

**LETTERHEAD OF THE DIAMOND IMPORTERS ASSOCIATION LTD.**

August 21, 1988

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Mr. HUI Cheung Ching  
Vice-President  
The Hong Kong Chinese Importers' & Exporters' Association  
Champion Building, 7-8th Floor  
287-291 Des voeux Road, Central  
Hong Kong

Dear Mr. HUI.

To reiterate some of the concerns from our members regarding the Trade Link organization, I hereby summarized the important points mentioned during our last meeting.

Trade Link - a semi-private organization

All citizens are obligated to report all information required by government offices for control purposes. however we feel neither comfortable nor obligated to release trade information to a semi-private company.

Electronic commerce itself does improve efficiency but should be left as an option. The close down of all Custom declaration office by the year 2000, will leave the public with no alternative. Forcing an individual or company to review trade details to an organization with private interest constitute a breach of the privacy act.

In terms of security, we all aware that in the high-tech area "password" itself does not screen all unauthorize uses especially from internal sources. What preventive measures the government has implemented so far to protect the general public in terms of unauthorized use of trade information collected from the Import & Export declarations? Is there any government regulation enacted to prosecute such breach of conduct? Any possibility in deleting certain trade details to be disclosed for declaration purpose? (e.g. Consignee, Value, Details of Shipment.)

Terms of the existing contract-seven years

Is it the intention for the government to become the sole shareholder of such operation after the expiry of the existing contract? Or will the ownership percentage of the private sector increase after the expiry of the existing contract?

Fees and Charges

The filing charge is the most logical way of collecting fee based on usage, however, imposing an annual subscription fee of \$648 on the mandatory procedure to file the Import & Export Declaration electronically is not a fair demand. Such fees add an extra burden on the traders especially those who operate under many different company names and are required to remit annual subscription fee to the TradeLink for each of the registered company.

Requirement of withholding deposit of \$2400 or more bases on previous usage (non-interest bearing) is unreasonable since after each declaration all charges will be debit directly from the pre-authorized account.

Yours sincerely.

THE DIAMOND IMPORTERS ASSOCIATION LTD.

Gaston F. D Aquino  
Chairman