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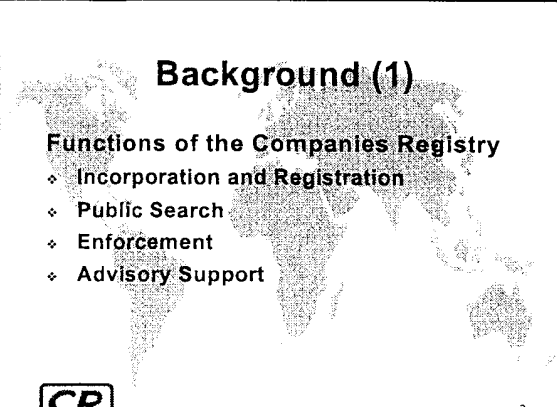
**Companies Registry
Strategic Change Plan**

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Background (1)

Functions of the Companies Registry

- ❖ Incorporation and Registration
- ❖ Public Search
- ❖ Enforcement
- ❖ Advisory Support



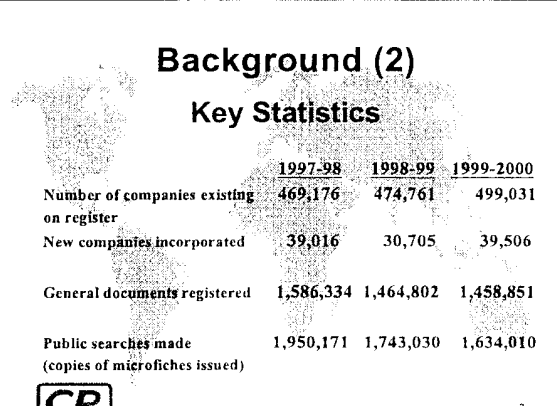
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Background (2)

Key Statistics

	1997-98	1998-99	1999-2000
Number of companies existing on register	469,176	474,761	499,031
New companies incorporated	39,016	30,705	39,506
General documents registered	1,586,334	1,464,802	1,458,851
Public searches made (copies of microfiches issued)	1,950,171	1,743,030	1,634,010

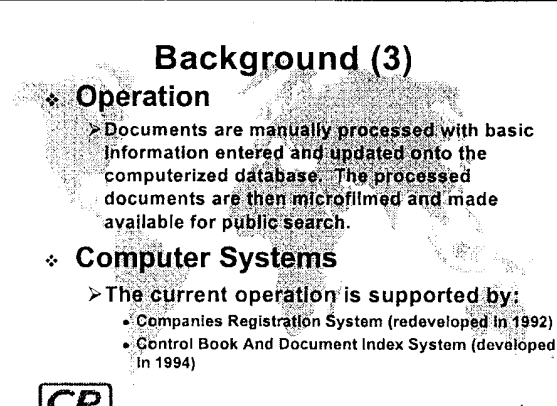


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Background (3)

- ❖ **Operation**
 - Documents are manually processed with basic information entered and updated onto the computerized database. The processed documents are then microfilmed and made available for public search.
- ❖ **Computer Systems**
 - The current operation is supported by:
 - Companies Registration System (redeveloped in 1992)
 - Control Book And Document Index System (developed in 1994)

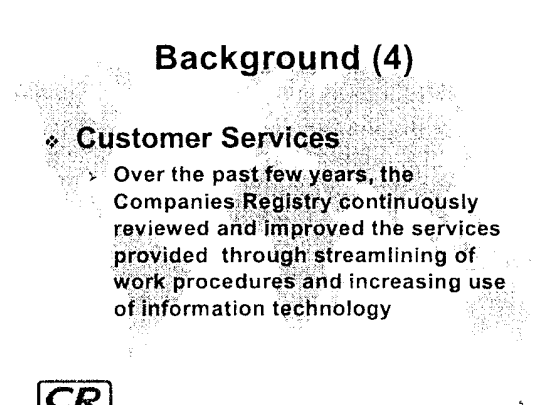


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Background (4)

- ❖ **Customer Services**
 - Over the past few years, the Companies Registry continuously reviewed and improved the services provided through streamlining of work procedures and increasing use of information technology



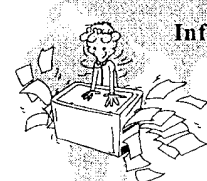
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However...

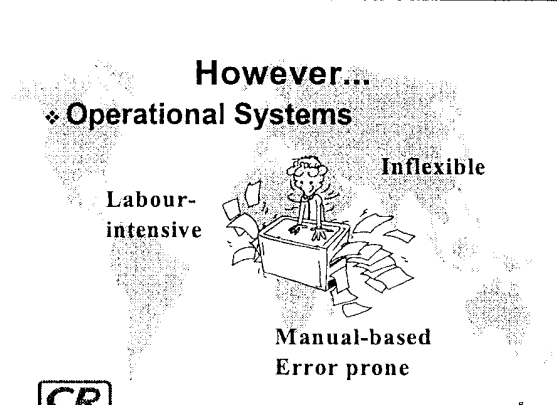
- ❖ **Operational Systems**

Labour-intensive




Manual-based
Error prone

Inflexible



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> **Technology**
 > **Microfilming system is inflexible**
 > **Current computer systems require upgrading and enhancement**

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Our Pledge

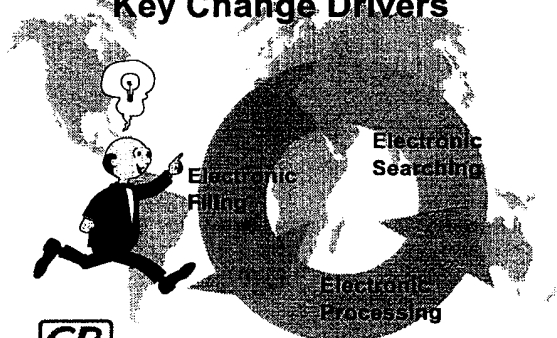
 As a Trading Fund,
the Companies Registry is committed to increase efficiency and improve services

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New Vision
 "To establish by 2005 a fully computerized system in the Companies Registry to file, process and register, and search information that will offer fast, inexpensive, user-friendly and high quality services to the Companies Registry's customers throughout the world"

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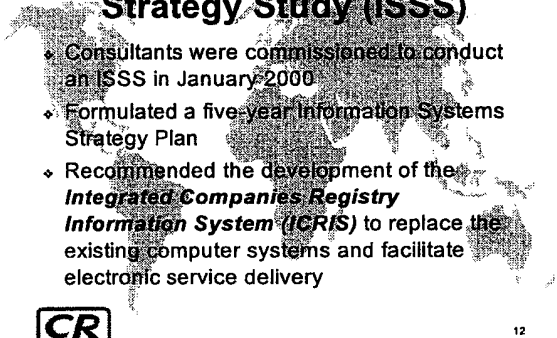
Key Change Drivers
 Electronic Filing
 Electronic Searching
 Electronic Processing

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Strategic Change Plan Study
 ♦ In-house discussions and working groups
 ♦ Research on developments in overseas registries
 ♦ Customer survey

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Information Systems Strategy Study (ISSS)
 ♦ Consultants were commissioned to conduct an ISSS in January 2000
 ♦ Formulated a five-year Information Systems Strategy Plan
 ♦ Recommended the development of the **Integrated Companies Registry Information System (ICRIS)** to replace the existing computer systems and facilitate electronic service delivery

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Three Strategic Goals

- Developing Electronic Services and Wider Use of Information Technologies
- Enhancing Quality of Information and Corporate Compliance
- Achieving and Sustaining Excellence in Service Delivery

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Areas of Change

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Developing Electronic Services & Wider Use of Information Technologies

- Develop IT infrastructure
- Implement Integrated Companies Registry Information System (ICRIS)
- Establish corporate & IT organizational structure
- Simplify legislative requirements
- Establish environment & enhanced facilities




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Information Technology and Infrastructure(1)

ICRIS - Phase I :

- Infrastructure Enhancement
- Database Management Enhancement
- Document Imaging System
- Business Process Automation
- Data Migration and Conversion of Microfilmed Records
- Online Search

July 2003



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Information Technology and Infrastructure(2)

ICRIS - Phase II :

- Electronic Document Registration and Incorporation Processing
- Electronic Reminders and Shuttle Annual Returns
- Customer Service Support System
- Business Knowledge Repository

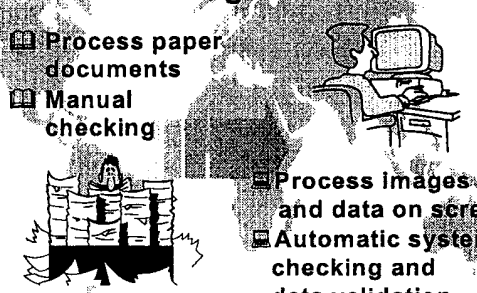

August 2004



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Processing Documents


- Process paper documents
- Manual checking
- Process images and data on screen
- Automatic system checking and data validation

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Storing and Retrieving Documents

Microfilming System



Imaging System


- ❑ Multiple and remote access



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Legislative Amendments

- ❖ To simplify filing requirements and facilitate electronic filing, processing and searching of information
- ❖ The Standing Committee on Company Law Reform has been consulted on the proposed amendments to the Companies Ordinance



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Enhancing Quality of Information and Corporate Compliance

- ❖ Refining and developing specified and electronic forms
- ❖ Enhancing the scope and integrity of the electronic and computerized database
- ❖ Promoting corporate compliance

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Forms Review

- ❖ Forms Review Working Group was set up in September 2000
- ❖ To review the existing 40 specified forms and other non-standard forms
- ❖ To develop electronic forms



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Achieving and Sustaining Excellence in Service Delivery

- ❖ Restructuring the organization
- ❖ Enhancing the capabilities of staff to deliver high quality service
- ❖ Exploring new business opportunities and ongoing business process re-engineering

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Organization Restructuring

- ❖ Create a new supernumerary post of Development Manager to lead and coordinate the implementation of the SCP
- ❖ Establish an Information Technology Division to provide professional IT advice
- ❖ Streamline organizational structure to increase efficiency and effectiveness

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Staff

- ⊙ Develop and implement a Change Management Plan
- ⊙ Provide training
- ⊙ Develop a business knowledge repository



Subject:
New Systems
Ops

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Enhancing Business Opportunities

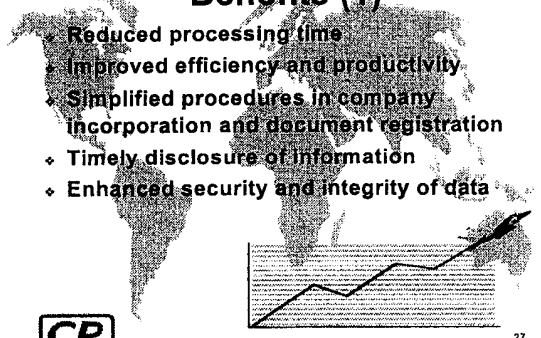
- ✦ Introduce value-added products and services to develop new income sources and maintain a healthy financial position



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Benefits (1)


- ✦ Reduced processing time
- ✦ Improved efficiency and productivity
- ✦ Simplified procedures in company incorporation and document registration
- ✦ Timely disclosure of information
- ✦ Enhanced security and integrity of data



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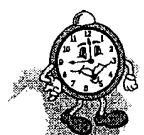
Benefits (2)

- ✦ Reduced compliance costs for companies and lower operating costs for both the Companies Registry and its customers
- ✦ Improved customer service
- ✦ Savings in accommodation and staff resources
- ✦ A green paperless environment



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Timetable(1)



✦ ICRIS

Stages	(Duration)	Tentative Date of Completion
Feasibility Study Phase 1	(6 months)	May 2001
Tendering	(12 months)	April 2002
Implementation Phase 1	(15 months)	July 2003
Feasibility Study Phase 2	(3 months)	October 2003
Implementation Phase 2	(10 months)	August 2004

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Timetable (2)

- ✦ Legislative amendment
 - Companies (Amendment) Bill 2001
- ✦ Forms Review exercise
 - Revised or new specified forms to be introduced in phases
 - Expected to complete by 2002/03
 - Electronic forms available in 2004

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Cost and Benefits Analysis

Non-recurrent cost :	\$131 M
Recurrent cost :	\$20 M
Tangible Benefits: (Annual savings)	\$48.1M
Payback period:	2007-08



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Thank You!



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