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INTERSECTORAL ACTIVITIES

**Areas and activities of mutual interest between the Committee for
Trade, Industry and Enterprise Development and the Inland Transport Committee**

Transmitted by the Committee for Trade, Industry and Enterprise Development

The UNECE Trade Development subprogramme is implemented by the Committee for Trade, Industry and Enterprise Development which has two subsidiary bodies with activities of potential 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 their transport related activities, including possible areas for cooperation with the Inland Transport Committee and its subsidiary bodies.

a) United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

The United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) focuses on facilitating national and international transactions, through the simplification and harmonization of processes, procedures and information flows over the entire trade transaction chain, from the initiation of the order for the goods right through to their final delivery to the buyer. Key deliverables are:

- Trade Facilitation Recommendations
- Electronic Business Standards
- Technical Specifications

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

- the United Nations Layout key for Trade Documents, the international standard for layout and content of international trade documents
- UN/EDIFACT, the only internationally accepted standard for electronic interchange of business data;
- a series of recommendations standardising the data exchanged in trade transactions (for example, the UN Location Code which provides a unique internationally accepted code for ports, airports, inland clearance depots, etc)
- recommendation and guidelines on the establishment of government / business dialogue on trade facilitation implementation
- recommendation and guidelines on the establishment of a Single Window to enhance the exchange of information between trade and government.

All UN/CEFACT recommendations are available for download without charge on the UN/CEFACT Website at http://www.unece.org/cefact/recommendations/rec_index.htm .

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 electronic 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, including in areas such as transport, customs and finance, where the representatives of UN member States, international and regional expert groupings and the private sector meet regularly to maintain the existing recommendations and tools and to prepare new tools, instruments and solutions for trade facilitation and electronic business standards.

CURRENT DEVELOPMENTS IN UN/CEFACT

The work of UN/CEFACT in trade facilitation and related work on the facilitation of customs procedures has close links with the work of the Inland Transport Committee. Over the years UN/CEFACT has developed over 30 recommendations aimed at facilitating international trade through simplified procedures and harmonized trade documents. These include, among others, numerous code systems such as codes for trade and transport locations (UN/LOCODE), codes

for modes of transport, codes for units of measure used in international trade as well as codes for passengers, types of cargo, packages and packaging materials.

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

The 11th. Plenary approved the following Draft Business Specifications:

- TRADE/CEFACT/2005/20 Business Requirement Specification for Cross Industry Invoice
- TRADE/CEFACT/2005/21 Business Requirement Specification for Cross Industry Remittance Advice
- TRADE/CEFACT/2005/22 Business Requirement Specification for BoostAero e-Supply Chain
- TRADE/CEFACT/2005/24 Business Requirement Specification for e-Tendering
- TRADE/CEFACT/2005/36 Business Requirement Specification for Sanitary and Phytosanitary e-Certificate

The International Trade and Business Processes Group (TBG) of UN/CEFACT works, among other a wide range of areas, on transport and customs related processes and issues. Below, the current work of three of its working groups are presented in more detail:

TBG3 - TRANSPORTATION

The working group for transportation and logistics (TBG3) is working on modelling transport business processes and on transport related core components. Current work items include modelling Transport Business Processes 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 interoperability and coding.

UN/CEFACT's working group "Supply Chain" (TBG1) has developed a Business Requirements Specification (BRS) for Material Safety Data Sheets. As the transport of dangerous goods is an area where the UNECE is active through the United Nations Economic and Social Council's Committee of Experts on the Transport of Dangerous Goods and the Globally Harmonized System of Classification and Labelling of Chemicals - AC 10, (which is hosted by the UNECE), the Plenary in 2005 requested TBG to take into account the provisions and results of related work as laid down in the documents: "Annex to Business Requirement Specification for Material Safety Data Sheet" (TRADE/CEFACT/2005/23/Add.1); and "The Globally Harmonized System of Classification and Labelling of Chemicals (GHS)" (TRADE/CEFACT/2005/32). The TBG was requested to submit a revised BRS for review and approval of the Plenary.

As part of the preparation of a new ISO standard (ISO 24553), TBG3 operates closely with the World Customs Organization (WCO) project team to harmonise customs and transport data models. Similarly, the working group 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 geolocation.

Horizontally, the group cooperates with other TBG working groups, such as TBG1 (Supply Chain & e-Procurement), TBG2 (Digital Paper – UNeDocs), TBG4 (Customs), TBG15 (International Trade Procedures), TBG5 (Finance) and TBG14 (Business Process Analysis).

The following approved projects are work in progress within TBG3:

Project Number	Working Group	Standard Type	Project
15	TBG3 – Transportation and Logistics	Business Specification	Transport Business Process Modelling
16	Idem	Idem	Transport Core Components

TBG4 - CUSTOMS

The customs working group's project work is developed externally through the World Customs Organization (WCO) and, in addition, the group participates actively in the 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 Integrated Supply Chain Management (ISCM) Guidelines with the 21 other working groups participating in TBG, and in particular in Trade, Transport, Environmental Management and the e-Cert Ratification Project Team.

The following approved projects are work in progress within TBG4:

Project Number	Working Group	Standard Type	Project
17	TBG4 – Customs	Business Specification	Customs Core Components and BP Modelling
44	TBG17 – Harmonization	Idem	UN/CEFACT Core Components Library

In addition to the two working groups discussed above, other TBG working groups cover areas such as Finance, Architecture & Construction, Statistics, Collection & Reporting, Insurance, Travel, Tourism & Leisure, Healthcare, Social Services, Accounting & Audit, Environment, Business Process Analysis, International Trade Procedures and Entry Points¹.

^{1/} http://www.disa.org/cefact-groups/tbg/docs/Project/TBG%20project_.xls

OTHER INITIATIVES

CUSTOMS

In the area of customs procedures and facilitation, the UNECE, through its Regional Advisor on Trade Facilitation, is working closely with a number of customs and trade facilitation organizations. In 2004- 2005, a number of field missions and projects have been carried out in Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Hungary, Kazakhstan, Russia, Serbia and Montenegro, Turkey, the Southeast Europe Initiative of the Stability Pact for Southeast Europe.

A workshop on Trade Facilitation was held in Moscow in November 2004, in collaboration with the Russian Chamber of Commerce, Ministry of Economic Development and Trade and Federal Customs Service of the Russian Federation.

As part of the joint project for technical assistance in trade facilitation of the UNECE and the Czech Republic, three seminars on trade facilitation and the Czech experience in the area of customs and international standards were organized in Uzbekistan twice in Moldova in 2003 and 2004.

TRANSIT CORRIDORS

The UNECE Regional Adviser participates in and supports 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) was developed for 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.

MODELLING TECHNOLOGY FOR THE E-TIR PROJECT

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 eTIR project.

United Nations electronic Trade Documents (UNeDocs)^{2/}

UNeDocs is a standard of UN/CEFACT to provide a migration path for global trade from the current, paper based information exchange to paperless trade. The adoption of UNeDocs simplifies international trade and increases security in the international supply chain through the exchange of less but better data. UNeDocs trade documents implement international standards and best business practice. Traders and administrations of all countries can use the documents both in paper and electronic format depending on their needs, capabilities and the regulatory framework.

The UNeDocs document specifications integrate widely used UN standards for the simplification of trade documents and cross border trade such as the UN Layout Key (Recommendation 1) and the Trade Data Element Directory Standard (ISO 7372), with Electronic Data Interchange standards such as UN/EDIFACT (Recommendation 25) and latest XML related standards such as ebXML Core Components (ISO 15000-5) and Web based technologies. UNeDocs documents are designed to be implemented with low cost software and can serve as a platform to connect the user to value added Web Services.

UNeDocs provides a fallback option to paper. This concept allows the business partners and the involved administrations to convert at any time the electronic document into a valid paper document, should one be required.

b) The Working Party on Regulatory Cooperation and Standardization Policies (WP.6)

The UNECE Working Party on Regulatory Cooperation and Standardization Policies (WP.6) supports the efforts of countries and regional organizations to approximate standards and harmonize related regulations.

WP.6 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 that have been developed to assist countries that want to align their regulatory regimes in specific sectors or product areas. The basic principle of this “International Model” is that the technical content of regulations should be drafted in terms of broad objectives (addressing safety, environmental and other governmental concerns) and should refer to international standards for more detailed performance-based technical requirements.

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

^{2/} www.unedocs.org

PROPOSED AREAS FOR COOPERATION WITH WP.6

In the summer of 2006, the UNECE Committee for Trade, Industry and Enterprise Development (CTIED) is planning to organize a UNECE Forum on Regulatory Cooperation and Standardization in the Globalizing World: Challenges and Future Directions.

The CTIED is organizing this Forum with its subsidiary body – the Working Party on Regulatory Cooperation and Standardization Policies (WP.6).

It is expected that this Forum will host participants and speakers from WTO, OECD, APEC and other international agencies and organizations. One of the sessions of the Forum will be devoted to discussions on UNECE legal instruments, and the CTIED is looking forward to contributions on regulatory issues from various UNECE Committees.

There are three main goals of the Forum:

1. To examine the current developments in regulatory and standardization areas in the UNECE region and to identify major problems and concerns in trans-European and trans-Atlantic cooperation;
2. To receive an update on regulatory cooperation tendencies in other regions and on good regulatory practices elaborated by governments and international organizations;
3. To provide an overview of relevant UNECE standardization and regulatory activities and in this context pinpoint possible future joint activities between UNECE's intergovernmental bodies in order to better promote the UNECE's work.

The CTIED Bureau believes that the Forum will help provide practical answers to some of the concerns expressed by governments in the recent external review of the UNECE. It would like to invite the Inland Transport Committee to participate in the Forum and particularly in the sessions related to the last goal described above.

Further information can be found at the CTIED's Internet site at: <http://www.unece.org/trade> and more specific inquiries can be sent to trade@unece.org.
