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for Administration, Commerce and Transport (CEFACT)

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Item 5 of the provisional agenda

AD HOC WORKING GROUP ON SIMPL-EDI AND WEB BASED EDI (SIMAC)

FINAL REPORT

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Submitted by the Chairman of SIMAC*

The Centre is invited to:

note this document, for information.

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Introduction

1. In accordance with the decision taken during the third session of the United Nations Centre for Facilitation and Practices in Administration, Commerce and Transport (UN/CEFACT) an ad hoc group was established with a life span of no more than 12 months, which would make proposals to UN/CEFACT on how to make progress on the issues of SIMPL-EDI and specifications for a harmonised Electronic Form in support of international trade facilitation in order to identify the common ground and possible work items for progression by UN/CEFACT and its working groups.
2. In the Terms of Reference of the Simpl EDI Ad hoc group (SIMAC group) approved by the UN/CEFACT Steering Group at its meeting of June 15-18 the deliverables were stated as follows: an interim report shall be produced by the end of August 1998 and the objective of producing a final report by the end of 1998. The reports shall also be made available to the Plenary and to the Working Groups.
3. The scope of the work as defined by UN/CEFACT was for the group to consider and recommend how SIMPL-EDI and its related work items can be efficiently and effectively developed within UN/CEFACT's structure. In addition, the group was asked to detail the deliverables and time scales (taking existing work-program items of the working groups into account). Work program items might include recommendations for best practice, the interface with Internet technologies such as dynamic HTML, Java, and XML and the relationship of SIMPL-EDI guidelines which have been developed to exchange core data, forms and other Electronic Commerce developments with more effective trading and administrative processes.

Procedures

1. In line with Trade / R650 paragraph 64, the ad hoc working group has lodged its procedures with the UN/ECE Secretariat.

Working group activities

1. The SIMAC ad hoc group held meetings in June, September and December 1998, under chairmanship of Mr. Alexander de Lijster (Netherlands). Mr Andy Whittaker (UK) was elected vice chair. A list of participants is attached under *Annex I*.
2. In addition to the meetings the group exchanged views intersessionally by means of e-mail, which resulted in contributions from various delegations.
3. As per the terms of reference it was made very clear from the beginning that it is extremely important that the work is done within the boundaries of the existing UN/EDIFACT standards and maintenance process. The emphasis should however be on the simplest possible solutions in line with best business practice.
4. Document Trade UN/CEFACT 1998/4 SIMPL-EDI summary document was discussed and updated during the various sessions. It was emphasised that SIMPL-EDI as such is not intended for all businesses, but applies the 80/20 rule, which means that companies willing to review and simplify their processes will be able to use SIMPL-EDI for 80% of their transactions. The use of a bottom up (best practice) approach to cater for the various requirements has been discussed and partly applied in the discussions around the final proposed set of guidelines and core data. The intention has been to use a

clearly defined business scenario, developing from it the simplest solution to cater for further integration and aligning of processes and information in a global environment.

It has been recognised that one of the fundamental obstacles for the implementation of EDI has been the lack of successful data alignment and establishment of master databases such as electronic catalogues. The twin concepts of master data and core data sets were seen as being key to overcoming the obstacles and achieving success. For the application of SIMPL-EDI it was stated that these concepts were not going to replace UN/EDIFACT but would supplement UN/EDIFACT with core guidelines for parties with simple and clear processes.

5. The recommended business approach is: identify the simple business scenario, align the data, define the core data and implement the core concept of SIMPL-EDI.
6. The use of uniform numbering systems is recommended to ensure unique and unambiguous data. It was decided that whilst the EAN numbering was unique and unambiguous which was seen as a key requirement for an enterprise, users would decide which coding system was applicable for their specific environment. These choices should be made with maximum benefit throughout the supply chain in mind.
7. It has been identified that there remains a huge need for all parties to clearly understand the various issues and respective challenges of simplification. To cater for this need the group has provided a glossary of terms and an indication of the various relationships between the terms used. This list is attached as *Annex II*.
8. The definition of electronic commerce as provided by the UN/CEFACT electronic commerce ad hoc group has been studied and a recommendation for some small addition has been made.
9. As part of the work on SIMPL-EDI the concept of message multi-functionality was discussed a number of times. It was felt that it was difficult to know where to draw the line between wanting to do too much with one message and managing each single task with one message. The former ultimately would result in one extremely complicated message. The latter would result in a large number of messages. The recommended solution should be a mixture of common sense, practice and the legal ramifications which might be met by some logical families of transaction types combined into multifunctional use of generic standard messages. It is recommended to let user communities decide in what way certain messages should be used and whether or not certain messages are used to steer more than one function.
10. The group discussed the concept of message tenses. Although the consensus was that the concept of tenses was inappropriate to identify time horizons, it was recognised that a message can be qualified as a provisional or a definitive set of data. The case for other time related qualifications should be reviewed against actual business requirement.
11. The group agreed that SIMPL-EDI was a concept covering more than a mere subset of an UNSM, in that it represents core implementation guides, based on the principles of simplified business processes. The final results of SIMAC will be forwarded to the appropriate UN/CEFACT Working Groups in order to maintain and develop the concept further. It should be realised by all parties that the data contained in the SIMPL-EDI guidelines is represented in core data structures, not to be changed, to ensure a common transparent use. The group emphasised the importance of close co-operation between the SIMAC group and the UN/CEFACT groups during the hand over of the work. Any further developments on this concept should be based on the principles of the work done, and use should be made of the available expertise in this area.
12. Involved UN/CEFACT working groups are kindly requested to liaise with the SIMAC group to ensure proper handing over of the work and to report about developments and progress to the next UN/CEFACT plenary and whenever this is deemed appropriate.

13. UN/CEFACT/1998/CRP.16 was reviewed and it was understood that some work to use the UNLK (Recommendation 1) as a basis for specification for a harmonised electronic form (E-form) has already been carried out especially in relation to the UNTD. When developing electronic forms, the UNLK provides a good basis for harmonised design. It was noted that there are a number of current initiatives, such as the ELECTRA project in the UK. It was also noted that the whole form cannot appear on the screen in the same way as if it were printed on paper. For various reasons such as readability, maintenance and convenience of use, the screen will use "pop up / pull down windows". However the respective standard data elements should be used in the same sequence and format as indicated on the UNLK. The key issue is and remains simpler processes steered by a well-defined information flow.
14. XML/EDI: the group was informed in detail about the developments around this new subject. It was noted that a number of current XML/EDI initiatives do use different approaches. There is a concern that this leads to the individual development of mapping schemes to UN/EDIFACT. It was reported that ISO in its ISO BSR (Basic Semantic Repository) project is doing work on a global repository under the program of TC154, and that the UN/CEFACT TMWG is examining the subject of repositories in an XML context in answer to the SIMAC XML problem statement as mentioned in paragraph 15. It is strongly recommended to consolidate all the various developments in such a way that the resulting products can be used in a simple and efficient way by organisations and particularly SME's to enable global exchange of standard information. The proposal to solve the problem of defining XML tags, as put forward by EEMA, deserves due consideration. It is recommended that the UN/CEFACT Steering group should take a decision regarding this subject in its next meeting. The possibilities of generating examples have been discussed and it was agreed that the present SIMPL-EDI scenario would serve as a trial to demonstrate the advantages of one single repository. The outcome of this investigation will be made available to UN/CEFACT as soon as this is available. The decision of the UN/CEFACT steering group should be made publicly available as soon as possible.
15. There has been a request in the US from X12 to the XML group to do research and to come back to the X12 Steering Committee. It was seen as very important that any repository should take into account the work already done in the UN/EDIFACT environment. As there are definite aspects of ownership e.g. UN/EDIFACT directories, it is important to clarify the situation. It was indicated that there exists an apparent urgency for action to prevent proliferation. A problem description has been drafted and has been forwarded to the TMWG to ask their recommendations on the technical aspects surrounding the XML EDI developments.
16. The group agreed that there was a urgent need for UN/CEFACT to make a statement, in a certain time frame, emphasising the need for further global alignment of Trade, Transport and Administrative data thereby reducing the danger of proliferation of proprietary repositories especially in the Internet and WWW environment. UN/EDIFACT directories and the UN Recommendations are seen in this context as being an essential prerequisite. Work done on further improvement of the quality of the directories such as done through the co-operation with ISO TC154 in the form of the Basic Semantic Repository (BSR) should receive all possible support. It was noted that whilst XML/EDI is one of a number of technologies available for SIMPL-EDI, the work of the SIMAC group was meant to primarily focus on ratifying the concept of SIMPL-EDI. Its task was to make the necessary recommendations for endorsement by UN/CEFACT, and then examine how to implement the concept using existing applications and future technologies such as XML/EDI. A number of examples have been forwarded proving the possibilities of this technology and the group finds it of the utmost importance that these developments are closely followed to ensure coherence and harmonisation and usage in the context of further facilitation of trade.
17. The group felt that the lack of dialogue and involvement between UN/CEFACT and the Internet standardisation groups, such as the Internet Engineering Task Force (IETF), World Wide Web Consortium (W3C), Object Management Group(OMG), is leading to the development of competing standards.

18. During the various discussions it was emphasised many times that the work done by a number of groups of UN/CEFACT and the results of the work of these groups and other respective products should be publicised and even marketed in a correct and efficient way using modern technological tools. This would further advance international (global) recognition and support for the work.

The Chair would like to ask the UN/CEFACT chair to relay his thanks to all the Delegations for the professionalism and expertise of the various delegates and the very valuable input received.

Wednesday, 16 December 1998

Recommendations:

1. SIMAC recommends that CSG requests the chairs of the following groups, EWG, TMWG, BPAWG, CWG, and ITPWG, to designate work on the maintenance and further explore development of the SIMPL-EDI concept using the work that has been done in one specific area and extending this work and the concept into other areas taking good care that the principle of simple messages is not lost, but is built upon for the benefit and use of EDI solutions by medium and small enterprises. The recommended business approach is: identify the simple business scenario, align the data, define the core data, implement the core concept of SIMPL-EDI.
2. It is recommended to alter the definition of electronic commerce in such a way that the word standardisation is included whilst also the phrase "automated data capture technology" is added in the parentheses.
3. It is recommended by the group that SIMPL-EDI is seen as a concept covering more than a mere subset of an UNSM in that it represents core implementation guides, based on the principles of simplified business processes, together with the use of aligned master data. It should be realised by all parties that the data contained in the SIMPL-EDI guidelines is represented in core data structures. It is a core implementation guide which should be kept stable and predictable to ensure a common transparent use. An example of core data mappings for selected business processes will be provided as the first input for future development to UN/CEFACT.
4. In order to develop the criteria for the development of multi-functional messages, it is recommended that a study is commissioned into the aspects of multi-functionality and the consequences of this for global uniform message usage.
5. The group agreed that there exists an urgent need for a global repository to be used for the developments around XML/EDI. Taking into account the findings of TMWG and other contributions, it is recommended that as soon as possible a trial repository is used to explain and prove that there is indeed added value of such a repository with XML tags.
6. It is recommended that the UNLK be used as a basis for a uniform, generic electronic form layout to avoid a proliferation of electronic forms.
7. It is recommended that scenarios for the exchange of master data and the simplification of business practices are developed, using appropriate tools.
8. It is recommended that the UN/CEFACT Steering group should take a decision regarding the subject of a single XML/EDI tag repository in its next meeting. The decision of the UN/CEFACT steering group should be made publicly available as soon as possible.
9. The group agreed that there was an urgent need for UN/CEFACT to make a statement, in a certain time frame, emphasising the need for further global alignment of Trade, Transport and Administrative data thereby reducing the danger of proliferation of proprietary repositories especially in the Internet and WWW environment.
10. The group recommend the establishment of dialogue and involvement between UN/CEFACT and the Internet standardisation groups, such as the Internet Engineering Task Force (IETF), World Wide Web Consortium (W3C), Object Management Group (OMG), to avoid development of competing standards.
11. The SIMAC group recommends that the work done by a number of groups of UN/CEFACT and the results of the work of these groups and other respective products should be publicised and even marketed in a correct and efficient way using modern technological tools. This would further advance international (global) recognition and support for the work.