Panel Discussion:
Implementing the future WTO commitments on trade facilitation

Geneva, 5 July 2010

UNECE - UN/CEFACT Standards
in Trade Facilitation and Electronic Business

by

Mr. Serguei Kouzmine
Global Trade Solutions Section
Trade Division
UNECE

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UNECE - UN/CEFACT Standards in Trade Facilitation and Electronic Business

WTO on the use of Standards

- Document approved by a recognized body, that provides, for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method.
**Use of standards**

- Where technical regulations are required and relevant international standards exist or their completion is imminent, Members shall use them, or the relevant parts of them, as a basis for their technical regulations except when such international standards or relevant parts would be an ineffective or inappropriate means for the fulfillment of the legitimate objectives pursued, for instance because of fundamental climatic or geographical factors or fundamental technological problems.

**Why emphasis on standards and regulatory convergence?**

- Increase of international trade – the growing visibility of technical barriers to trade;
- National technical regulations;
  Unfair position of foreign business operators;
- A shield of local producers from foreign competition;
- Negative effect, in particular, on small and medium-sized enterprises.
Elimination of TBTs through:

- Harmonization of national technical regulations
- Elaboration of international regulations (WP.29)
- Mutual recognition agreements;
  ...
Less painful – through the use of “standards-receptive” regulatory models

UNECE International Model for Technical Harmonization (Rec. “L”)

Principles:

- National technical regulations on the basis of international (regional standards);
- "Common regulatory objectives" on the basis of mutually agreed safety and other legitimate requirements;
- Regulators should not harmonize existing regulations, but rather should try to agree on what safety (etc.) levels they would like to achieve.
Trade Facilitation, WTO and Standards

- How to promote use and reference to standards in TF context?
- Use and role of standards at WTO TF negotiations?
- What is a TF standard?
- What is “use of standards” in TF context?
Success Stories

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
International Trade & Business Process Group (TBG)

UN/CEFACT Forum

TBG1 – Supply Chain
TBG3 – Transport & Logistics
TBG5 – Finance
TBG7 – Statistics collection & Reporting
TBG9 – Travel, Tourism & Leisure
TBG11 – Social Services
TBG13 – Environmental
TBG15 – International Trade Procedures
TBG17 – Harmonization
TBG19 – e-Government

TBG4 – Customs
TBG6 – Architecture & Construction
TBG8 – Insurance
TBG10 – Healthcare
TBG12 – Accounting & Audit
TBG14 – Business Process Analysis
TBG16 – Entry Points
TBG18 – Agriculture

UNECE Trade Facilitation and Electronic Business Standards - UN/CEFACT

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

Means
Standards developed in an open and transparent environment
Public Private Sector Partnership – over 300 international experts
UN/CEFACT Forums – joint meetings of experts - 2 per year
Success Stories

The international standard for electronic data exchange

- Backbone of global trade
- Bi-annual publication by UNECE

UN/EDIFACT

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NAD+BY+++Bestellernname+
Strasse+Stadt++23436+xx'
LIN+1++Produkt Schrauben:SA'
QTY+1:1000'

United Nations Trade Data Element Directory (UNTDED)

(International Standards Organisation ISO 7372)

- Developed to provide a Directory to facilitate open interchange of data in international trade
- Standard data element names with description of meaning (data value) and a specification of character representation
- Fully consistent with UN/EDIFACT
UN/CEFACT eDocument Standards

- UN Layout Key for Trade Documents (UNECE Recommendation 1)
- United Nations Trade Data Elements Directory (UNTDED/ISO7372)
- UN/EDIFACT
- UN/CEFACT Core Component Technical Specification
- UN/CEFACT XML Naming & Design Rules
- UN/CEFACT Core Components Library
- UN/CEFACT Codes Recommendations
- UNECE Trade Facilitation Recommendations
Electronic Documents

Electronic Document Exchange
XML or UN/EDIFACT

Paper Document
aligned to UN Layout Key

Electronic Edit Form

CCL and the WCO DM

- WCO/TBG4 submission to the Core Component Library - 295 entries.
- These entries represented the data concepts that were part of the WCO data model but were not yet in the Core Component Library.
- Subject to final TBG17 approval and audit, there will be 201 additions to the Core Components, 3 changes to existing core components and over 50 deletions from the Core Component Library.
- BIEs yet to be submitted, Business Information Entities to be submitted, which is the next stage of submission. With the submission of the BIEs, full equivalence between the structure and components WCO Data Model and the Core Component Library will be established.
eBusiness Standards Cooperation

Formal Memorandum of Understanding (MoU)

Commits participants to:

- Avoid divergent and conflicting approaches to standardization
- Eliminate duplication of effort
- Provide a clear roadmap for users
- Ensure intersectoral coherence in the field of electronic business

**Single Window Concept**

**FROM**

Current Situation for Government & Traders

**TO**

A 'Single Window' environment

UN/CEFACT Recommendation 33
Single Window Definition

UN/CEFACT Recommendation 33

“A facility that allows parties involved in trade and transport to lodge standardised information and documents with a single entry point to fulfil all import, export and transit related regulatory requirements.

If information is electronic, then individual data elements should only be submitted once.”

Single Window Instruments

- UN/CEFACT Recommendation & Guidelines on Establishing a Single Window (Recommendation No 33)
- Draft UN/CEFACT Recommendation 34 - Data Simplification & Standardization for International Trade
- Draft UN/CEFACT Recommendation 35 - Establishing a Legal Framework for an International Single Window
- UN/CEFACT Repository of Single Window applications
- UNECE is Working on Single Window Implementation Framework (SWIF) – under ITAID
- .......

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Look for better slides. Shorter text, only one font

Markus Pikart, 3/9/2010
Capacity Building

1) Tools
- Guidelines, such as those for Recommendations 1, 4, 33
- Business Process Analysis Guide
- Trade Document Alignment Guide
- Single Window Repository
- Trade Facilitation Implementation Guide

2) National and Regional Workshops organized;
- With extra-budgetary funds
- As part of UN Development Account projects

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UNECE - UN/CEFACT
UNECE in partnership with other organizations
UNCTAD, WB, UNIDO, etc

Recommendations/ Standards Development and Maintenance
Capacity Building (Helping government to elaborate a national TF strategy)
Technical Assistance (Donors decide what is to be done) - UNECE does not provide long term TA

WTO

* 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.
UPCOMING EVENTS

- UN/CEFACT Geneva Forum – 30 August to 3 September
  - Special Session for Missions – 31 August
- UN/CEFACT Plenary – 8 – 10 December

Follow-up

All UNECE and UN/CEFACT Recommendations, codes, standards and publications are available for free on our website at:

- www.unece.org/trade
- www.unece.org/cefact/
- E-mail: tom.butterly@unece.org