

立法會
Legislative Council

LC Paper No. CB(1)1919/00-01
(These minutes have been seen
by the Administration and
cleared with the Chairman)

Ref: CB1/BC/8/00/2

**Bills Committee on
Dutiable Commodities (Amendment) Bill 2001**

**Meeting on
Tuesday, 26 June 2001
held immediately after the Panel on Commerce and Industry meeting
scheduled for 10:45 am on the same day
in Conference Room A of the Legislative Council Building**

- Members present** : Hon Kenneth TING Woo-shou, JP (Chairman)
Hon HUI Cheung-ching
Hon CHAN Kam-lam
Hon SIN Chung-kai
- Non-Bills Committee member attending** : Hon Mrs Selina CHOW LIANG Shuk-ye, JP
- Members absent** : Hon James TIEN Pei-chun, JP
Hon Eric LI Ka-cheung, JP
- Public officers attending** : Commerce and Industry Bureau

Mr Kenneth MAK
Deputy Secretary for Commerce and Industry

Mr Philip CHAN
Principal Assistant Secretary for Commerce and Industry

Miss Katherine JUE
Assistant Secretary for Commerce and Industry

Customs & Excise Department

Mr Simon WONG
Assistant Commissioner

Mr Ferdinand LEUNG
Senior Superintendent

Department of Justice

Miss Frances HUI
Senior Government Counsel

Mr John WONG
Senior Government Counsel

Clerk in attendance : Mr Andy LAU
Chief Assistant Secretary (1)2

Staff in attendance : Miss Connie FUNG
Assistant Legal Adviser 3

Ms Alice AU
Senior Assistant Secretary (1)5

I. Meeting with the Administration

(LC Paper No. CB(1) 1584/00-01(01) - Fees for using Electronic Data Interchange Services relating to Dutiable Commodities Permits; and

LC Paper No. CB(1) 1612/00-01(01) - Minutes of the Dutiable Commodities Customer Liaison Group meeting on 3 May 2001)

Subsequent to the meeting on 8 June 2001, the Administration had provided a written response to address members' concerns raised at the meeting. A circular was also issued to members vide LC Paper No. CB(1) 1536/00-01 inviting members' views on the revised Committee Stage amendments (CSAs) as set out in LC Paper No. CB(1) 1536/00-01(01). As members had raised no further comments on the revised CSAs as proposed by the Administration, a preliminary report was presented to the House Committee on 22 June 2001 vide LC Paper No. CB(1) 1582/00-01.

2. It had subsequently been brought to the attention of the Bills Committee that divergent views had been expressed by the industry on the use of electronic

data interchange (EDI) for dutiable commodities permits (DCPs). Representatives of the DCP Customer Liaison Group had also appeared before the Panel on Commerce and Industry on 26 June 2001 to give views on the proposed launching of EDI services for DCPs. The Chairman therefore decided that a further meeting should be conducted to examine the views of the industry.

3. Members indicated that they were in support of the intent to promote the greater use of EDI service in processing trade-related documents to enhance Hong Kong's competitiveness. They therefore supported, in principle, the present Bill which sought to introduce a legal framework for the use of EDI in processing DCP applications via the service of Tradelink. They considered that implementation details of EDI for DCP were not part of the Bill. Even upon the passage of the Bill, traders would not be forced to use EDI for DCP immediately, and they would have a choice to use the paper mode until a certain date to be determined by the Administration by notice published in the Gazette and the notice was subsidiary legislation subject to section 34 of the Interpretation and General Clauses Ordinance (Cap. 1).

4. Against this background, members supported the Administration's proposal to resume Second Reading debate on the Bill on 4 July 2001. However, members urged the Administration to maintain regular dialogue with the industry and take positive actions to address the concerns expressed by the industry before making the EDI service for DCP mandatory.

Dutiable Commodities (Amendment) Regulation 2001

5. Members noted that the Administration intended to bring the Dutiable Commodities (Amendment) Regulation 2001 (the Regulation) into effect on 20 July 2001 after the passage of the Bill. The Regulation sought to amend the Dutiable Commodities Regulations (Cap. 109 sub. leg.) to make provision regarding the use of a particular electronic service in connection with application for permits under the Dutiable Commodities Ordinance (Cap. 109), and for dealings in relation to permits generally. Assistant Legal Adviser 3 advised that the effect of the proposal was that the Regulation would come into effect before the expiry of the scrutiny period by the Legislative Council referred to in section 34 of the Interpretation and General Clauses Ordinance (Cap. 1). Any motion from Members to amend the Regulation would have to be deferred to the next legislative session. Although the proposal would not prejudice the power of the Legislative Council to amend the Regulation under section 34 of Cap. 1, it might not be desirable to bring the Regulation into operation prior to the expiry of the scrutiny period by the Legislative Council as this would mean that the implementation of EDI for DCP would then be subject to future changes that might be effected by amendments by the Legislative Council in the next legislative session.

6. The Deputy Secretary for Commerce and Industry responded that the Administration held the view that the proposed early commencement would not prejudice the Legislative Council's right to examine the Regulation after the summer recess. In the event that the Legislative Council considered it necessary

to amend the Regulation after the summer recess, it could be effected from a current date. On the other hand, to defer the effective date to the next legislative session would mean that traders would not be able to make use of the new system when it was operationally ready for such a service. The Principal Assistant Secretary for Commerce and Industry added that at present, around 100 companies had expressed interest in trying out the new EDI service.

7. The Chairman and Mr HUI Cheung-ching expressed reservation about the Administration's proposal to allow the Regulation to come into force during the scrutiny period, particularly in light of the comments from the trade. However, Mr CHAN Kam-lam considered that interested users would benefit from the early implementation of EDI service for DCP. Any teething problems, if identified, could be rectified at an early stage, which could be regarded as a trial period. Mr SIN Chung-kai was of the view that it would be a matter for the Administration to judge whether the Regulation should come into force during the summer recess, taking into account the implications and risks of the proposal.

8. As the scrutiny of the Regulation was outside the purview of the Bills Committee, members unanimously agreed that it would not be appropriate for the Bills Committee to make any specific recommendation in this regard nor to examine the Regulation.

9. The Chairman concluded that the Bills Committee had completed its work. He would make a further report to the House Committee on 29 June 2001, recommending the resumption of the Second Reading debate on the Bill on 4 July 2001.

II. Any other business

10. There being no other business, the meeting ended at 1:40 pm.