

**Bills Committee on
Import and Export (Electronic Transactions) Bill 2001**

**Follow-up actions arising from
the meeting on 22 January 2002**

Below is the Administration's response on the follow-up actions arising from the meeting of the Bills Committee on 22 January 2002.

Breakdown of 30 posts

2. We have provided at Annex A the details of the net deletion of 30 posts as a result of the implementation of the electronic data interchange (EDI) system for cargo manifests (EMAN).

Revised section 32A

3. Having considered Members' suggestions, we have revised section 12 of Schedule 1 to the Bill (proposed new section 32A of the Import and Export Ordinance (Cap. 60)) along the line of a similar provision in the Dutiable Commodities (Amendment) Regulation 2001. The revised section 32A is at Annex B. Subject to Members' views on the revised section 32A, we would make corresponding changes to section 6 of Schedule 2 to the Bill which is a similar provision.

4. The opportunity has also been taken to make a minor amendment to section 13 of Schedule 1 to the Bill (Annex C), to put it beyond doubt that the proposed new section 32A(2)(a) of Cap. 60 should prevail in case information was required to be given in different manners under the proposed new sections 32A and 42 of Cap. 60. This ensures that the Commissioner could exercise his power under section 32A(2)(a) to determine the giving of information in paper form only even during the transitional period.

5. Taking into account the views expressed by Members, we are considering to draft a separate provision governing the submission of manifests in respect of road mode carriers.

Transitional period

6. Members suggested that we should consider setting a clear transitional period for EMAN in the Bill.

7. Our policy intention is that all cargo manifests (except the road mode) should ultimately be submitted using EDI services, subject to a reasonable transitional period during which submission in paper or EDI mode is allowed.

8. While we fully appreciate the benefits of setting a clear transitional period, we would like to have more flexibility for the EMAN project. The situation of the EMAN project is different from that of the EDI project for Dutiable Commodities Permits (DCP) of which the transitional period was fixed. The implementation of EMAN is more complicated as carriers of different modes of transport are involved. On balance, we therefore consider that it would be more desirable if the Commissioner is provided with the flexibility to specify the end date of the transitional period by publishing notice in the Gazette.

Consultation on electronic submission of road mode manifests

9. As requested, we will consult the Legislative Council Panel on Commerce and Industry and other appropriate forums on the outcome of the feasibility study on electronic submission of road mode manifests in due course.

Consultation on EMAN fees

10. Tradelink has consulted carriers of different modes of transport on the proposed EMAN fees. The consultation covers the existing four rail carriers, the Carrier Liaison Group which represents all airlines, the Hong Kong Liner Shipping Association which represents 32 ocean carriers including the six major ocean carriers, and two associations of river carriers which represent about 30 members. It is not necessary to consult the Trade and Industry Advisory Board, the Textiles Advisory Board or the various chambers of commerce as users of EMAN are carriers instead of traders.

11. A carrier will be charged a fee by Tradelink on a per manifest transaction basis. The proposed fee packages offered by Tradelink are as follows –

	Ocean / Air / Rail (\$/ manifest)			River (\$/ manifest)
	1 st – 250 th manifest in a month	251 st – 1000 th manifest in a month	1001 st – manifest in a month	Regardless of volume of manifests
Standard	28.6	17.2	8.6	14.3
3-year contract	24.3	14.6	7.3	12.2
5-year contract	20.0	12.0	6.0	10.0

Commerce and Industry Bureau
February 2002

**Details of the net deletion of 30 posts
arising from the implementation of EMAN**

Post	No. of man-months	Full annual average staff cost (\$)
Recurrent cost from addition of posts		
Customs and Excise Department (C&ED)		
1 Inspector of Customs and Excise	12	744,816
1 Customs Officer	12	297,444
Census and Statistics Department (C&SD)		
1 Statistician	12	932,304
1 Senior Statistical Officer	12	830,580
1 Statistical Officer I	12	599,736
Trade and Industry Department (TID)		
1 Assistant Trade Officer I	12	657,444
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6 posts		<hr/> 4,062,324
Annual realisable savings from deletion of posts		
2 Customs Officers from C&ED	12	594,888
14 Clerical Assistants (4 from TID, 10 from C&SD)	12	3,251,808
20 Assistant Clerical Officers from C&SD	12	6,724,080
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36 posts		<hr/> 10,570,776

Net deletion of posts: $(36 - 6) = 30$

Annual staff savings: $\$10,570,776 - \$4,062,324 = \$6,508,452$

IMPORT AND EXPORT (ELECTRONIC TRANSACTIONS) BILL 2001
Proposed committee stage amendments

“As if amended” version of
Section 32A of Cap. 60 (section 12 of Schedule 1 to the Bill)

32A. Exemption from requirement to use
services provided by specified body

(1) This section applies to information that is required under a provision of this Ordinance (a “relevant provision”) to be given using services provided by a specified body.

(2) Where the Commissioner considers that it is not practicable for any such information to be given in that manner, or in that manner only, he may determine —

- (a) that the information shall be given in paper form and shall not be given using services provided by a specified body; or
- (b) that the information shall be given either in paper form or using services provided by a specified body,

and the relevant provision shall have effect subject to that determination.

(3) Notice of a determination made under subsection (2) shall be published in the Gazette within 14 days of the determination having been made.

(4) A determination made under subsection (2) providing for the giving of information in paper form may require that the information shall be certified as correct, or that the document containing the information be certified as a true copy, (as may be appropriate) by the person giving the information or by some other person.

(5) A determination made under subsection (2) may make different provision in relation to different classes of persons or information.

IMPORT AND EXPORT (ELECTRONIC TRANSACTIONS) BILL 2001
Proposed committee stage amendments

“As if amended” version of
Section 42(1) of Cap. 60 (section 13 of Schedule 1 to the Bill)

(1) A requirement under section 8, 9, 11 or 19A that information shall be given using services provided by a specified body shall, during the period specified in subsection (2), but subject to any determination made under section 32A(2)(a), be construed as requiring that the information shall be given either in paper form or using services provided by a specified body.