
SITPRO

SIMPLIFYING INTERNATIONAL TRADE

ELECTRONIC BUSINESS GROUP

Agenda Item: UNCEFACT

1. Introduction

1.1 The mission of UN/CEFACT, the United Nations Centre for Trade Facilitation and Electronic Business is to improve the ability of business, trade and administrative organisations, from developed, developing and transition economies, to exchange products and relevant services effectively, and so contribute to the growth of global commerce. The focus is the worldwide facilitation of national and international trade transactions, through the simplification and harmonisation of procedures and information flows.

1.2 To achieve its mission UN/CEFACT aims to deliver *Simple, Transparent and Effective Processes for Global Commerce* by:

- reducing bureaucracy and increasing transparency;
- creating better data flows through electronic commerce;
- lowering trade transaction costs;
- improving private and public sector trade management, and
- developing a network of supporting intergovernmental institutions, through an international public and private partnership of trade experts and practitioners and government policy makers and administrative officials.

1.3 The outputs developed and maintained for the delivery of the mission are:

- trade facilitation recommendations;
- electronic business standards, and
- technical specifications.

Because of these deliverables UN/CEFACT is now recognised as a centre of excellence with expertise in trade facilitation unrivalled by any organisation. Through publications and an extensive Internet resource site, it offers a global hub for the collection and dissemination of trade facilitation information, advice, guidance and best practice models.

2. History and Background

2.1 Within the UN family, UN/CEFACT is located in the Economic Commission for Europe (UN/ECE), one of the five regional Commissions¹, that has the UN global remit for trade facilitation. The Centre has developed and maintained a series of more than 30

¹ The other four Commissions are ESCAP (Economic and Social Commission for Asia and the Pacific), ECLAC (Economic Commission for Latin America and the Caribbean), ESCWA (Economic and Social Commission for Western Asia) and ECA (Economic Commission for Africa)

recommendations and a range of trade facilitation tools and techniques, best trading practice and e-business standards that are approved within a broad intergovernmental process and implemented globally

- 2.2 From origins in the UN/ECE Working Party on Facilitation of International Trade Procedures (WP.4) and its two Group of Experts (GE1, International Trade Procedures and GE2, Electronic Commerce), UN/CEFACT was established in 1996 as the Centre for the Facilitation of Administration, Commerce and Transport in response to the rapid changes in trading practice, new official procedures and increasingly dynamic developments in information and communication technology. Also there was a desire to recognise officially the significant contribution made by many experts that came from outside the Europe and North America region, coupled with the need to make better use of resources.
- 2.3 In May 2002, after a successful re-engineering process, UN/CEFACT was re-named the Centre for Trade Facilitation and Electronic Business and given a new structure and enhanced mandate. Delegates met for the first time under the new arrangement at the 1st UN/CEFACT Forum in September 2002 in Geneva. Since then the Forum has met twice a year with the 11th Forum in Stockholm between 24 and 28 September 2007.
- 2.4 A wholly inclusive organisation UN/CEFACT is open to participation from Member States of the UN, intergovernmental bodies and sector and industry associations recognised by the Economic and Social Council of the United Nations (ECOSOC), the highest UN body in the area of economics, trade and development. The Centre actively encourages contributions in developing its recommendations, standards, norms and best practice and welcomes the participation of government and private sector associations at the policy level, and hundreds of technical experts in working groups. This unique feature helps in forging new collaborative relationships between the business community and public administrations.

3. UN/CEFACT Structure

- 3.1 The structure of UN/CEFACT consists of a Plenary, responsible for strategy and outreach; a Bureau, responsible for the open, transparent and efficient operation of the Centre, and a Forum where members and contributors meet in a cross discipline environment. The Plenary convenes once a year while the Bureau and Forum meet as required but must convene at least twice a year, usually March and September.
- 3.2 The Forum is managed by a Forum Management Group (FMG) and comprises five Permanent Groups (PG) that can each establish Working Groups and Project Teams as well as a Steering Committee to oversee administration. Membership resides with the nominated individual (rather than the sponsoring organisation) and Members are expected to contribute to the work based solely on their expertise, and to comply with the UN/CEFACT Policy on Intellectual Property Rights and the Code of Conduct. Decisions within Permanent Groups are made by consensus that is general agreement characterized by the absence of significant and sustained opposition by a relevant minority. If a PG cannot achieve consensus then the matter is decided by formal vote, when a quorum is present.

3.3 The main driver of the work programme of UN/CEFACT is the **International Trade and Business Process Group (TBG)** is responsible for the simplification of international trade procedures, business and government process analysis and best practices using the UN/CEFACT Modelling Methodology (UMM) to support the development of trade facilitation and e-business solutions. This purpose is demonstrated through:

- identification, simplification, harmonisation and alignment of public and private sector practices, procedures and information flows;
- specification of common business and government processes and reference models;
- harmonisation of cross-industry business and government processes; and
- documentation of business and government requirements.

The Group is also responsible for raising awareness of its work to the wider audience of the international business community and national administrations.

3.4 The TBG defines the business process in a Business Requirement Specification (BRS) document that is then mapped in a Requirement Specification Mapping (RSM) document to allow the development of the e-business standard, or technical specification or other solution. The TBG consists of 17 Working Groups (WG), identified in the following list:

TBG 1	Supply Chain
TBG 2	Digital Trade Documents (UNeDocs)
TBG 3	Transport and Logistics
TBG 4	Customs (meet within WCO committees)
TBG 5	Finance (and Banking)
TBG 6	Architecture, Construction and Engineering
TBG 8	Insurance
TBG 9	Travel, Tourism and Leisure
TBG 10	Healthcare
TBG 12	Accounting and Audit
TBG 13	Environmental
TBG 14	Business Process Analysis
TBG 15	International Trade Procedures
TBG 16	Entry Point to UN/CEFACT
TBG 17	Harmonisation
TBG 18	Agriculture
TBG 19	e-Government

Working Groups **TBG 7 (Statistics Collection and Reporting)** and **TBG 11 (Social Services)** are not currently active and do not participate in Forum. The WGs (often referred to as Domain Groups) can, for ease of understanding their role and responsibility, be divided into three categories; firstly those that represent a single trade or industry sector, for example TBG 8 Insurance. Secondly, WGs that cover a part of the national or international supply chain, impacting on one or more sectors, for example Transport and Logistics. Thirdly, WGs that are cross domain, covering the totality trade transaction such as International Trade Procedures, or the whole of the TBG work programme, for example Harmonisation.

3.5 Within the Forum, TBG is supported in its work by the other four PGs. The **Applied Technologies Group (ATG)** transforms the business requirements by the creation and maintenance of the document structures based on a specific standard or technology. The function of the ATG is to design, assemble and produce the syntax solution requested in the RSM document. The ATG is composed of two WGs – ATG 1: UNEDIFACT (responsible mainly for processing Data Maintenance Requests - DMRs – to the UNEDIFACT Directory)

and ATG2: XML (production of schema and style sheets). ATG2 is also responsible for work on the Naming and Design Rules (NDRs), developing the Data Type library and the XML representation of Core Components.

3.6 The **Information Content Management Group (ICG)** ensures the release of quality recommendations and technical specifications after conducting a rigorous audit, validation and verification process. To achieve this aim the ICG is responsible for:

- management of the UN/CEFACT information registries and libraries for recommendations and e-business solutions within its scope;
- technical conformance of the BRS and RSM documents;
- normalisation and maintenance of the base syntax neutral information components that serve as the building blocks for standards development and implementation; and
- technical conformity and registration of syntax specific information objects and components.

Perhaps the most important task of the ICG is ensuring the publication, twice yearly, of the **UNEDIFACT Directory and the UN/CEFACT Core Component Library**.

3.7 The **Techniques and Methodologies Group (TMG)** provides all UN/CEFACT Groups with the meta (base) Business Process, Information and Communications technology specifications, recommendations and education. The TMG also functions as a research group evaluating new information and communication technologies (ICT), as well as techniques and methodologies that could assist UN/CEFACT to fulfil the vision and mandate for trade facilitation and e-business. Through its WGs (Business Process Analysis – BPAWG, Core Components – CCWG, and e-Business - EBWG) the TMG are developing the **UN/CEFACT Modelling Methodology (UMM)**, the **Unified Modelling Language (UML)** specifically the profile for Core Components, **the Core Component Technical Specification (CCTS)** and e-Business Architecture.

3.8 The **Legal Group (LG)** conducts research and analysis of the current legal system within the mission and objectives of UN/CEFACT and its Forum. The Group identifies legal constraints that could adversely affect the delivery of UN/CEFACT outputs or the effective operation of the Forum, and proposes practical improvements to the legal process to overcome the issue.

4. **eBG**

4.1 Members are asked to note the report and its Annex, and comment accordingly.

ANNEX

GLOSSARY (Abridged)

Business Requirement Specification (BRS). Document that specifies the business requirements for the definition of a specific business process. The business requirements are defined using exclusively business specific terminology with the information requirements expressed in appropriate text, schematics and models that are *not* influenced by specific harmonised sector neutral terminology

Core Component Library (CCL). Part of the UN/CEFACT Registry that stores Registry Classes. The CCL contains all the Core Components Types – *Basic Core Components* (BCC), *Aggregate Core Components* (ACC), *Basic Business Information Entities* (BBIE) and *Aggregate Business Information Entities* (ABIE).

Core Component Technical Specification (CCTS). The technical specification for defining a *Core Component* (CC), the building block for the creation of semantically correct and meaningful information exchange using only the information pieces necessary to describe a specific concept.

Naming Convention (Naming and Design Rules – NDRs). The set of rules that together comprise the way a dictionary entry name of a CC and BIE are constructed.

Requirement Specification Mapping (RSM). Document generally associated with a BRS that specifies the transformation of the business requirements into a UN/CEFACT compliant document or business process specifications that can be used in the development (creation, production) of a *syntax dependent solution*. The RSM may be used independently of a BRS to provide ACC specifications for integration into the CCL.

UN/CEFACT Modelling Methodology (UMM). Most business activities can be dismantled into business processes that are more generic to a specific type of business. The UMM allows trading partners to capture the details for a specific business activity using a consistent modelling methodology.

Unified Modelling Language (UML). A standard notation of the modelling of real-world objects as a first step in developing an object oriented design methodology. The UML notation is derived from and unifies the notations of 3 object-oriented design and analysis methodologies. Sometimes these are expressed as a set of diagrams that communicate business process requirements.

XMI. A model driven XML Integration framework for defining, interchanging, manipulating and integrating XML data and objects. XMI-based standards are in use for integration tools, repositories, applications and data warehouses. Provides rules for schema generation for any valid XMI-transmissible, meta object facility (MOF) based meta model.