Our Ref: FHKF/LTR/02/37 Our Fax: 2851 0202

28 March 2002

Hong Kong Special Administrative Region Of the People's Republic of China Legislative Council

By Fax & By Post

Attn: Mrs Mary Tang
For Clerk to Bills Committee

Dear Sirs/Madams

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

With reference to the third meeting of the Bills Committee on Import and Export (Electric Transactions) Bill 2001 on 22 March 2002, our Association is pleased to summarized our views as follows:

The Association supports the electronic collection, submission, distribution and sharing of data to improve the overall efficiency and cost effectiveness of our industry and the society as a whole. We do not object the role played by Tradelink provided that the services offered and rendered by them are of high standard and are reasonably charged.

The Association had direct communications with Tradelink regarding their EMAN project since June 2001. We have pointed out the following restraints to Tradelink's attention, and asked for remedial measures before the EMAN project is put into practice.

(A) The manifests on board all river trade vessels arriving Hong Kong are all hard copies.

The existing paper scenario runs well as we just take the hard copies of the import manifests and send them to relevant government authorities for submission. However, Tradelink's software does not consider this important point, they just expect somebody will re-enter the manifest data and send it to Tradelink electronically. On the other hand, there is no point for river trade companies to allocate *extra* human resources to do the key-in job and pay *extra* to Tradelink in using their service.

(B) The flat file interface to Tradelink's software.

The Association have pointed out that almost all river trade companies are SMEs serving various ports in the Pearl Delta. They have developed their own integrated computer software for years to cope with the requirements of the ports they serve in terms of Bills of Ladings, manifest, haulage documents, container inventory control...etc.. It is not feasible nor practical for them to shift to Tradelink's software, and the only solution is to transform the data in the existing computer systems to Tradelink via a flat file interface.

However, Tradelink makes XML as the only language format for the flat file interface and is reluctant to offer other alternatives even though the Association have pressed for many times. This has caused additional difficulties to most of the SME river trade Companies as they do not have further resources to redevelop/replace their existing computer systems according to the assigned format.

The Association strongly believes that if the above are not resolved, the EMAN project will be meaningless and will not be widely accepted by our members as well as other river trade companies.

The Association further suggests the followings to both Tradelink and the Government in order to speed up EMAN project smoothly:

- 1. Both the SAR Government and Tradelink should actively invite the Guangdong Government to work jointly on the EMAN project. We believe that the project can be speeded up if we put the issue to a higher level for discussion and action. Once the import river trade vessels can carry electronic manifest, there will be no dispute on the duplication of data entry issue and the problem can be solved.
- 2. Tradelink should provide alternative(s) on the languages on the flat file interface, if not, they should offer feasible and economical remedial measures to river trade companies.
- 3. Tradelink should offer the EMAN service on a <u>free of charge basis</u>, particularly to the river trade industry until the import manifest issue is solved. Then, Tradelink can offer their new pricing schedule to the industry for further negotiation and consideration.

We thank Legislative Council Members for their kind consideration of the above and the Association is always ready to have further discussions with parties concerned.

Thank you for your attention.

Yours sincerely, For and on behalf of Guangdong and Hong Kong Feeder Association Limited

T. Y Hung (Mr) Chairman

Cc: Ms Miriam Lau, Legislative Council Member (Transport Constituency) All members of GHKFAL