

Enhancing Information Exchange in International Supply Chains

Asia Pacific Trade Facilitation Forum
October 2012, Colombo, Sri Lanka

UNECE: Who we are and what we do

q UN Economic Commission for Europe (UNECE):
North America, Europe, Central Asia, Western Asia
and Caucasus

q Focal point in the UN system to develop
standards and best practice for trade facilitation

q Simplified and harmonized trade documents,
processes and information flows throughout the
supply chain

q Standards & Recommendations: United Nations
Centre for Trade Facilitation and electronic
Business (UN/CEFACT)

q Capacity building & advisory services : United
Nations Network of Experts for Paperless Trade
(UNNEXT)





Global Trade Facilitation Conference 2011

Connecting International Trade:
Single Windows and Supply Chains in the next decade
12-13 December 2011, Palais des Nations, Geneva, Switzerland

- q UN conference organised by all five Regional Commissions
- q Current state and future of information exchange in the global supply chain
- q Ask the billion dollar question
 - q *"Where are we now?"*
 - q *"What did we learn?"*
 - q *"What is lying ahead?"*



Trade facilitation is high on the political agenda

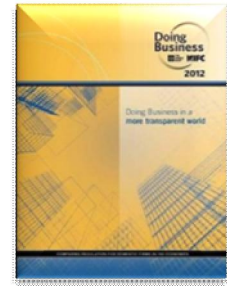


« Trade facilitation is a true win-win for all countries, and it particularly benefits small and medium-sized enterprises (SMEs) and least developed countries (LDCs)»

Source: Ed Fast, Canadian International Trade Minister, May 2012

« Where the trade environment is more favourable, businesses are better positioned to take advantage of new opportunities, to grow and to create jobs»

Source: WB, World Business Report, 2010



« Every extra day required to ready goods for import or export decreases trade by around 4%. This is why a trade facilitation deal would be a tremendous value for our trading communities and in particular for SMEs»

Source: Pascal Lamy, WTO Director General, Dec 2011

Information is the key resource in the global supply chain

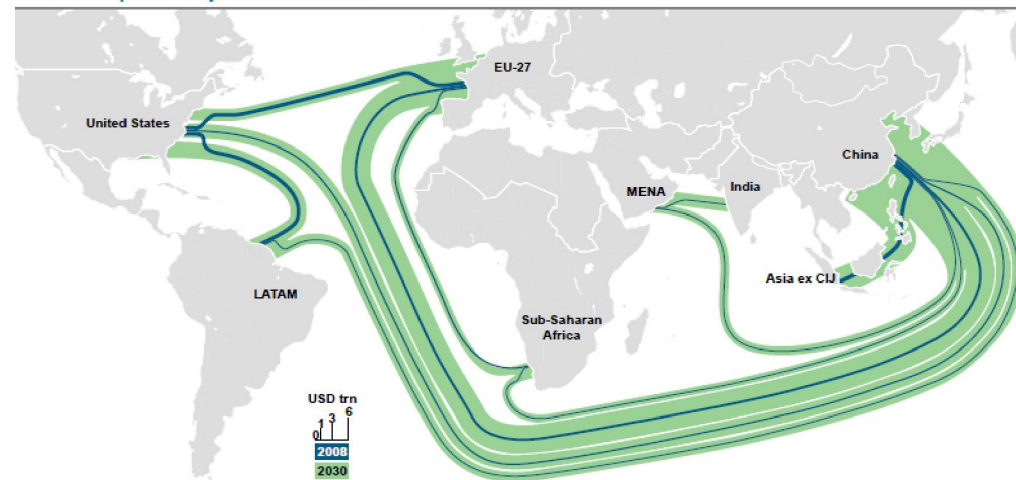
Global Trade 2011* :

Goods 18.2 trillion
Services 4.2 trillion
DC 47%

Outlook:

- q More countries, products, containers, regulatory requirements, ..
- q Need for faster and more reliable trade
- q Information is the key to efficiency and security
- q Management of information in the SC is the next challenge/opportunity

Chart 19: Exports – major trade corridors



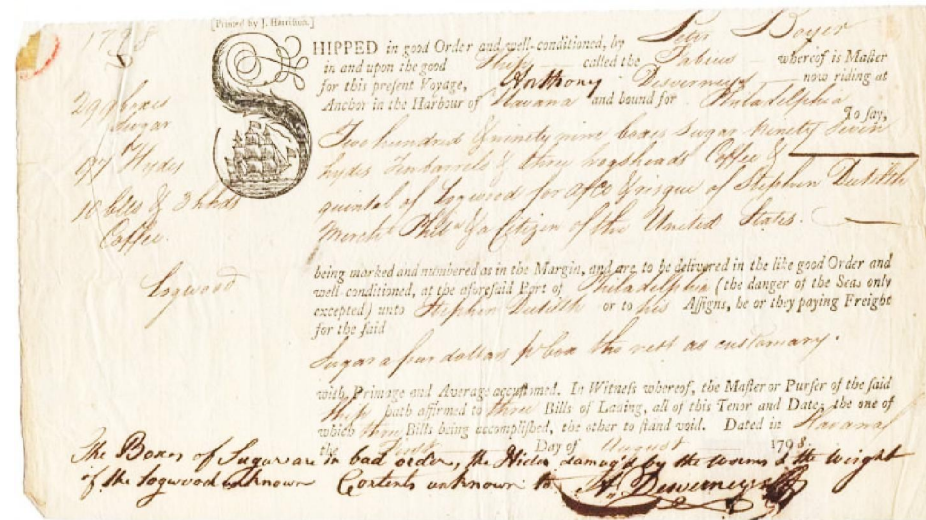
Sources: IMF DOTS, Standard Chartered Research

*Source: WB 2011

How to run a 18\$ trillion business with last centuries technology

Trade documents:

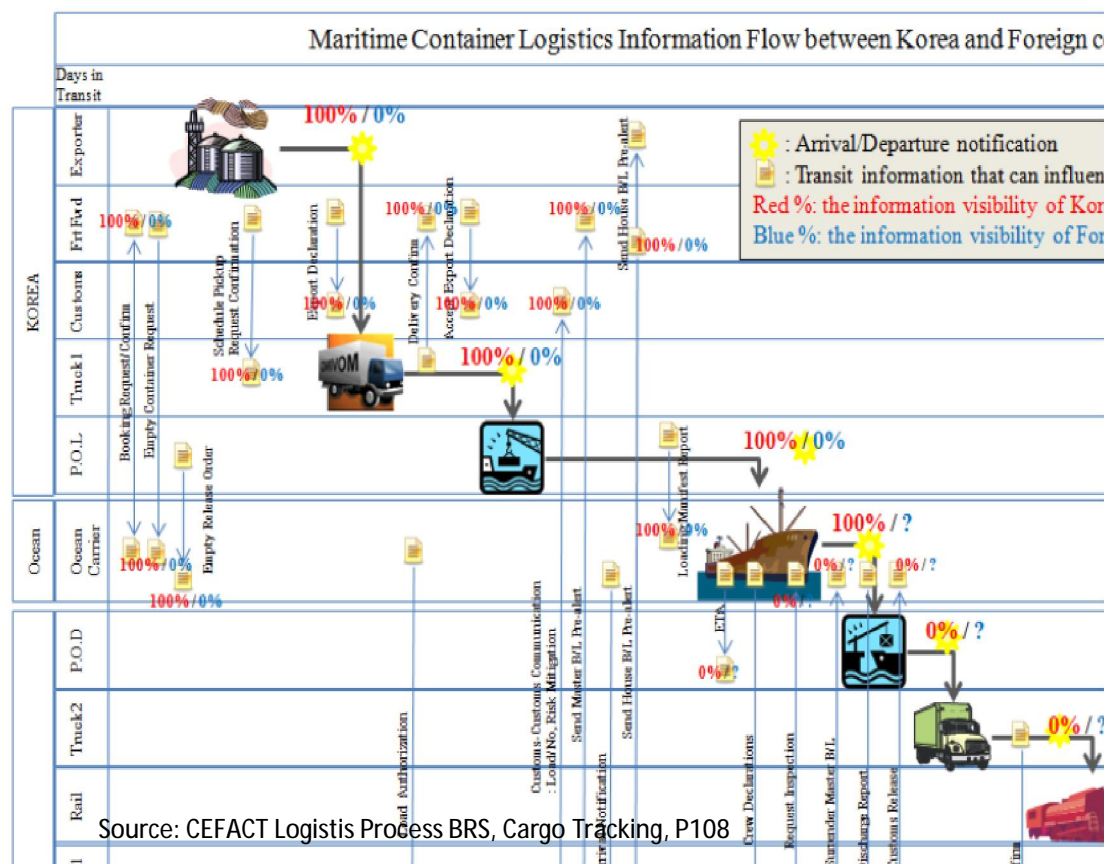
- q Concept hasn't changed much for centuries
- q Data push concept
- q One size fits all
- q Work flow in the document: signatures, authentication,...
- q human processing only
- q Fax, photocopy, printers: even more paper



Information in global supply chains

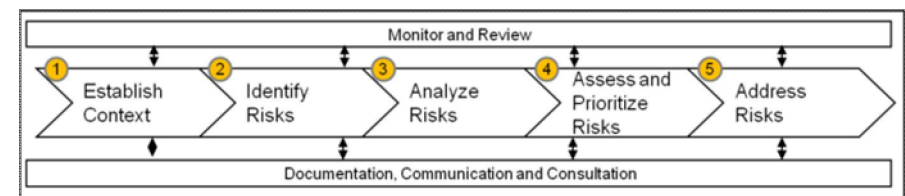
- The blind leading the blind -

- q Many parties that know very little for sure
- q What's in the box? Who stuffed it? Is the consignment complete? ...
- q Essential information is often not from the originator
- q Most information is «agent to agent», «said to contain»,...
- q Traders state a general lack of transparency in global supply chains
- q .. leading to huge and costs..
- q .. and risks for the governments



Governments taking the lead: Risk management through advance information

- q Assess the risk BEFORE the goods arrive
- q Manage the risk: automated information exchange and assessment
- q WCO SAFE Framework: *"The central tenet .. is the use of advance electronic information to identify high-risk containers or cargo."*
- q National and regional: EU ICS & ECS, US C-TPAT 10+2, ..
- q Advance information becoming driver for cross border information exchange
- q Agent to agent issue: Automated risk assessment based on 2nd hand data



Private Sector: « *Not information is power but sharing the information is the real power** »



- q Towards an information managed supply chain
- q Information sharing: data pull instead of push
- q Powered by new concepts: Cloud Computing, Internet of Things, Data Models
- q Implications:
 - q new ways of collaboration
 - q CEFACT Revision of Rec 14 on authentication of documents by means other than signature-with ISO and UNCITRAL
 - q new frameworks for trust, accessibility, ..
 - q Governments need to provide these frameworks

Single Window recommendation

q UNECE Recommendation

q Asia and Central Asia, Africa, Central and Latin America

q Spearheaded by developing countries and emerging economies

q SWs increased the national competitiveness

q SW become an asset for organising information exchange in global trade

ECONOMIC COMMISSION FOR EUROPE
United Nations Centre for Trade Facilitation
and Electronic Business (UN/CEFACT)

**Recommendation and Guidelines
on establishing
a Single Window**

*to enhance the efficient exchange of information
between trade and government*

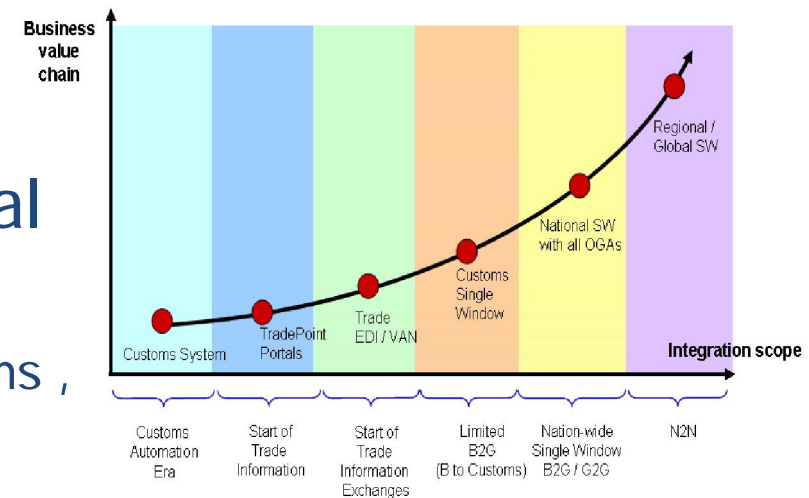
Recommendation No. 33



UNITED NATIONS
New York and Geneva, 2005

Single Window concepts today

- q Single Window today: one term, many meanings
- q Many information systems for global supply chains:
 - e-Customs, PCS, Government agency systems, national logistics systems, cross border information systems, ..
- q SW as a network of systems
- q Objective is collaboration of stakeholders and simplification of procedures
- q SW planning as a challenge



Evolution of the Single Window concept

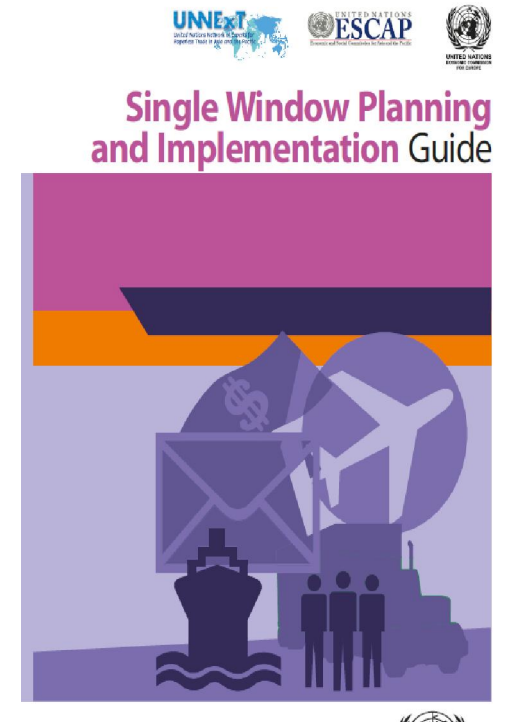
- q SW seen as a process of reform and innovation
- q Main objective simplification and collaboration
- q Automation an instrument, not means end
- q From central SW towards networks for information management in SC
- q Countries need to plan the evolution of their SW systems

Single Window: *The journey has just begun!*

- q Port Community Systems within Single Window
- q Cross border information exchange
- q Connecting SW from developing and developed countries
- q Smart supply chains: T&T, smart food, data pipeline concepts,...

UNNEXT Single Window Guide

- q Policy makers and managers to develop a SW vision and plan
- q Evolution of the SW: phases, objectives, costs, benefits, KPI
- q Structured approaches to plan and manage SW projects
- q UNNEXT Guide bringing together standards, research and managerial best practices
- q A network for exchange of experience and knowledge



TRADE



FACILITATION IMPLEMENTATION GUIDE

**A tool for
simplifying
cross-border
trade**



ABOUT THE GUIDE

Purpose:

- Present concepts, standards and recommendations that can simplify trade throughout the international SC, along with implementation approaches & methodologies.

Target:

- Policymakers and high-level managers
- Implementers and technical experts
-from governments, businesses and international organizations

Format:

- A web-based interactive tool
- In a wikipedia style (with entry points and cross links to navigate contents)

Key milestones:

- Sept 2011: launch of the project
- Jul-Aug 2012: final draft and peer review
- Sept 2012: online publication
- Oct-Dec 2012: translation into French and Russian
- Jan-Dec 2013: Workshops in Europe, Central Asia, Asia Pacific, Africa, Middle East and Latin America

CONTENTS OF THE WIKI



Why

- **About TF**

Principles and Benefits & the Generic Approach to TF Implementation



Where

- **Domains:**

Business: Purchasing, Shipping & Transport, Customs & Cross Border Management, Payment

Approaches and Methodologies: Business Process Analysis, Consultation_Collaboration, E-Business Solutions



How

- **Suggested Itineraries:**

1. Reducing border delays, 2. Documents simplification and data harmonisation; 3. Creating partnership with trade; 4. ICT application; 5. WTO negotiations,....



With what

- **Instruments**

Conventions, Standards and Recommendations, Guides, Case Stories



Who

- **Organisations**

UNECE – UN/CEFACT, UNESCAP, WTO, UNCTAD, ITC, WCO, etc.

TRADE FACILITATION IMPLEMENTATION GUIDE



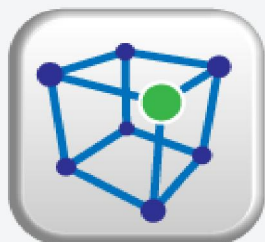
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Welcome to the
Trade Facilitation Implementation Guide



Domains



Itineraries



Instruments



Organizations



Trade Facilitation
Implementation Guide



Thank you

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UNNEXT: www.unece.org/trade/unnext.html

TIFIG: www.unece.org/trade/tfig