

LEGISLATIVE COUNCIL BRIEF

Import and Export Ordinance (Cap. 60)
Dutiable Commodities Ordinance (Cap. 109)
Reserved Commodities Ordinance (Cap. 296)

IMPORT AND EXPORT ORDINANCE (AMENDMENT OF SCHEDULES 2 AND 3) NOTICE 2009

DUTIABLE COMMODITIES ORDINANCE (AMENDMENT OF SCHEDULES 1A AND 1B) NOTICE 2009

RESERVED COMMODITIES ORDINANCE (AMENDMENT OF SCHEDULES 1 AND 2) NOTICE 2009

INTRODUCTION

This brief explains the purpose of issuing the three amendment notices (“the Notices”) at **Annex**. We have appointed a new service provider (SP) for the Government Electronic Trading Services (GETS). To enable the new SP to start providing GETS service with effect from January 2010, we need to insert its name in the relevant Schedules to the above-mentioned Ordinances.

BACKGROUND

Role of Service Providers

2. To promote electronic commerce, improve efficiency and reduce use of paper, the Government introduced GETS in 1997 through which the trading community furnishes by electronic means a number of commonly used trade-related documents¹ to the Government.

¹ At present, the GETS documents include (a) Import and Export Declaration; (b) Dutiable Commodities Permit; (c) Cargo Manifest; (d) Certificate of Origin; (e) Production Notification; and (f) notifications under the Textile Trader Registration Scheme.

3. We engage, through service contracts, SPs from the private sector to provide services under GETS. The SPs are responsible for collecting data electronically from traders/carriers, confirming their identity, validating and transmitting such data to the Government's backend systems.

4. To cater for the needs of traders who lack the IT capability to make direct electronic submissions, the SPs are also required to provide services converting traders' paper submissions into electronic ones for onward transmission to the Government. The SPs may provide this conversion service to their clients direct, and/or engage other agents to do so.

5. Administration of the six GETS documents is governed by the respective Ordinances. The GETS SPs appointed by the Government and their agents for paper conversion services (if any) are listed out in Schedules to the relevant Ordinances.

Appointment of Three Service Providers

6. Currently, we have engaged two GETS SPs, namely (a) Tradelink Electronic Commerce Limited; and (b) Global e-Trading Services Limited. Their present service contracts will expire by 31 December 2009.

7. After a review in 2007, we informed the Legislative Council (LegCo) Panel on Commerce and Industry of our proposed enhancements for the post-2009 arrangements and our intention to appoint, subject to market response, up to 3 SPs (LC Paper No.CB(1)243/07-08(05)).

8. Following competitive tendering, we have decided to appoint three SPs for the next service contract from 1 January 2010 to 31 December 2016. They include the two existing SPs and a new SP, namely, Brio Electronic Commerce Limited ("Brio"). We reported the outcome of the tendering exercise to the LegCo Panel on Commerce and Industry in January 2009 (LC Paper No. CB(1)701/08-09(01)).

Legislative Amendments

9. There is no change to the scope of services to be provided by the two existing SPs. Hence, their current entries in the relevant Schedules need not be amended.

10. Brio will provide services for four documents, namely, Import and Export Declaration (“TDEC”), Dutiable Commodities Permit (“DCP”), Cargo Manifest (“EMAN”) and Certificate of Origin (“CO”). It will provide the paper conversion services itself (i.e. without engaging any agent).

11. Administration of these four documents is governed by the following Ordinances :

<i>Trade Document</i>	<i>Ordinance(s)</i>
TDEC	Import and Export Ordinance (Cap.60) and Industrial Training (Clothing Industry) Ordinance (Cap.318)
DCP	Dutiable Commodities Ordinance (Cap.109)
EMAN	Import and Export Ordinance (Cap. 60) and Reserved Commodities Ordinance (Cap.296)
CO	Import and Export Ordinance (Cap. 60) and Protection of Non-Government Certificates of Origin Ordinance (Cap. 324)

12. Of the five Ordinances named above, three list out the SPs² and agents of paper conversion services³ respectively by way of separate Schedules. They are the Import and Export Ordinance, the Dutiable Commodities Ordinance and the Reserved Commodities Ordinance. We need to insert the name of Brio in the relevant Schedules to these Ordinances, specifying it as a GETS SP and an agent for paper conversion services respectively.

² The **service providers** carry different names in different Ordinances. They are called “specified bodies”, “specified electronic service providers” or “specified electronic services providers” in the relevant Ordinances.

³ The **agents for paper conversion services** also have different names in the various Ordinances. They are called “specified agents”, “specified eligible agents” or “specified electronic services agents” in the relevant Ordinances.

13. The remaining two Ordinances, namely the Industrial Training (Clothing Industry) Ordinance and the Protection of Non-Government Certificates of Origin Ordinance, do not require amendments. It is because they make reference to the Schedules to the Import and Export Ordinance (Cap. 60). Hence, amending the relevant Schedules to Cap. 60 would already serve the purpose.

THE NOTICES

14. For the purpose of inserting the name of Brio in the respective Schedules, the Secretary for Commerce and Economic Development (SCED) has made the Notices at Annex under the following enabling provisions :

<i>Trade Documents</i>	<i>Relevant Ordinance</i>	<i>Enabling Provisions</i>	<i>Schedules being amended</i>
TDEC, CO and EMAN	Import and Export Ordinance	section 39(2)	Schedules 2 and 3
DCP	Dutiable Commodities Ordinance	section 2(5)	Schedules 1A and 1B
EMAN	Reserved Commodities Ordinance	section 2(3)	Schedules 1 and 2

15. The above enabling provisions empower SCED to amend the Schedules through a notice published in the Gazette. Such notices are subsidiary legislation.

LEGISLATIVE TIMETABLE

16. The Notices will be published in the Gazette on 16 October 2009, and tabled at LegCo on 21 October 2009 for negative vetting. The Notices will take effect on 1 January 2010 to tie in with the commencement date of our service contract with Brio.

ENQUIRIES

17. Any enquiries on this brief should be directed to Ms Wendy Cheung, Principal Assistant Secretary for Commerce and Economic Development (Commerce and Industry) at 2918 7575.

Commerce, Industry and Tourism Branch
Commerce and Economic Development Bureau
October 2009

**IMPORT AND EXPORT ORDINANCE
(AMENDMENT OF SCHEDULES 2
AND 3) NOTICE 2009**

(Made by the Secretary for Commerce and Economic Development under section 39(2) of the Import and Export Ordinance (Cap. 60))

1. Commencement

This Notice comes into operation on 1 January 2010.

2. Specified bodies

Schedule 2 to the Import and Export Ordinance (Cap. 60) is amended by adding –

“3. Brio Electronic Commerce Limited”.

3. Specified agents

Schedule 3 is amended by adding –

“10. Brio Electronic Commerce Limited”.

Secretary for Commerce and Economic
Development

Explanatory Note

This Notice amends Schedules 2 and 3 to the Import and Export Ordinance (Cap. 60) by adding “Brio Electronic Commerce Limited” to the respective lists of specified bodies and specified agents.

**DUTIABLE COMMODITIES ORDINANCE
(AMENDMENT OF SCHEDULES 1A AND 1B)
NOTICE 2009**

(Made by the Secretary for Commerce and Economic Development under section 2(5) of the Dutiable Commodities Ordinance (Cap. 109))

1. Commencement

This Notice comes into operation on 1 January 2010.

2. Specified electronic service providers

Schedule 1A to the Dutiable Commodities Ordinance (Cap. 109) is amended by adding –

“3. Brio Electronic Commerce Limited”.

3. Specified eligible agents

Schedule 1B is amended by adding –

“4. Brio Electronic Commerce Limited”.

Secretary for Commerce and Economic
Development

2009

Explanatory Note

This Notice amends Schedules 1A and 1B to the Dutiable Commodities Ordinance (Cap. 109) by adding “Brio Electronic Commerce Limited” to the respective lists of specified electronic service providers and specified eligible agents.

**RESERVED COMMODITIES ORDINANCE
(AMENDMENT OF SCHEDULES 1
AND 2) NOTICE 2009**

(Made by the Secretary for Commerce and Economic Development under
section 2(3) of the Reserved Commodities Ordinance (Cap. 296))

1. Commencement

This Notice comes into operation on 1 January 2010.

2. Specified electronic services providers

Schedule 1 to the Reserved Commodities Ordinance (Cap. 296) is amended
by adding –

“3. Brio Electronic Commerce Limited”.

3. Specified electronic services agents

Schedule 2 is amended by adding –

“9. Brio Electronic Commerce Limited”.

Secretary for Commerce and Economic
Development

Explanatory Note

This Notice amends Schedules 1 and 2 to the Reserved Commodities Ordinance (Cap. 296) by adding “Brio Electronic Commerce Limited” to the respective lists of specified electronic services providers and specified electronic services agents.