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

Promoting integration of MSMEs in international trade

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UNECE Economic Cooperation and Trade Division (ECTD) in a Nutshell

One Vision: Harnessing Economic Cooperation and Trade for the SDGs

Two Sub-programmes
- Sub-programme 4: Economic Cooperation and Integration
- Sub-programme 6: Trade

Three Thematic Intergovernmental Areas
- UN/CEFACT – Trade Facilitation and Electronic Business
- SCTC – Trade Capacity
- CICPPP – Innovation, Competitiveness and PPPs

Four Sections
- Cooperation and Partnerships Section
- Innovative Policies Development Section
- Market Access Section
- Trade Facilitation Section
United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

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

Key Tools
• Global trade facilitation recommendations
• eBusiness standards
• Guidelines
• Libraries and Directories

Means
Public-Private Partnership – over 1000 experts; Meet virtually practically every weeks

Semantic Hub for Standardization

Buy
- Commercial Procedures
  • Establish sales contract
  • Order goods
  • Advise on delivery
  • Request payment

Ship
- Transport Procedures
  • Establish transport contract
  • Collect, transport and deliver goods
  • Provide waybills, Goods receipts, etc.

Pay
- Regulatory Procedures
  • Obtain im/export licenses etc.
  • Provide customs declarations
  • Provide cargo declarations
  • Apply security measures
  • Clear goods

- Financial Procedures
  • Provide credit rating
  • Insurance
  • Execute payment
  • Issue statements
UN/CEFACT ISMIT White Paper

Integrated Services for MSMEs in International Trade (ISMIT): Opening the Global Economy to MSMEs
Difficulties for MSMEs in international markets

- Cost
- Technologies
- Knowledge
- Competition
- Network
Advantages of providing support

- Diversification of economic development of a country
- Boost possibility of new markets and innovation
- Promoting inclusive and sustainable economic growth
**Definition of e-commerce**: online-initiation; cross-border transaction/shipment; and destined to consumers (commercial and non-commercial)

**E-commerce platforms**

- A type of Single Submission Portal (SSP)
- Can offer the force of multinational groups by pooling together resources
- E-commerce platform offering integrated services to help MSMEs access international markets
- Puts forward the advantages of MSMEs as specialized actors

**ISMIT**
ISMIT Environment

Customs and other government agencies

National Single Window

Integrated Service for MSMEs in International Trade (ISMIT)

- Customs Clearance
- Foreign exchange settlement
- Logistics
- Financing
- Legal advice
- Insurance
- Other services for MSMEs

Service providers and service partners

(customs broker, freight forwarders, logistics service providers, warehouses operators, banks, insurance companies, law firms, etc.)

MSMEs

B2B eCommerce platform

B2C eCommerce platform
Relationship between ISMIT and National Single Window

1. ISMIT is complementary to NSW information flows between ISMIT, MSMEs and NSW to facilitate the MSMEs’ faster Custom clearance, etc.

2. Value-added information flows for MSMEs
Example of choreography of exchanges

- Party orders from an online platform
- Party requests a payment online
- Financial institute confirms payment
- Platform requests shipment from warehouse
- Warehouse provides delivery instructions
- Agent performs clearance processes
- Product is delivered to party who ordered it
Actors involved in eCommerce

- Party Initiating the Purchase
- eCommerce Platform
- Payment Platform
- Warehouse
- Transport Company
- Agent for Clearance
  - Customs
  - Regulatory Agencies for Clearance
  - Health & Safety
  - Agriculture
  - Border Security
e-Commerce and e-Business

e-Business

Buyer – Seller

Payment

International Logistics and Border Management

User – Platform – Payment

Warehouse – Shipping agent – Clearance

Shipment delivered to Buyer
Making knowledge available
Some of our Trade Facilitation Recommendations

- Rec1 – UN Layout Key for Trade Documents
- Rec4 – National Trade Facilitation Bodies
- Rec14 – Authentication of Trade Documents
- Rec16 – UN/LOCODE Code for Trade and Transport Locations (recently revised)
- Rec18 – Facilitation Measures Related to International Trade Procedures
- Rec25 – Use of the UN Electronic Data Interchange for Administration, Commerce and Transport Standard (UN/EDIFACT)
- Rec27 – Preshipment Inspection
- Rec33 – Single Window Recommendation (recently revised)
- Rec34 – Data Simplification and Standardization for International Trade
- Rec36 – Single Window Interoperability
- Rec37 – Single Submission Portals
- Rec38 – Trade Information Portals (pending final approval April 2021)
- Rec41 – Public Private Partnerships in Trade Facilitation
- Rec42 – Trade and Transport Facilitation Monitoring Mechanism
Some of our Trade Facilitation White Papers

- White Paper on Paperless Trade
- White Paper Overview of Blockchain for Trade
- White Paper on Technical Application of Blockchain to UN/CEFACT Deliverables
- White Paper on Smart Containers
- White Paper on Women in Trade Facilitation
- White Paper on Data Pipeline Concept for Improving Data Quality in the Supply Chain
- Technical Note on Terminology for Single Window and other electronic platforms
- White Paper on Reference Data Model
Accessing message exchange standards

UN/CEFACT Cross-Industry family of standards based on the Supply Chain Reference Data Model (SCRDM)

- Negotiation
- Catalogue
- Quotation
- Ordering
- Scheduling
- Remittance Advice
- Packing List
- Delivery
- Invoice
UN/CEFACT Semantic Hub principle

Benefits of UN/CEFACT Semantic Models

• Standardized data exchange syntax-neutral structures, based on common Master data exchange structure

• The support of information sharing, such as enabled by data pipelines, with the timely capture of quality data from original data sources ensuring supply chain visibility

• Reduction of administrative burden by efficient reuse of data shared within the BUY SHIP PAY domain model

• Common basis for implementing in chosen data exchange syntax(es)
Competition between MSMEs and multinationals

How can governments support?

• Using clearly defined and freely available global standards helps to level the playing field (such as those of UN/CEFACT)

• Contributing to the development of clear guidance ensures an inclusive approach (encouraging participation)

• Supporting private sector initiatives which can pool resources and help to access a network of supporting actors (such as an ISMIT platform)
• All experts are welcome to join the work of UN/CEFACT after registration:
  • [https://unefact.unece.org/display/unefactpublic/UNCEFACT+Expert+Registration](https://unefact.unece.org/display/unefactpublic/UNCEFACT+Expert+Registration)

• All deliverables of UN/CEFACT are available free of charge on our website
  • [https://unece.org/trade/unefact](https://unece.org/trade/unefact)

• All UN Member States are welcome to participate in the approval process
Additional material post-event

• Work of the UN/CEFACT Advisory Group on Advanced Technologies on how technologies can contribute to post COVID recovery (see under the tab « Key Documents »)
  • https://unece.org/trade/uncefact/AGAT

• Also see UNECE Recommendation on Pandemic Crisis Trade-Related Recovery
  • https://unece.org/sites/default/files/2021-02/ECE_TRADE_C_CEFACT_2021_09E-PandemicRec.pdf

• COVID-19 impact assessments (for Georgia and Armenia) (at the bottom of the page)
  • https://unece.org/trade/studies-regulatory-and-procedural-barriers-trade
### UNECE Support to SMEs (Examples from ECTD and other Units)

#### Agri-standards
- A large share of the Central Asian agri sector is comprised of SMEs.
- Support transition to more sustainable production patterns & food supply chains for better quality products, increased incomes & new market access.

#### HGEs (High Growth Enterprises)
- A small group of innovative HGEs play a disproportionately large role in innovation, structural change, & SD more broadly.
- Conduct a series of webinars and prepare a handbook in response to the recognition that broad SME policies fall short of meeting the needs of IHGEs.

#### NTMs, non-tariff measures
- Complete five national survey-based assessments on the impact of COVID-19 on trade and structural transformation in Armenia, Belarus, Georgia, Rep. of Moldova and Serbia.
- Presently conducting similar assessments on female-owned SMEs in Armenia and Rep. of Moldova.

#### ISMIT & UN/CEFACT
- Help SMEs overcome the main obstacles in approaching international markets: cost, knowledge, use of technologies, competition, and network of partners.
- Freely available electronic standards to accompany SMEs into the digital market covering all supply chain and logistics needs.

#### Gender (SDGU\(^1\))
- Build support system to encourage the set up & scaling of women-owned SMEs.
- Partner with MCTC\(^3\) and MASHAV\(^4\) to provide biannual training workshops for professional women from Eastern Europe.

#### Energy (SED\(^2\))
- Study “Guidelines & Best Practices for MSMEs in delivering energy efficient products and in providing renewable energy equipment” served as basis for workshop and publication.
- Customize Guidelines and Best Practices for select member States.

Note: Unless otherwise indicated, work streams are undertaken in ECTD.

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1. Sustainable Development and Gender Unit  
2. Sustainable Energy Division  
3. Golda Meir Mount Caramel International Training Center  
4. Israel’s Agency for International Development Cooperation to the Ministry of Foreign Affairs
Forthcoming Events

**REGIONAL FORUM**
ON SUSTAINABLE DEVELOPMENT FOR THE UNECE REGION
Geneva & online | 17-18 March 2021

**UN/CEFACT PLENARY**
Geneva & online | 19-20 April 2021

**69TH SESSION OF THE COMMISSION**
PROMOTING CIRCULAR ECONOMY AND SUSTAINABLE USE OF NATURAL RESOURCES IN THE UNECE REGION
20-21 April 2021 | ROOM XVII | PALAIS DES NATIONS | GENEVA

**UN/CEFACT FORUM**
Virtual event | 26 April to 7 May 2021
Any questions?

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