

# UN/CEFACT Project Proposal

Project Name:	Buy/Ship/Pay Data Exchange structures for Trade Finance Facilitation		
Date submitted:	8 February 2023	Project proposed by:	Sue Probert and Hanane BECHA
Relevant <a href="#">SDG targets</a> :	<p>This project UN/CEFACT digital trade project focuses on reducing paperwork and emissions. Hence, it contributes to Climate Action (Various SDGs): Electronic documentation and data exchange reduce the reliance on paper-based transactions. This not only improves efficiency but also helps decrease the environmental impact associated with the production and transportation of paper.</p> <ul style="list-style-type: none"> <li>• Paperless trade reduces processing times, streamlines and enhances overall trade efficiency. This can lead to increased economic growth and job creation supporting <b>SDG 8: Decent Work and Economic Growth</b>).</li> <li>• The enablement of paperless trade adoption involves the use of digital technologies and electronic documentation, fostering innovation in trade processes and infrastructure development supporting <b>SDG 9: Industry, Innovation, and Infrastructure</b>.</li> <li>• Reduced Environmental Impact: Going paperless reduces the need for physical documentation, which in turn helps to decrease the environmental impact associated with paper production, printing, and transportation supporting <b>SDG 12: Responsible Consumption and Production</b>.</li> <li>• Transparency and Accountability: Paperless trade systems contribute to transparent and accountable trade processes. This can help reduce corruption, enhance legal certainty, and foster a more stable and just business environment supporting <b>SDG 16: Peace, Justice, and Strong Institutions</b>.</li> <li>• Implementation of paperless trade requires collaboration among countries, businesses, and international organizations. This fosters partnerships and cooperation towards achieving common goals supporting <b>SDG 17: Partnerships for the Goals</b>.</li> <li>• By facilitating trade and economic growth, paperless trade can contribute to poverty reduction, creating opportunities for employment and income generation supporting <b>SDG 1: No Poverty</b>.</li> </ul>		

*(Please list all relevant Sustainable Development Goals and targets that this project relates to)*

## 1. Project purpose

### **Required**

The UNECE 70th Commission session launches for 2023-2025 its high-level theme of “digital and green transformations for sustainable development in the ECE region” (ECE/EX/2021/32). Semantic standards support digital and green transformations for sustainable development.

International trade is one of the areas that has been severely disrupted by this global COVID-19 pandemic.

The adoption of electronic documents is a high priority instrument to increase trade facilitation. Standards are needed as well as a change of the legal framework. This project will be focused on developing, maintaining and publishing the semantic foundation to support the UNCITRAL Model Law on Electronic Transferable Records (MLETR) implementation by reducing existing trade finance barriers caused by the continued reliance on the exchange of paper documents.

In order to support the implementation of MLETR for title transfer, this project will develop data exchange structures as subsets of the Buy/Ship/Pay Reference Data Model (BSP RDM) to support key trade finance data exchanges as part of the UNECE “digital and green transformations for sustainable development in the ECE region” strategy.

## 2. Project scope

### *Required*

The UN/CEFACT Buy/Ship/Pay Business Requirement Specification and Reference Data Model (based on the UN/CEFACT Core Component Library (CCL)) identify the involved in the international supply chain and provides an overview of the information exchanged between the parties throughout its various processes of trade (Buy), transport (Ship) and payment (Pay).

Trade finance, the cornerstone of international trade requires exchanging information including the following:

- **Supply Chain Reference Data Model (SCRDM) Invoice (CII)**, an itemized account of goods shipped, services performed or work done, an amount expended or owed, and a demand for payment. It may contain a range of other administrative or logistical information and usually states applicable taxes payable and provides a crucial link or pivot between physical and financial supply chains.
- **Negotiable Maritime Bill of Lading (eB/L)** - moving goods require moving as well important trade documents between exporters, shipping agents, banks, importers and other parties is a complex and costly process, which can lead to delays and disruption. The standards in support of electronic Bill of Lading adoption (eBL) offering more efficient, secure and sustainable digital alternative have been developed by UN/CEFACT and adopted by DCSA, BIMCO and FIATA.
- **Buy Ship Pay (BSP) Preferential and Non-Preferential Certificates of Origin (CoO)** that certify that goods in a particular export consignment are wholly obtained, produced, manufactured or processed in a particular country.
- **Documentary Credit Advice (DCA)** a bank guarantee that a buyer's payment to a seller will be received on time and for the correct amount. The Documentary Credit Advice message is used to indicate to the Beneficiary the terms and conditions of a documentary credit that has been originated by the Issuing Bank and received by the Advising Bank (or an Intermediary Advising Bank). Unless otherwise specified, the documentary credit is issued subject to the Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce, Paris, France, which are in effect on the date of issue.
- **Buy Ship Pay (BSP) Export Packing List (PL)**, Export Packing Lists support sellers providing transport services providers with shipment delivery information.
- **Multi Model Transport (MMT) Warehouse Receipt**, a document that provides proof of ownership of commodities (e.g., bars of copper) that are stored in a warehouse, vault, or depository for safekeeping. Can be digital thanks to the standards that were developed in collaboration with FIATA based on MMT eBusiness Standard
- **Multi Model Transport (MMT) Maritime Cargo Insurance Certificate (IC)**, a data exchange which is used for insurance purposes either by the shipper to inform the insurer and/or insurance intermediary about a planned transport, or by the shipper or carrier to inform the insurer and/or the insurance intermediary about a consignment under contract (eB/L) or to convey an Insurance Certificate or Insurance Policy or to provide details of the insurer or the underwriting agent of the insurer to confirm evidence of insurance for a consignment to the shipper, bank or third party.

## 3. Project deliverables and 4. Exit Criteria

### *Required (check all that apply)*

*Please note that the Bureau may reassess and change a deliverable after its completion at its discretion.*

	Project deliverables	Exit Criteria	
<input type="checkbox"/>	Policy Recommendation	Public Review logs demonstrating all comments have been satisfactorily resolved; Final document ready for publication.	
<input checked="" type="checkbox"/>	Business Requirement Specification: <ol style="list-style-type: none"> <li>1. BRS and eBusiness Standard for Documentary Credit Advice (DCA)</li> <li>2. BRS and eBusiness Standard for Non-Preferential Certificate of Origin</li> <li>3. BRS and eBusiness Standard for Maritime Cargo Insurance Certificate</li> <li>4. BRS, implementation guideline and CCBDA Subset for Warehouse Receipt</li> <li>5. BRS review and CCBDA Implementation guideline for Trade Finance Subset for Cross Industry Invoice</li> <li>6. BRS review and CCBDA Implementation guideline for Trade Finance Subset for Export packing List</li> <li>7. BRS review and CCBDA Implementation guideline for Trade Finance Subset for negotiable electronic bill of lading (eB/L)</li> </ol>		
<input type="checkbox"/>	Technical Specification		
<input checked="" type="checkbox"/>	White Paper: <ol style="list-style-type: none"> <li>8. Trade Finance White Paper</li> </ol>		Final document ready for publication.
<input type="checkbox"/>	Green Paper		
<input type="checkbox"/>	Requirement Specification Mapping		
<input type="checkbox"/>	Core Component Business Document Assembly		
<input type="checkbox"/>	Guidelines		
<input type="checkbox"/>	Executive Guide		
<input type="checkbox"/>	Brochure	Final deliverable ready for publication.	
<input type="checkbox"/>	Entries/alignment to the Core Component Library		
<input type="checkbox"/>	XML Schema		
<input type="checkbox"/>	UN/EDIFACT message	Final document ready for Bureau approval.	
<input type="checkbox"/>	Internal UN/CEFACT Document		
<input type="checkbox"/>	Other (specify)		

### 5. Impact analysis

Please indicate how these project deliverables will affect trade facilitation policies and regulations. Please highlight any anticipated / tangible results achieved. Indicate how the results and impact can be evaluated after the project is completed.

Digital trade finance have profoundly impacted trade facilitation policies, holding the promise to enhance efficiency, speed, and inclusion while introducing new challenges. The speed and transparency enabled by digital transactions streamline cross-border trade, benefiting businesses and individuals. Digital trade enhances traceability in supply chains, reducing fraud, but regulatory frameworks must adapt to recognize electronic documents in the national regulations. Overall, the evolving digital trade landscape requires international collaboration to balance innovation with regulatory safeguards and support.

### 6. Project Team membership and required functional expertise

Membership is open to UN/CEFACT experts with broad knowledge in the area of:

In addition, Heads of Delegations may invite technical experts from their constituency to participate in the work.

Experts are expected to contribute to the work based solely on their expertise and to comply with the UN/CEFACT Code of Conduct and Ethics and the policy on Intellectual Property Rights.

## 7. HoD support

*Required for Technical Standards, Business Standards and UNECE Recommendations. And at the request of the UN/CEFACT Bureau. A request for HoD support will be circulated to all HoDs in these cases. If you have verbal confirmation from specific delegations of their support, please list these here. Projects that require HoD support must obtain this within 6 months of Bureau provisional approval.*

## 8. Geographical focus

The geographical focus of the project is global

## 9. Beneficiaries

Highlight relevance for sustainable and digital trade facilitation in developing and transition economies, and benefits to vulnerable groups (e.g. MSMEs and women-led businesses)

Digital trade finance is a powerful force in advancing sustainable and inclusive trade facilitation in developing and transition economies. Particularly beneficial for Micro, Small, and Medium Enterprises (MSMEs) and women-led businesses, digital finance enhances accessibility by reducing barriers and transaction costs. It fosters financial inclusion, empowering these groups to participate actively in global trade. The efficiency and speed of digital processes support MSMEs and women entrepreneurs in operating more competitively, while risk mitigation measures and global market access create opportunities for growth. Additionally, the environmental sustainability aspect of digital processes aligns with global efforts to reduce the environmental impact of trade activities. Overall, digital trade finance acts as a catalyst for positive economic and social outcomes in vulnerable and underserved communities.

## 10. Initial contributions

The following contributions are submitted as part of this proposal. It is understood that these contributions are only for consideration by the Project Team and that other participants may submit additional contributions in order to ensure that as much information as possible is obtained from those with expertise and a material interest in the project. It is also understood that the Project Team may choose to adopt one or more of these contributions “as is”.

### **List any initial contributions:**

Initial contributions include existing descriptions and technical specifications for the UN/CEFACT:

- UN/CEFACT Buy/Ship/Pay Reference Data Model
- UN/CEFACT eBusiness Standard for electronic negotiable Bills of Lading (eB/L)
- UN/EDIFACT DOCADV Documentary Credit Advice UN Standard Message (UNSM)
- UN/EDIFACT IFTMCA Insurance Cargo Advice UN Standard Message (UNSM)
- The UNCITRAL Model Law on Electronic Transferable Records (“MLETR”)
- The UN/CEFACT [Transfer of MLETR-compliant titles](#) White Paper project (under development)
- ICC DSI IAB Trust in Trade document

ICC DSI IAB Key Trade Documents and Data Elements document

## 11. Resource requirements

Participants in the project shall provide resources for their own participation. The existence and functioning of the project shall not require any additional resources from the UNECE secretariat.

Any additional request:

## 11. Proposed project leadership

*(subject to Bureau approval)*

Proposed project lead:	Sue Probert	E-mail:	suesiprobert@live.com
Proposed Vice Chair:	Hanane Becha	E-mail:	Hanane.becha@dcsa.org
Proposed domain	Supply Chain Management Domain		

## 11. Milestones (repeat for each deliverable, if different)

The following are draft milestones of the project.

	ODP Stage	Expected Completion Date	
Yes	Project Inception	3 month	
Yes / No	Requirements gathering	<input checked="" type="checkbox"/>	6 months (9 <sup>th</sup> month)
Yes	Draft development	<input type="checkbox"/>	3 months (Very quick)
		<input checked="" type="checkbox"/>	6 months (Quick) (15 <sup>th</sup> month)
		<input type="checkbox"/>	12 months (Normal)
		<input type="checkbox"/>	18 months (Normal)
		<input type="checkbox"/>	24 months (Long)
Yes / No	Public Draft Review	<input checked="" type="checkbox"/>	2 months (17 <sup>th</sup> month)
Yes	Project Exit	2 months (19 <sup>th</sup> month)	
Yes	Publication	3 months (22 <sup>nd</sup> month)	