

United Nations Economic Commission for Europe

New concepts for information exchange in
international supply chains

Why are Governments different...

Seattle, May 2011

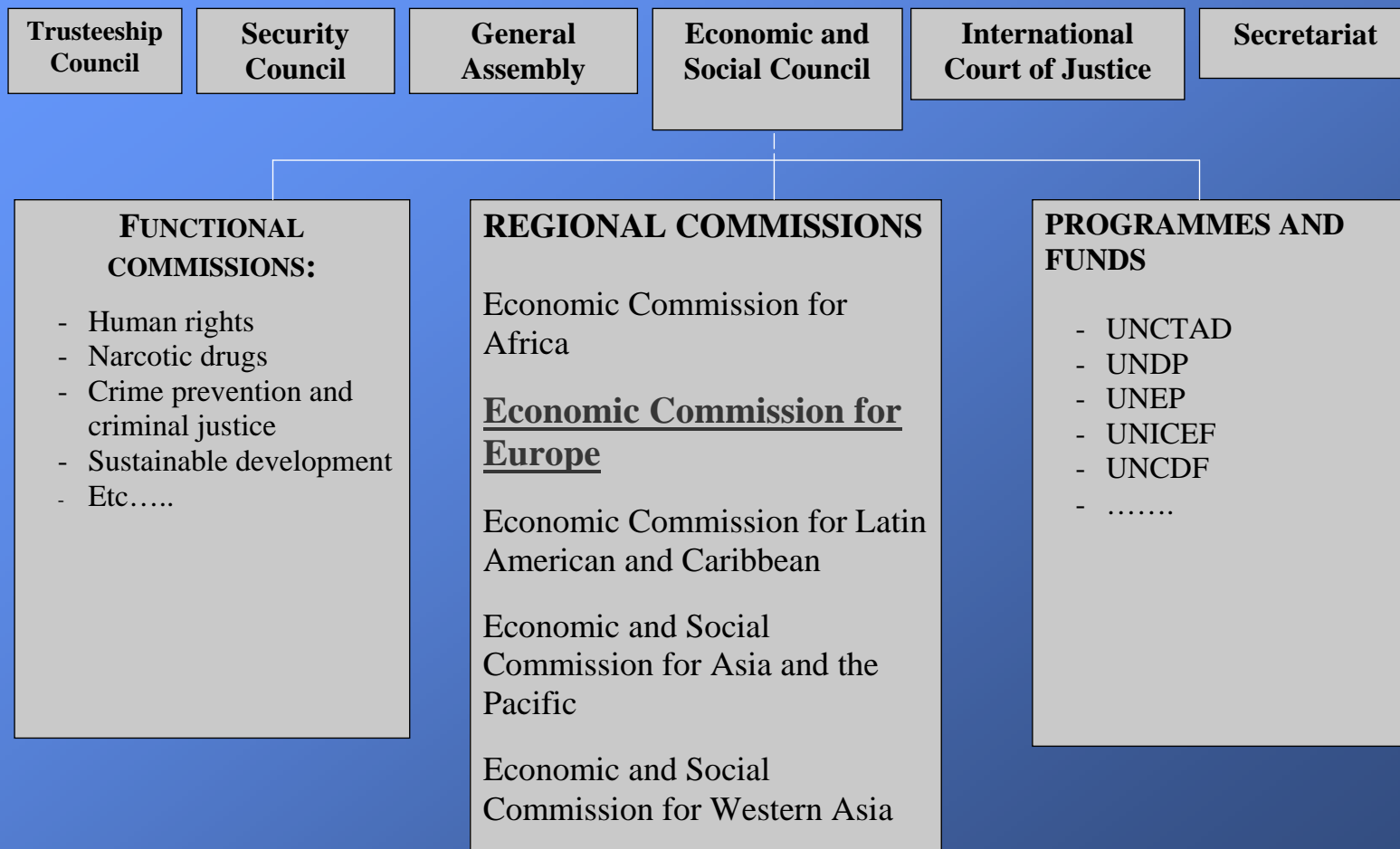


Agenda

1. UNECE
2. Governments
3. Towards a cloud based, information driven supply chain
4. Complementary role of Government, Business and International Organizations
5. Single Window – a case study for cloud computing?
6. Conclusions



UN Economic Commission for Europe (UNECE)

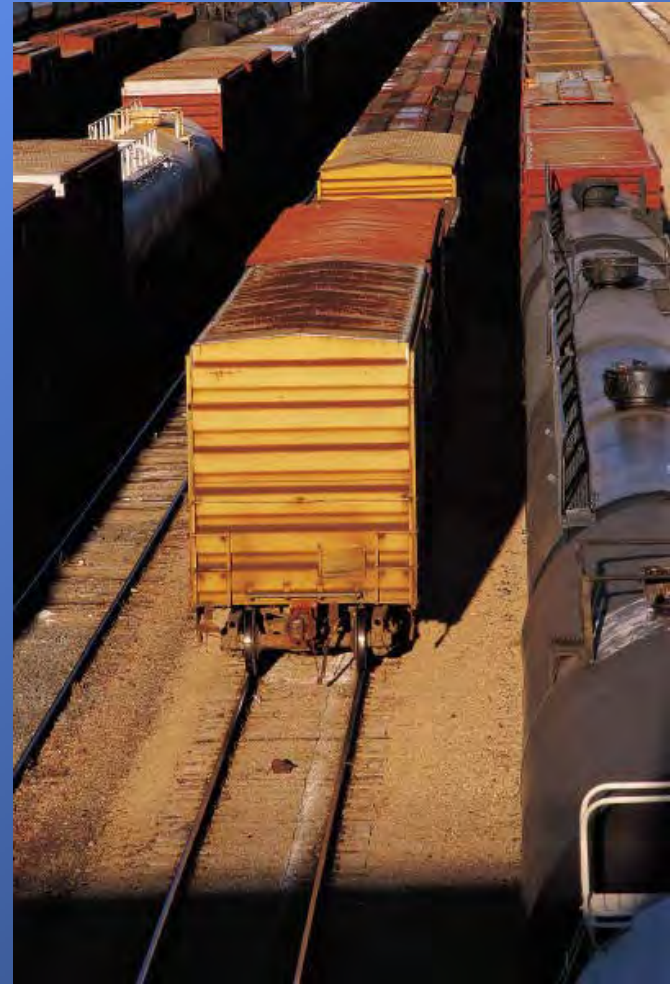


Role of UNECE

- UNECE's key objective is economic integration within the UNECE region and between UNECE region and the rest of the world
- Trade Facilitation and efficient trade data interchange are key tools of UNECE to achieve this objective

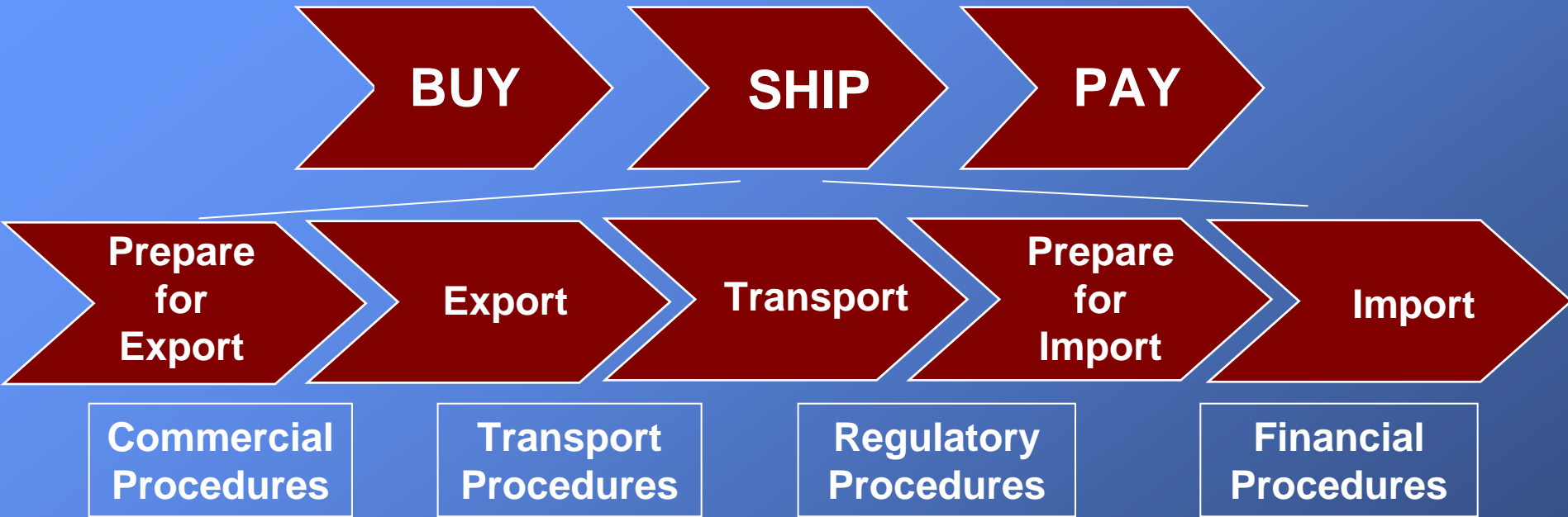
UN/CEFACT – Trade facilitation Standards and Recommendations

- Over 30 Recommendations, many of which are ISO Standards and are covered in the WTO TF Negotiations
 - Recommendation 1 - UN Layout Key for Trade Documents (ISO 6422)
 - Recommendation 25 - UN/EDIFACT (ISO 9735)
 - UNTDED (ISO 7372) and Core Component Library (CCL) - WCO data model
 - Recommendation 33, 34 and 35 - Single Window
 - Recommendation 4 on TF Structures
 - Recommendation 18 – strategies and approaches





Facilitation of the International Supply Chain



Governments (why are they different ...)

- Different attitudes to trade - trusted partner (AEO, CTPAT) or
- Different views on information access
- Degree of regulation
- Attitude to data security (and legal framework)

AND

- Different roles (and time frame) of trade and Government

NEED TO FOCUS MORE ON THE COMPLEMENTARY ROLES OF GOVERNMENTS, BUSINESS AND THE INTERNATIONAL ORGANISATOINS



Towards a cloud based, information driven supply chain

□ Cloud computing +++++ :

- Reuse of information
- Potential for a fundamentally different approach to handling (regulatory) information across the supply chain (from document/message centric approach to information centric approach).
- Potential for great creativity
- Productivity gains for business and government
- **Movement from capital expenditure to operational expenditure – lower cost of entry**



Towards a cloud based, information driven supply chain?

But, we need to be precise:

- Which data exactly needs to be shared – and how ?
- Who wants it, for what reason, when and in which format?
- Who is ready to provide the data and under which conditions?
- What policies and regulatory frameworks are needed?
- What standards and legal framework?
- What are the new opportunities created – what are the new operation and business models required



Towards a cloud based, information driven supply chain?

And we need to be aware of the pitfalls:

- Who owns the data – how can it be protected (legal framework)
- Who has access – with whom can I share the information
- What if the government wants to impound the data of one company – is it all taken
- Who is responsible when the system crashes
- Who is responsible when the data gets lost

Complementary role of Governments, Trade and the Business Community

Requires the integrated action of business, governments, international organizations, universities

Each has its own unique role to plan and these need to be linked together through strong business government cooperation



Complementary role of Governments, Trade and the Business Community ...

The role of Governments

- Provide the policy, legal and regulatory framework
 - Provide stability for investment
- Support the Research and Development



Complementary role of Governments, Trade and the Business Community ...

The role of the private sector

- Provide technology and solutions
- Source of innovation and change
- Deliver the business case
- Implement





Complementary role of Governments, Trade and the Business Community ...

The role of the International Organizations

- Develop the global standards, frameworks and rules
 - UNECE - Standards and Recommendations
 - Semantic Libraries (UNTDED, Core Component Library)
 - Data Model
 - Business process models
 - Codes for business
 - UNCITRAL, WTO, WCO, IMO, etc
- Ensure an inclusive approach
 - Forum for debate
 - Capacity Building
- Provide the forum to evaluate new technologies and concepts and to promote implementation on a global level



Complementary role of Governments, Trade and the Business Community ...

The role of Educational Institutes

- Pathfinder projects
- Developing business models, operational models
- Working closely with business and government
- Living Labs (ITAID, OPTICHAIN)
- Research and Development
- Education and training



Single Window - a potential case study for the cloud

- Large scale inter organizational information exchange system to simplify and automate national export and import processes
- Port community systems
- One time submission of information
- G2G and B2G business processes
- UN Recommendations
- Government mandated and driven
- Private sector use and benefit
- Strong link to national development agendas and external trade policies

UN Single Window Symposium

- UN Single Window Symposium in Geneva, 12 to 13 December 2011 – Single Window 10 years on – where are we now and where should we go
- Organised by all five UN Regional Commissions (Africa, Asia, Europe and North America, Middle East, Latin America)

Summary

- ❑ Cloud based information sharing could generate a paradigm shift in the way we do international trade
- ❑ It can only succeed if governments and international organizations provide direction, security, standards, and the regulatory environment – participate in this effort
- ❑ It will only succeed if there is a business case and the private sector drives it

Team Work





Thank you

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

- www.unece.org/trade
- www.unece.org/cefact/

Tom Butterly

E-mail: tom.butterly@unece.org

