (MSs) that have the majority (three quarters) of UN/LOCODE code lists. Several reminders have been sent to MSs to request nominations for NFPs.

9.   The Terms of Reference (ToRs) for the UN/LOCODE NFPs were approved by the UN/CEFACT   Plenary   at   its   22nd   session   in   April   2016 (ECE/TRADE/C/CEFACT/2016/16).

10.   A technical guide prepared by the UNECE secretariat was circulated to the NFPs. The secretariat also organized several training sessions for the newly appointed NFPs. The training material has been published on the website and is freely downloadable (http://www.unece.org/index.php?id=41503#/).

11.   One of the decisions of this 2015 conference was to set up the UN/LOCODE Maintenance Group which met for the first time in the afternoon directly following the UN/LOCODE Conference. It was decided that its first activity would be to examine UN/LOCODE business requirements and workflows. The results of this study would support the re-engineering of the UN/LOCODE system.

C.   Pilot Project in order to visualize UN/LOCODE on a map

12.   The idea of a pilot project for mapping UN/LOCODE was presented by the secretariat, which also explained the use of latitudes and longitudes for UN/LOCODE location mapping, and the way locations are verified.

13.   To support the pilot, Esri[1] presented the ArcGIS platform, a cloud-based application that enables the visualization of a UN/LOCODE location on a map. The application allows the user to zoom into a UN/LOCODE location and gather the related UN/LOCODE metadata.

14.   The UN/LOCODE Conference participants responded positively to the idea of developing the pilot project specifically to visualize mistakes in UN/LOCODE metadata. Reliable and authoritative geographic information would provide a framework for measuring and monitoring assigned UN/LOCODE code lists.

III.   Technical discussion

A.   Other standards to identify locations

1.   Request for a new geographical identifier to address the business needs of the agriculture sector

15.   The UN/CEFACT Agriculture Domain Coordinator gave an overview of the use of location mapping in agriculture. In agriculture it is important to identify the precise geographical location of a plot (physical divisions of fields) where crops need to be fertilized and/or chemically sprayed. For this purpose, agriculture uses Blue Numbers (a global registry for sustainable farmers) and Global Location Numbers (GLNs). The relation between these solutions and UN/LOCODE were briefly discussed.

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[1]   http://www.esri.com/

2. ITC Blue Numbers

16. The International Trade Centre (ITC) secretariat delivered a presentation on the ITC Blue Number and the strategic work being done to support the Sustainable Development Goals 2, 8 and 12[2]. ITC is interested in influencing the success of upstream producers in emerging markets by improving trade sustainability and the ability of farmers to support sustainability claims.

17. It was stressed that a communication mechanism between upstream producers and developed countries' clients needs to be defined. Since it is challenging for large organizations to know their upstream farmers, it was suggested that this could be done via third parties (where farmers do not have access to technology). The need to look at methods for improving supply chain traceability was mentioned. Governments need to know where traceability gaps are in supply chains and no real data exists at the moment to determine this.

3. Solutions for defining areas on a map

18. A representative from Google introduced how to represent areas with polygons and collections of cells. He also presented two approaches from Google, S2 Geometry Library and Open Location Code (an alphanumeric system of encoding locations that is easier to use than latitude and longitude).

B. Use of UN/LOCODE in the maritime industry

1. Port facility/terminal code system

19. The International Maritime Organization (IMO) secretariat stated that IMO would consider offering support from an IT perspective as a potential partner of UN/LOCODE. IMO needs to identify locations at sea, as well as in ports and coastal locations in order to help monitor security and pollution issues. As explained at the 2015 Conference, the IMO Global Integrated Shipping Information System (GISIS) uses UN/LOCODE as a core data component to identify ports. IMO uses the five-character UN/LOCODE as a base to identify ports, then adds an additional four-digit extension, in order to identify sub-locations such as terminal facilities.

20. The IMO representative stressed that they rely on data sources from member states and their GISIS modules are public and freely accessible. The validity of all UN/LOCODEs is therefore essential for this module. IMO expressed an interest in more frequent and timely updates rather than the current bi-annual basis.

21. The IMO representative also highlighted that when member states change their UN/LOCODE, this can negatively affect the IMO database. There is a long-term objective to bring together the IMO member states, UNECE and other UN bodies to make sure that all are aware of how to properly work with and maintain the UN/LOCODE.

2. Port management (port communities and UN/LOCODE ports) past, present and future

22. The International Port Community Systems Association (IPCSA) representative presented their experiences in port management. Initially representing European ports, IPCSA has become international since 2014. All IPCSA members use UN/LOCODE as

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[2] http://www.un.org/sustainabledevelopment/. SDG 2: Zero Hunger; SDG 8: Decent Work and Economic Growth; SDG 12: Responsible Consumption and Production.

much as possible for coding locations. It provides clarity, semantic operability and it is globally used on the business and government level.

23.   They expressed concern for negative impacts caused by changes in UN/LOCODEs and suggested the following:

- Before approval of code changes, determine the impact at the National and International level;

- Communicate the changes globally, to all parties of trade and countries;

- Provide timely notification (i.e. 6 months prior to any changes) to all parties in order to enable electronic systems to be updated accordingly.

24.   They anticipate a new generation of dynamic information based on the presently available static administrative information. In short, location mapping is the basis for tracking and tracing. In their opinion, UN/LOCODE will be an essential part of information exchange and distribution in the future.

3.   Summary points raised by participants

25.   In the Question & Answer section which followed the presentations, the Agricultural Organization of the United Nations (FAO) representative briefly explained one of their projects where UN/LOCODE could be used. The UNECE secretariat thanked them for bringing their needs to the table.

26.   The IHS Maritime & Trade representative noted that IHS uses UN/LOCODE and expressed their interest in joining the UN/LOCODE Maintenance Group.

27.   The Chinese representative mentioned that they are engaged in implementing national standards, including UN/LOCODE, even though they have faced difficulties. They are keen to see further harmonization, especially to avoid any future negative impacts caused by changes to UN/LOCODE.

28.   In the wrap-up phase of the morning session, the Chair of UN/CEFACT stated that this Conference was a good opportunity for developing mutual understanding. The UN/CEFACT Vice Chair in charge of UN/LOCODE was nominated Chair of the afternoon session. It was announced that the third UN/LOCODE Conference is expected to occur during the UN/CEFACT Forum, in Geneva, in March 2017.

IV.   Meeting of the UN/LOCODE National Focal Points and related stakeholders

A.   Presentation by the Secretariat

29.   The UNECE secretariat opened the afternoon session by introducing the ToRs for the UN/LOCODE Maintenance Group, the need for a study on UN/LOCODE business requirements, and general maintenance issues.

30.   In order to ensure the sustainable maintenance and development of UN/LOCODE, it was decided to set up a UN/LOCODE Maintenance Group at the last conference in 2015. The objectives of UN/LOCODE Maintenance Group are, prospectively, to:

- Monitor new business needs related to the identification of locations involved in international trade and transport, and new technology;

- Support dialogue with key external stakeholders;

- Further enhance the UN/LOCODE Focal Point Network;

- Provide expertise on important maintenance and development issues;

- Propose and maintain policies; and

- Provide support to activities/projects related to UN/LOCODE—especially the re-engineering of the UN/LOCODE registration and production system using the latest technologies.

31.   It was decided that all members of this group should register as experts of UN/CEFACT and meet at least once every two months via teleconferences.

32.   It was recommended that a feasibility study be conducted in order to analyse new business requirements, prior to developing a proposal to re-engineer the current UN/LOCODE system. The current system (developed in 2002) does not seem to meet all current business needs. It was noted that the volume of the code list has increased tenfold, since it was designed.

33.   The UNECE secretariat stressed the importance of a clear methodology for communicating changes to UN/LOCODE, especially if these are large. For example, six-month's notice should be given to the user community. The details of such a methodology still need to be decided: either in the Secretariat Notes published with each UN/LOCODE release or via a UN/LOCODE newsletters. It will also be important to define 'big changes' and determine the best way for them to be managed.

34.   The UNECE secretariat drew attention to the fact that the International Air Transport Association (IATA) assigns its own codes to some train stations in order to support multimodal transport.

B.   Improving data quality of UN/LOCODE using Open Source tools: case study

35.   COSCON[3] introduced a case study on various methods to improve the data quality of UN/LOCODE. They presented several tools for spelling checks, checking typographical errors, looking for incomplete names, duplications and missing metadata.

C.   ISO 9897 CEDEX (Party Identification and Location Code): an extension of the UN/LOCODE

36.   The representative of the Bureau International de Conteneurs (BIC) gave a presentation on the history of BIC, which recently became a UN recognized NGO. He explained that BIC's primary goal is to issue codes for containers (BIC codes) which use UN/LOCODE. He expressed BIC's interest in harmonizing codes and participating in ongoing collaborative work on UN/LOCODE.

37.   The UN/CEFACT Vice Chair in charge of UN/LOCODE noted that UNECE was currently unaware of the various industry systems using UN/LOCODE; she underlined the importance of identifying and cataloguing these.

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[3] http://www.coscon.com/home.do

38.   The UNECE secretariat recommended that a repository be developed through a web-based application for stakeholders to record which organizations or companies are currently using UN/LOCODE and a description of the system in question.

39.   The UNECE secretariat also recommended that extensions to UN/LOCODE for specific business needs (such as the IMO extensions for port facilities mentioned above) should continue to be maintained separately from UN/LOCODE in order to avoid potential negative impacts.

D.   Round-table discussion on the proposed Terms of Reference for the UN/LOCODE Maintenance Group

40.   The Chair opened the floor for comments on the proposed Terms of Reference (ToRs) of the UN/LOCODE Maintenance Group. She stressed that the members of this group should register as UN/CEFACT individual experts and not as company representatives. Registration as a UN/CEFACT expert could be easily done on the UNECE website.

41.   The Spanish representative suggested further information on the Institutional Focal Points for large user organizations referenced in the ToRs.

42.   The EU representative reported issues they had found concerning the assignment of UN/LOCODEs to fishery ports. The UNECE secretariat pointed out that this seems to be out of the scope of Recommendation 16 and suggested the use of an extension system for this purpose. It was emphasized that the UN/LOCODE Maintenance Group should discuss the issue and consider if the scope of UN/LOCODE, as defined in Recommendation 16, should be revised in the future.

43.   The GT Nexus representative reported on their use of UN/LOCODE and suggested that UN/LOCODE National Focal Points (NFPs) should be provided with guidelines and advice in order to better ensure consistency. The UNECE secretariat noted that efforts were being made to this end, including the preparation of training materials for UN/LOCODE NFPs. Several conference participants agreed on the importance of harmonizing procedures.

44.   The Moroccan representative expressed difficulties as a NFP, ranging from the technical perspective, to collecting information from different governmental bodies. The UNECE secretariat replied that given its scarce resources, the UNECE secretariat needs to reach out to governments for further support, and thus fully understand the challenges faced by UN/LOCODE NFPs.

45.   The Thai and Norwegian representatives questioned why some entries which are not officially approved are published. The UNECE secretariat replied that there is a need to find a balance between only including entries officially approved with an 'A' type designation, and addressing an immediate request for a UN/LOCODE (which needs to be referenced quickly for international trade). This is one of the central reasons for establishing a network of NFP, so that such matters can be addressed nationally.

46.   The Estonian representative explained that 99% of their ports are privately owned. There was a case in the past where, after purchasing a port, a company changed its name without any official permission to do so from a governmental body.

47.   He also suggested the possibility of adding functional classifications in UN/LOCODE (i.e. fishing ports). The UNECE secretariat suggested using a child coding system to address this request.

48.   The Japanese representative asked if the study on UN/LOCODE business requirements would address the criteria for approving and validating the assignment of a UN/LOCODE to new locations. He also wanted to know if the National Trade Facilitation Committee (NTFC) might play a role in minimizing the negative impacts caused by changes to the UN/LOCODE.

49.   The Thai representative raised the fact that while many airports are recognised by both ICAO and IATA, there are some airports which are only recognised by one of the organisations. The representative sought clarification on which organisation's recognitions would suffice in order to submit a UN/LOCODE application for an airport. The Universal Postal Union (UPU) representative stated that UPU prefers ICAO.

50.   The BIC representative presented a numeric railway coding scheme which is mapped to UN/LOCODE, and which is listed on the BIC website.

51.   The UNECE secretariat reiterated the importance of the feasibility study on UN/LOCODE business requirements and the urgent need to move forward on this. A team was set up on a volunteer basis including representatives from: Norway, Japan, Thailand, EU, IMO, BIC, GT Nexus and IHS Maritime & Trade.

V.   Proposals and way forward

52.   The UNECE secretariat summarized the main conclusions of the Conference as follows:

- A UN/LOCODE Maintenance Group was proposed to deal with the main issues related to maintenance and development of UN/LOCODE.

- The UN/CEFACT Vice Chair in charge of UN/LOCODE was proposed as Chair of the UN/LOCODE Maintenance Group.

- A study on UN/LOCODE business requirements would be conducted as the first activity of the UN/LOCODE Maintenance Group.

- The study's results will be used to re-engineer the UN/LOCODE system.

- The study's results will be presented at the next UN/LOCODE Conference.

- A repository should be created to determine how UN/LOCODE is being used by the user community.

- Open source software should be identified and used to improve the data quality of UN/LOCODE.

- Comments on the draft Terms of Reference of the UN/LOCODE Maintenance Group needed to be sent to the UNECE secretariat by the end of May 2016.

53.   The UNECE secretariat indicated that it would continue to work closely with the user community to support the development, enhancement and maintenance of UN/LOCODE in a sustainable way.