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MANDATE, TERMS OF REFERENCE AND PROCEDURES FOR UN/CEFACT (CENTRE FOR TRADE FACILITATION AND ELECTRONIC BUSINESS)

Submitted by the UN/CEFACT Plenary *

This document is submitted to the Committee for Trade, Industry and Enterprise Development for endorsement.

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TRADE/R.650/Rev.1 (Mandate, Terms of Reference and Procedures for UN/CEFACT)

TRADE/R.650 (Recommendations for the Establishment of CEFACT)

TRADE/WP.4/R.1234 (Recommendations for the establishment of CEFACT)

* Apart from minor editorial changes, the document has been reproduced as received by the secretariat.

Introduction

The original text of TRADE/R.650 was approved by UN/CEFACT's predecessor, WP.4, at its final meeting in September 1996 and subsequently approved by the Committee on the Development of Trade in December 1996. Following these approvals, the United Nations Economic Commission for Europe confirmed the establishment of UN/CEFACT at an inter-sessional meeting in February 1997 and the first meeting of the Centre was held in March 1997. This document, revision 1, incorporates changes arising out of the experience of operating the Centre since its establishment, developments in technology and, in particular, electronic working, and also reflects a change in the name of the Centre from "Centre for the Facilitation of Procedures and Practices for Administration, Commerce and Transport" to "Centre for Trade Facilitation and Electronic Business" (the acronym UN/CEFACT remains unchanged). This document was approved by the UN/CEFACT Plenary at its March 2000 meeting.

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Mission Statement

1. The United Nations, through UN/CEFACT, supports activities dedicated to improving the ability of business, trade and administrative organizations, from developed, developing and transitional economies, to exchange products and relevant services effectively. Its principal focus is to facilitate international transactions, through the simplification and harmonisation of processes, procedures and information flows, and so contribute to the growth of global commerce.

This is achieved by:

- 1.1 analysing and understanding the key elements of international processes, procedures and transactions and working for the elimination of constraints;
- 1.2 developing methods to facilitate processes, procedures and transactions, including the relevant use of information technologies;
- 1.3 promoting both the use of these methods, and associated best practices, through channels such as government, industry and service associations;
- 1.4 co-ordinating its work with other international organizations such as the World Trade Organization (WTO), the World Customs Organization (WCO), the Organisation for Economic Co-operation and Development (OECD), the United Nations Commission on International Trade Law (UNCITRAL) and the United Nations Conference on Trade and Development (UNCTAD); and
- 1.5 securing coherence especially in electronic business standards by co-operating with other interested parties, such as ISO and ITU, in recognition that its work has broad application in the areas beyond global commerce and that interoperability of applications and their ability to support multi-lingual environments are key objectives.

Mandate

2. Trade facilitation and electronic business are vital factors in the development of world trade and, therefore, central to the remit of the United Nations Economic Commission for Europe (UN/ECE). To achieve improved worldwide coordination of these areas, the UN/ECE, which acts as the focal point within the United Nations on these matters, has established UN/CEFACT. The Centre is mandated to develop and undertake a programme of work that meets current and future demands as required by its mission.

3. The Centre will report to the Committee for Trade, Industry and Enterprise Development (CTIED - see organigram in the Annex) and, if requested, directly present reports on its activities to the UN/ECE.

Terms of Reference for UN/CEFACT

The Centre

4. UN/CEFACT shall provide a forum for the work necessary to achieve its mission. It encompasses the formal meetings of the Plenary, its Steering Group, and those meetings of Working Groups held under delegated authority, i.e. empowered groups. It also includes virtual meetings of the Plenary and its groups, where discussion takes place and consensus is reached through electronic communications.
5. Participants in the Plenary of the Centre shall include UN/ECE member States, other UN member States, inter-governmental organizations and non-governmental organizations recognised by ECOSOC.
6. The Plenary shall have the executive responsibility for the strategy, policy and resources necessary to carry out the Centre's mission. It shall develop and maintain a work programme and ensure the efficient and effective functioning of the activities of the Centre. It shall be the final arbiter of any appeal originating from a Working Group.

Rules of procedure and empowerment

7. The Plenary of the Centre shall develop rules of procedure for its work and shall elect a Chair and other officers according to these rules.
8. Working groups shall be empowered to undertake specialised activities of a non-policy nature agreed to in the Work Programme approved by the Plenary. Empowerment is the delegation of official authority and responsibility to a Working Group of the Centre to enable that Group to perform the functions within its mandate. This delegation shall be accomplished through well defined terms of reference describing the deliverables and the methods to be used for their development.
9. Once a Working Group has been empowered, the role of the Plenary and the Steering Group shall be to support the progression of the work rather than focusing on the detailed aspects of control.

Cooperation with other bodies

10. As stated in its mission, the Centre shall co-ordinate its work with other organizations and, in particular, it shall ensure that practical work on specific tasks is undertaken in the appropriate forum and shall avoid duplication of work.

Recommendations

11. The Centre, acting through the Plenary, shall make recommendations directly to governments and report these to the Committee for Trade, Industry and Enterprise Development.

Dissemination and promotion

12. The Centre shall disseminate, encourage and promote the implementation of its recommendations and other deliverables among users in co-operation with national governments, inter-governmental organizations and organizations representing industry and commerce.

Secretariat

13. The UN/Economic Commission for Europe, acting through the Executive Secretary of the Commission shall continue to place staff and facilities at the disposal of the Plenary to assist it in the accomplishment of its mission and work programme, within existing UN/ECE resources.

Resources

14. The Centre shall consider all proposals for specific tasks with due regard to the need to establish appropriate priorities within available resources. Where appropriate, the Centre will seek to obtain extra-budgetary resources.

The Plenary

15. The Plenary shall have the executive responsibility for the strategy, policy and resources necessary to carry out the Centre's mission. It shall develop and maintain a work programme and ensure the efficient and effective functioning of the activities of the Centre. It shall be the final arbiter of any appeal originating from a Working Group.

16. The Plenary shall approve the mandates for all Permanent Working Groups. In addition, the Plenary may, in its own right, establish and mandate new Permanent and Ad hoc Working Groups.

The Officers

17. The Plenary shall elect a Chair and 5 Vice Chairs. A nomination process may be established to propose candidates for election to the Plenary positions.

18. The Chair and two Vice Chairs shall be nominated by member States of the UN/ECE;

19. Two Vice Chairs shall be nominated by Article 11 States;

20. One Vice Chair shall be nominated by the inter-governmental organisations and Non-governmental organisations recognised by the Economic and Social Council.

21. All officers shall be elected for a two year term of office and are eligible for re-election. In the election or re-election process, due consideration will be given to the need to achieve consistency, continuity and renewal in the work of UN/CEFACT.

Collective Responsibilities of the Officers

22. The collective responsibilities of the Officers shall include:

22.1 Overseeing effective implementation of the Centre's agreed work programme;

22.2 Coordinating with other international bodies and, where appropriate, ensuring contributions to their work programmes;

22.3 Representing the interests of the Centre: within the UN/ECE, especially to the Committee for Trade, Industry and Enterprise Development and to the Commission; to other UN Agencies and Regional Commissions e.g. the Economic and Social

Commission for Asia and the Pacific (ESCAP); and with other relevant external bodies e.g. WTO, WCO and ISO the International Organization for Standardization;

22.4 Promoting and encouraging the implementation of the Centre's Recommendations and the results of its work to all nations trading internationally, especially to those with economies in transition. Further, and where appropriate, supporting relevant national initiatives.

22.5 Preparing the Plenary session in conjunction with the Steering Group.

Additional Responsibilities of the Chair

23. In addition to these collective responsibilities, the Chair of the Plenary shall have the following additional responsibilities:

23.1 to work with all delegations to ensure, in an impartial and consensual manner, effective decision taking by the Plenary;

23.2 to allocate amongst the Vice Chairs the collective responsibilities of the Officers according to their special interests and skills (the allocation of responsibilities shall be reported to, and where appropriate endorsed by, the Plenary);

23.3 after consultation with the Plenary Vice Chairs and delegations, to nominate one of the Vice Chairs to be the Chair of the Steering Group. This nomination shall be confirmed by the Plenary.

Other Plenary Appointments

24. The Plenary may appoint Rapporteurs to undertake functional and representational tasks, including related work with the Secretariat, in any area of the Centre's mission. This shall be done according to an agreed mandate specifying a Rapporteur's role, responsibilities, duration of the appointment and reporting relationships.

25. Once a mandate has been agreed by the Plenary, Rapporteurs may be nominated by any Plenary delegation.

Frequency of Meetings

26. The Plenary shall meet once a year for a period of up to 5 days according to the schedule established in its procedures. This meeting shall be held prior to the annual session of the Committee for Trade, Industry and Enterprise Development.

The Steering Group

27. The Steering Group (SG) is responsible for providing the interface between the Plenary and the Working Groups.

28. The Steering Group's mandate and terms of reference shall be approved by the Plenary, and reviewed every two years. Subject to such review, the Steering Group's responsibilities shall include:

28.1 monitoring progress on the approved work programme for the Centre;

- 28.2 for UN/EDIFACT directories, providing confirmation to the UN secretariat that the relevant procedures have been followed and a clean audit report has been received. This confirmation shall allow the secretariat to publish the directories;
 - 28.3 managing, on behalf of the Plenary, any MoU with an external organization, e.g. the MoU with the ISO/IEC;
 - 28.4 approving the establishment of ad hoc internal and, where considered appropriate, with other organisations, joint external working groups to accomplish specific tasks within a specified time scale where the tasks relate to the requirements of the approved work programme (their establishment to be reported to the Plenary);
 - 28.5 giving provisional approval for the establishment of new permanent working groups where their activity is consistent with the requirements of the approved work programme (this provisional approval is subject to confirmation by the Plenary);
 - 28.6 approving the terms of reference for Working Groups;
 - 28.7 recommending to the Plenary new work items, including the mandates and terms of reference for any related working group;
 - 28.8 reviewing, at least annually, the progress towards deliverables of the permanent working groups as specified in their mandates and terms of reference.
29. A written report on the activities of the CSG shall be made by its Chair to the Plenary at each of its sessions. This report may also contain observations by other CSG members.

Membership

30. The Steering Group shall comprise the Chair and 15 elected members. The members shall be elected for a two-year term of office and shall be eligible for re-election for further terms of office without restriction. Officers of the Plenary are also full members. Rapporteurs and Chairs of Permanent Working Groups shall have the right to attend in a consultative capacity.

31. The elected members shall fairly reflect a balance between the main areas of the approved work programme.

32. A nomination process may be established to propose candidates for election to the Steering Group. The candidates shall be nominated by Plenary delegations, with the prime criteria for nomination being management/functional expertise. If elected, members are expected to use their best endeavours to attend every meeting. Failure to attend two consecutive meetings may lead to a request for the member to resign. The Plenary will authorise appropriate procedures to fill mid-term vacancies in the membership of the Steering Group.

Chair

33. The Chair of the Plenary shall, after consultation with all the Plenary Vice Chairs and delegations, nominate one of the Vice Chairs to be the Chair of the Steering Group. This nomination shall be confirmed by the Plenary.

34. The key responsibility of the Chair of the Steering Group shall be to strive to ensure a consensual and balanced approach to all items in the work programme approved by the Plenary.

35. The Chair of the Steering Group shall submit a written report to each session of the Plenary on the Steering Group's activities and on other relevant issues relating to the operation of mandated Working Groups. This report shall include the reasons for the rejection of any request for a mandate and shall also identify those Working Groups which have been consistently unable to reach a consensus.

Voting

36. The preferred way of reaching decisions shall be by consensus. (Consensus is characterized by the absence of significant and sustained opposition). However, the Chair shall have the authority to call for a vote if, in the Chair's view, consensus cannot be reached on a particular issue. A vote may be called for in a physical meeting or electronically. If in a meeting, the meeting must be quorate and only those members present may vote. For a decision to be approved, a qualified majority of 75% of the votes cast is required and abstentions shall count as votes. If electronically, the Chair shall give 2 weeks notice of the intention to call for a vote and follow the non-repudiation procedures established by the Steering Group. A minimum of 15 votes cast shall constitute a valid vote. For a decision to be approved, a qualified majority of 75% of the votes is required and abstentions shall count as votes.

37. The Plenary Chair, The CSG Chair, Rapporteurs and Chairs of Permanent Working Groups invited in a consultative capacity, shall not have a vote. Steering Group members and other Plenary officers shall be entitled to vote.

Quorum

38. The quorum for physical meetings of the Steering group shall be 12 members.

Frequency and Organisation of Meetings

39. Outside the Plenary meeting, the Steering Group shall meet up to 3 times a year for not less than 4 days. If required, emergency meetings may also be scheduled. In lieu of emergency meetings, specified topics or documents may be circulated for comments electronically. In addition, where feasible, virtual meetings may be held where discussions can be conducted using electronic conferencing means, provided that all members are capable of utilising the means chosen.

40. Normally, the dates of the physical Steering Group meetings shall be agreed 18 months in advance on a rolling basis. A draft agenda for each meeting shall be circulated at least 4 weeks in advance of each physical meeting and, where possible, should be agreed at conclusion of the previous meeting. The agenda for each virtual meeting shall be circulated at least two weeks in advance.

41. The draft agenda of each meeting shall be circulated to all Steering Group members, the Officers of the Plenary, Rapporteurs, and the Chairs of the Permanent Working Groups. It shall also be made available electronically on the UN server.

42. Normally, all meetings shall be held in Geneva and minuted by the Centre's Secretariat. However, if agreed by the CSG, meetings can be held outside Geneva. If, in such cases, the Secretariat cannot attend, then the Chair must ensure that there is an adequate record of decisions reached. Virtual meetings and official electronic discussions called by the Chair shall also be minuted to establish an official record. To ensure as much transparency as possible, it is recommended that the a summary report from each Steering Group meeting be published in the 3 official languages of the UN/ECE and made available electronically on the UN server.

Empowerment of Working Groups

Categories of Working Group

43. There shall be two categories of Working Group:
44. Permanent Working Groups (PWGs) which are those with a mandate to undertake a long-term programme of work.
45. Ad hoc Groups (AHGs), which are those established to accomplish a specific task within a short term time scale, such as a group established to review a code list in, say, a 12-month period.

Principles of Empowerment

46. All Working Groups must have a mandate, terms of reference, a work schedule indicating the timing of key deliverables and provide a statement of resource requirements accompanied by a plan for how they are to be provided.
47. The mandate is the agreement between the Plenary and the Working Groups on overall objectives (scope and purpose), key deliverables and delegated responsibilities.
48. The terms of reference shall identify time frames for deliverables, reporting procedures and mechanisms.
49. Permanent Working Groups shall have detailed operating procedures appropriate to their function(s) which shall be lodged with the secretariat, who shall make them publicly available.
50. Groups must be driven and supported by relevant users and open to all organisations and bodies recognized by the Plenary.
51. Consensus is the normal way to achieve agreements. When consensus cannot be attained, . voting may be employed.

Procedures for Empowerment

Permanent Working Groups

52. A request to establish a new Working Group, or to revise the terms of reference of an existing Working Group, must be formally submitted to the Steering Group for consideration. When the Steering Group is satisfied that the proposal falls within the framework of the Centre's agreed work programme and is also satisfied with the mandate and the resource plan, it may give provisional approval for establishment of the group and forward the request to the Plenary for final approval. A request for empowerment for a new Working Group can be made by any delegation or already empowered UN/CEFACT Working Group. The Steering Group may also prepare and submit a request for empowerment for a new Working Group direct to the Plenary.

Ad hoc Working Groups

53. A request to establish a new ad hoc group must be formally submitted to the Steering Group for consideration. When the Steering Group is satisfied that the proposal falls within the framework of the Centre's agreed work programme and is also satisfied with the mandate, terms of reference and the resource plan, it may give approval for the establishment of the group. A request for empowerment for a new Ad hoc Working Group can be made by any delegation. The Steering Group may, of its own volition, also decide to establish an Ad hoc Working Group.

All Groups

54. The Steering Group and/or Plenary shall evaluate each request to establish and empower a Group. The Steering Group and/or the Plenary shall either:

- 54.1 approve the mandate with or without modification; or
- 54.2 reject the mandate and provide reasons why it cannot approve the request; or
- 54.3 defer its decision to a specified future meeting and request further development of the draft mandate.

55. The Steering Group and/or Plenary may also choose to consult with the Officers and/or members of Groups already empowered before reaching a decision on the empowerment of a new group. If the Steering Group rejects the request for a mandate, the requester shall have the right to appeal to the Plenary.

Mandate

56. The mandate for empowerment of a Working Group may be prepared by an existing group, the Steering Group, or the Plenary. All mandates must specify:

- 56.1 the overall objectives of the work (scope and purpose);
- 56.2 the key deliverables;
- 56.3 the geographical focus, i.e. global, regional or national;
- 56.4 the functional expertise for membership;
- 56.5 any request for delegated responsibilities.

The mandate must be accompanied by a statement of resource requirements.

57. The Steering Group and/or Plenary may recommend specific international or intergovernmental organizations that should be invited to participate in the work, or with whom co-operation/liaison should be undertaken.

58. On approval, the mandate constitutes the agreement between the Plenary and the Working Group.

Statement of Resource Requirements

59. The statement of resource requirements shall be accompanied by a plan of how they are to be provided. In particular, the statement and the plan must indicate whether any Centre resources are required, apart from those needed for the preparation of documentation for the Centre.

Terms of Reference

60. Within 6 months of approval of its mandate, a Working Group shall submit its terms of reference to the Steering Group for review and approval.

61. Terms of Reference must include a business plan which shall cover the following:

- 61.1 a definition of the specific technical issue(s) to be addressed;
- 61.2 a detailed description of the proposed deliverables;
- 61.3 the proposed membership;
- 61.4 the administrative team structure of the Group, including a mechanism for removal of officers who cannot fulfil their functions;
- 61.5 a time schedule and milestones for completion of its work programme;
- 61.6 a mechanism for reporting regularly to the CSG on the progress of the group;
- 61.7 proposals for liaison with other Working Groups and any external organizations.

Deliverables

62. A Group's key deliverables are defined in its mandate. All of a Group's deliverables shall be defined, in detail, in the Group's terms of reference. The deliverables for a Group may be any deliverable under the responsibility of the Plenary, e.g. the UNTDID or proposals for UN Recommendations.

Additional Responsibilities

63. When developing a Group's terms of reference, the requester(s) is (are) expected to consult with relevant community members. When necessary, members may be added to assist in the development of the terms of reference. Community members are defined to be potential or actual participants in the Group.

Working Group Procedures

64. Following the approval of its mandate, and within 6 months, a Working Group shall lodge its procedures with the UN/ECE secretariat. If voting is envisaged, the procedures should demonstrate that consensus is a prime goal and shall be strived for; but if a vote is to be taken, then, as a minimum, the majority in favour of a particular decision shall not be less than 2/3 of the votes cast. Results of such votes shall be recorded in the minutes and advised to the UN/ECE secretariat. Working Groups shall, where required by the Steering Group, take action to harmonize their procedures around a model set provided by the UN/ECE secretariat.

65. If a Working Group revises its procedures, the revised procedures must be lodged with the UN/ECE secretariat within 30 days of their revision.

66. The UN/ECE secretariat shall make electronically available to members of the Centre the procedures for all Working Groups.

Organisation and Administration

67. Each group must have defined members and an administrative team.

68. A Group may propose, depending upon its mandate, an organization that includes a general assembly, a steering committee, a management board, sub-groups, supporting teams, and observers.

69. The rules and conditions for membership of a Group must be defined in its terms of reference.
70. Participation in Group meetings shall be open to members that have fulfilled the defined membership rules. Contributions from non-members, including individuals, shall be encouraged and considered in the work of the Group.
71. Only Group members are entitled to participate in the decision-making procedures of the Group. Voting rights shall be limited to members of the Group.
72. Administrative positions (i.e. the Officers of the Group) must be filled prior to the start of work by the Group. This may be accomplished at the first meeting.
73. Only members of the Group can nominate, be nominated and be elected to serve as Officers of the Group.
74. Where appropriate, meeting registration fees will be determined by the Officers of the Group and the reasons for these fees shall be defined in the terms of reference for the Group, for example, to cover meeting costs.
75. If agreed under the mandate, the Officers of the Group have the authority to establish sub-groups or supporting teams and to determine the terms of reference for such groups or teams.
76. A Group organises its own relationships with external organisations as specified in its mandate and terms of reference.
77. Officers of the Plenary are ex-officio observers of any Group established by the Plenary and are also entitled to participate in any meetings of the Group.

Linkages Between Working Groups and the Plenary

78. The linkage between the Working Groups and the Plenary is a key function of the Steering Group.
79. The Steering Group or the Plenary may nominate an observer to participate in a Group.
80. Officers of the Plenary are ex-officio observers to any Group established by the Plenary and are entitled to participate in any meetings of the Group.
81. The work and direction of the Permanent Working Groups shall be reviewed by the Steering Group on a regular basis (at least annually) with the Chair of the Working Group being invited to make a presentation. The Chair of the Steering Group will report the result of these reviews to the Plenary.
82. The annual review shall include a review of the Working Group's terms of reference, which may result in a request for modification or dissolution.
83. Delays in meeting target delivery dates shall be advised by a Working Group to the Steering Group as soon as a delay is identified.

84. The Chair of a Permanent Working Group shall, after notification to the Chair of the Steering Group, have the right to attend any Steering Group meeting in a consultative capacity. Rapporteurs shall also have the same right.

Amendment Procedure

85. In order to ensure that the provisions of this document accurately reflect relevant developments in global commerce, trade facilitation and electronic business, it shall be reviewed periodically. The power to amend this document shall be vested in the Plenary. Proposals for such amendment may be made by:

- 85.1 Members of the Plenary;
- 85.2 Officers of the Plenary;
- 85.3 The CSG;
- 85.4 Rapporteurs; and,
- 85.5 Permanent Working Groups.

86. Amendments approved by the Plenary shall be submitted to the Committee for Trade, Industry and Enterprise Development for endorsement at its meeting.

Annex

**UN/ECE Organigram
Trade Facilitation Activities**

