



AFACT

Asia Pacific Council for Trade Facilitation & Electronic Business

2004 AFACT Year Book

INTRODUCTION TO AFACT

ABOUT AFACT

AFACT BYLAW

2004 AFACT STRUCTURE

ABOUT AFACT

AFACT is the Asia Pacific Council for Trade Facilitation and Electronic Business. It's a non-profit, Non-governmental organization that is open to participation from the representatives of member economies and experts from private sectors within the Asia-Pacific region.

The forerunner of AFACT was ASEB (Asia EDIFACT Board) established in 1990 in response to disseminate EDIFACT (Electronic Data Interchange for Administration, Commerce and Transport) policies and activities in the Asia-Pacific region. After 8 years' contribution to facilitate international transaction within the region, through the simplification and harmonization of procedures and information flows, the need for re-engineering was raised in the 16th ASEB meeting to conform to the rapidly changing trend of EDI and EC, and to respond to the successful restructure of UN/CEFACT. As a result of re-engineering, AFACT marked down the era of ASEB in 1998. In 1999, the epoch of AFACT was officially commenced.

AFACT aims to promote the commitment and development of trade facilitation, electronic business policies and activities in the Asia Pacific region, mainly focusing on those promoted by UN/CEFACT (United Nations Centre for Trade Facilitation and Electronic Business), to guide, stimulate, improve and promote the ability of business, trade and administrative organizations from members, as well as to exchange products and relevant services effectively within AFACT community.

Currently, there are 16 member economies from Australia, Chinese Taipei, India, Indonesia, Iran, Japan, Korea, Malaysia, Mongolia, PRC, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, and Vietnam. Each of which is represented by a local organization dedicated in promoting the application of standards and recommendations, e.g. UN/EDIFACT, developed by UN/CEFACT. ebXML Asia committee is an associate member of AFACT, which is dedicated to promote cooperation in implementing ebXML related standards in this region.

There are 11 Working Groups formed under AFACT, of which each with its own scope of work and responsibilities. The Working Groups are Awareness and Education Working Group (AEG), Financial Working Group (FWG), Transport Working Group (TWG), Customs Working Group (CWG), Supply Chain Working Group (SCWG=PWG+ECWG), Security Working Group (SWG), Air-Transport Working Group (ATG), Legal Working Group (LWG), Inter-networking Implementation Committee (IIC), Business Collaboration Framework Working Group (BCFWG), XML Working Group (XMLWG).

The major activities include:

1. Analyzing and understanding the key elements of international transactions and working for the elimination of constraints;
2. Developing methods to facilitate transactions, including the relevant use of information technologies such as UN/EDIFACT and ebXML;
3. Promoting both the use of these methods, and associated best practices, through channels such as government, industry and service associations;
4. Coordinating its work with UN/CEFACT and other relevant international, regional and non-governmental organizations; and
5. Enhancing the cooperation among the AFACT members and promoting the objectives of the mission statement in the Asia Pacific region.

AFACT BYLAWS

APPROVED VERSION, OCT. 3, 2001

ARTICLE 1

Name

The name of this organization shall be the Asia Pacific Council for Trade Facilitation and Electronic Business (hereinafter referred to as "AFACT").

ARTICLE 2

Mission Statements

AFACT aims to support in the Asia Pacific region policies and activities, especially those promoted by UN/CEFACT (United Nations Center for Trade Facilitation and Electronic Business), dedicates to stimulate, improve and promote the ability of business, trade and administrative organizations, to exchange products and relevant services effectively in a non-political environment.

Its principal focus is to facilitate international transactions, through the simplification and harmonization of procedures and information flows, and so contribute to the growth of global commerce.

ARTICLE 3

Terms of Reference

The principles of the mission statement are to be achieved by:

- Analyzing and understanding the key elements of international transactions and working for the elimination of constraints;
- Developing methods to facilitate transactions, including the relevant use of information technologies such as UN/EDIFACT and ebXML;
- Promoting both the use of these methods, and associated best practices, through channels such as government, industry and service associations;
- Coordinating its work with UN/CEFACT and other relevant international, regional and non-governmental organizations; and
- Enhancing the cooperation among the AFACT members and promoting the objectives of the mission statement in the Asia Pacific region.

ARTICLE 4

Structure

AFACT shall be a non-profit, non-political, voluntary and independent organization.

ARTICLE 5

Membership

Membership shall comprise two categories shown in Appendix 1 hereto:

- Member - The countries and economies in the Asia Pacific region represented by the agency assigned to promote and develop trade facilitation and Electronic Business. Such agency is recognized as the single focal point for UN/EDIFACT or UN/CEFACT related activities.
Agencies of the United Nations can also be members.

All existing members and associate members in the ASEB shall be automatically recognized as members of AFACT.

- Associate member - Any other organization from the Asia Pacific region or relevant international organization located in the region, committed to similar objectives as AFACT.

Any country, economy or organization wishing to join AFACT must submit an application for membership in writing to the AFACT Secretariat who shall circulate it to the Steering Committee members for consideration and approval, as well as to all members and associate members for consultation. If approved, the Steering Committee shall report to the Plenary on the approval of the application.

The Chair for the Plenary may also invite non-member countries, economies and experts as observers or special invitees

ARTICLE 6

Plenary

The Plenary shall include members, associate members and observers, represented by their Heads of Delegations. A simple majority of the members is required for a quorum.

The Plenary Meeting shall be a forum to exchange views on any areas of common interest including the latest developments in each member or associate member under the ambit of the Mission Statement.

The Plenary shall be the highest decision making body of AFACT and shall have the responsibility of ratifying all major decisions and monitoring the execution of the adopted resolutions.

The preferred way of reaching decisions shall be by consensus. However, the Chair shall have the authority to call for a vote if, in his view, consensus cannot be reached on a particular issue. In such cases, a simple majority of all voting members constitutes a decision. In case of a tie, the chair shall cast the deciding vote.

Only members are eligible to vote. The vote shall be cast by the Heads of Delegations or their designated representative.

For dissolution of AFACT, the adoption of the Bylaws or a change to the Bylaws, a two-third majority of all voting members is required.

Absent members can have the option to vote by email or other means, or by proxy entrusted to the Chair or a fellow AFACT member.

The Plenary shall meet at least once a year.

ARTICLE 7

Officers and Secretariats

Annually AFACT shall identify a member to host the organization (hosting member).

The officers of AFACT shall be the Chair, two Vice-Chairs and the Secretary. The term of office for each post shall be one year.

The hosting member shall nominate the Chair, with one Vice-Chair being nominated by the next hosting member (Chair elect) and the immediate former Chair acting as the other.

At the start of each Plenary, the identification of next hosting member and the Chair elect shall be approved.

The hosting member shall nominate a person who shall be the Hosting Secretary of AFACT (hereinafter the hosting Secretariat).

Their term shall start immediately after the close of the previous Plenary meeting. In order to ensure a smooth hand-over between the two hosting Secretariats, a Joint hosting Secretariat shall exist for an agreed period, after the previous Plenary meeting.

The AFACT Secretariat shall be nominated by the Steering Committee and ratified by the Plenary for four years term, based on the Terms of Reference described in the Appendix 3, which shall be open for any AFACT member and reviewed every four years.

ARTICLE 8

Steering Committee

The Steering Committee is responsible for the management and coordination of AFACT between the Plenary meetings. The Steering Committee also supervises the progress status of the decision made by the Plenary meeting.

The composition of the Steering Committee shall be as follows:

- Chair (of AFACT)
- Two Vice-Chairs (of AFACT)
- UN/CEFACT Rapporteur for Asia (Advisor)
- Two Heads of Delegation appointed by the Plenary who will hold office as members of the Steering Committee for a term of two years.
- AFACT Secretariat

The Steering Committee is chaired by the Chair of AFACT.

The hosting Secretariat shall be present in all Steering Committee meetings.

The agenda for the Steering Committee meeting shall be circulated to the Heads of Delegations and Chairs of Working Groups for comments.

The Chair may invite Chairs of Working Groups for specific meetings, as appropriate and all Heads of Delegation shall be entitled to attend meetings of the Steering Committee.

Where required, the Steering Committee shall be empowered to take decisions on behalf of AFACT between Plenary meetings. In such cases, every effort shall be made to consult with the Heads of Delegations.

Steering Committee decisions shall be made by consensus.

The Steering Committee shall meet at least twice a year. This can be either in the form of a physical meeting or a virtual meeting.

ARTICLE 9

Working Groups

Working Groups may be established to focus on a specific area of interest, under the ambit of the Mission Statement.

To establish a Working Group, the interested parties shall submit a proposal, including the Terms of Reference, to the Steering Committee for approval and subsequently, to the Plenary for ratification.

Each Working Group shall appoint its own Chair and Secretariat. The term of service for the Chair and the Secretariat shall be for a period of two years.

Each Working Group shall submit its Work Program to the Steering Committee for endorsement.

The Working Group shall meet at least twice a year. This can be either in the form of a physical meeting or a virtual meeting.

The Chair of each Working Group shall report to the Plenary.

All Working Groups under the ASEB shall be automatically recognized as a Working Group under the AFACT. Each Working Group shall review and submit their Terms of Reference to the Steering Committee for approval and subsequently, to the Plenary for ratification.

ARTICLE 10

Focal Point

Each AFACT member is required to have a single focal point, dedicated to the promotion, dissemination and implementation of AFACT objectives.

The focal point shall identify the Head of Delegation and a contact person who shall be responsible for communication with the AFACT Secretariat and all related parties

ARTICLE 11

EDICOM

EDICOM is the annual conference and exhibition of AFACT. It features the latest technology and information on Electronic Data Interchange (EDI), Electronic Commerce (EC), UN/EDIFACT and other related activities including trade facilitation.

EDICOM shall be organized by the hosting member, adjacent to the Plenary, in consultation with the Steering Committee.

ARTICLE 12

Relationship Between AFACT and UN/CEFACT

As set out in its Mission Statement, AFACT seeks, amongst other objectives, to promote the aims, objectives and activities of UN/CEFACT within the Asia Pacific region. To this end, Asia Pacific delegations to UN/CEFACT provide a strong link between AFACT and UN/CEFACT.

The UN/CEFACT Rapporteur for Asia provides another significant linkage. The Rapporteur shall be appointed by the Plenary of UN/CEFACT on the recommendation of the AFACT Plenary. (The Mandate of the UN/CEFACT Rapporteur for Asia is attached as Appendix 2).

AFACT is also strongly encouraged to identify and nominate potential members to the UN/CEFACT Steering Group. These nominations shall take place after full consultation with AFACT and shall normally be made on behalf of AFACT, to the UN/CEFACT Secretariat, by the delegation holding the Chairmanship of AFACT or by a delegation designated by the Chair.

Close coordination between AFACT Working Groups and UN/CEFACT Working Groups is strongly encouraged and both bodies shall use their best endeavors to ensure this coordination. This is most effectively achieved when there is a formal relationship between the respective groups.

ARTICLE 13

Expenses

The hosting member shall cover all expenses involved in organizing the Plenary Meeting, the Steering Committee Meeting and the meetings for the various Working Groups held before the Plenary Meeting.

The hosting member is entitled to charge a participation fee for each delegate. The amount to be charged shall be decided in consultation with the Steering Committee.

The AFACT Secretariat shall cover all the costs incurred in performing the responsibilities as the secretariat and maintaining the AFACT Website.

ARTICLE 14

Working Language

The working language of AFACT shall be English.

ARTICLE 15

Effectiveness

These Bylaws enter into effect on October 3, 2001, upon ratification by the AFACT Plenary.

APPENDIX 1: List of Members and Associate Members as of May, 2004

Members:

Australia	Pakistan, Islamic Republic
Chinese Taipei	Philippines
India	P.R.C
Indonesia	Republic of Korea
Iran, Islamic Republic	Singapore
Japan	Sri Lanka
Malaysia	Thailand
Mongolia	Vietnam

Associate Members:

ebXML Asia Committee

APPENDIX 2: Mandate UN/CEFACT Rapporteur for Asia

Within Asia, the Rapporteur shall:

- Promote and represent CEFACT's interest and activities to governments, inter-governmental organizations, relevant trade associations and business and trade facilitation organizations;
- Encourage the participation of experts in CEFACT's work program and stimulate the implementation of CEFACT's Recommendations;
- Coordinate CEFACT's activities in the area.

Liaison Relationships

This mandate shall be carried out, where appropriate, in liaison with Heads of delegations to CEFACT coming from Asia as well as in liaison with the secretariat of ESCAP and the Chairs of CEFACT's Working Groups.

Reporting Relationships

A report shall be presented by the Rapporteur to each CEFACT Plenary. The Rapporteur also has the right to raise issues directly with the CEFACT Steering Group (CSG) and shall be entitled to attend the CSG as an observer.

Duration of Appointment

Initially for three years, thereafter renewable every two years.

APPENDIX 3: AFACT Secretariat Terms of Reference**1. Background**

- When the Asia EDIFACT Board (AS/EB) was reformed into the Asia Pacific Council for the Facilitation of Procedures and Practices for Administration, Commerce and Transport (AFACT) in 1998, the Board decided that AFACT did not have a permanent secretariat, and secretariat roles were served by the host secretariat in one-year term. The running secretariat shall be provided by the host member, which this new system shall be reviewed after two or three years experiences.
- In the Taipei AFACT meeting, the HoD of Islamic Republic of Iran suggested to consider for setting up a secretariat to manage AFACT in consistent manners. The AFACT Plenary has decided to establish a secretariat under AFACT in principle. Then, the Chair (Dr. Lin) allowed the Steering Committee to look for a secretariat within AFACT members.

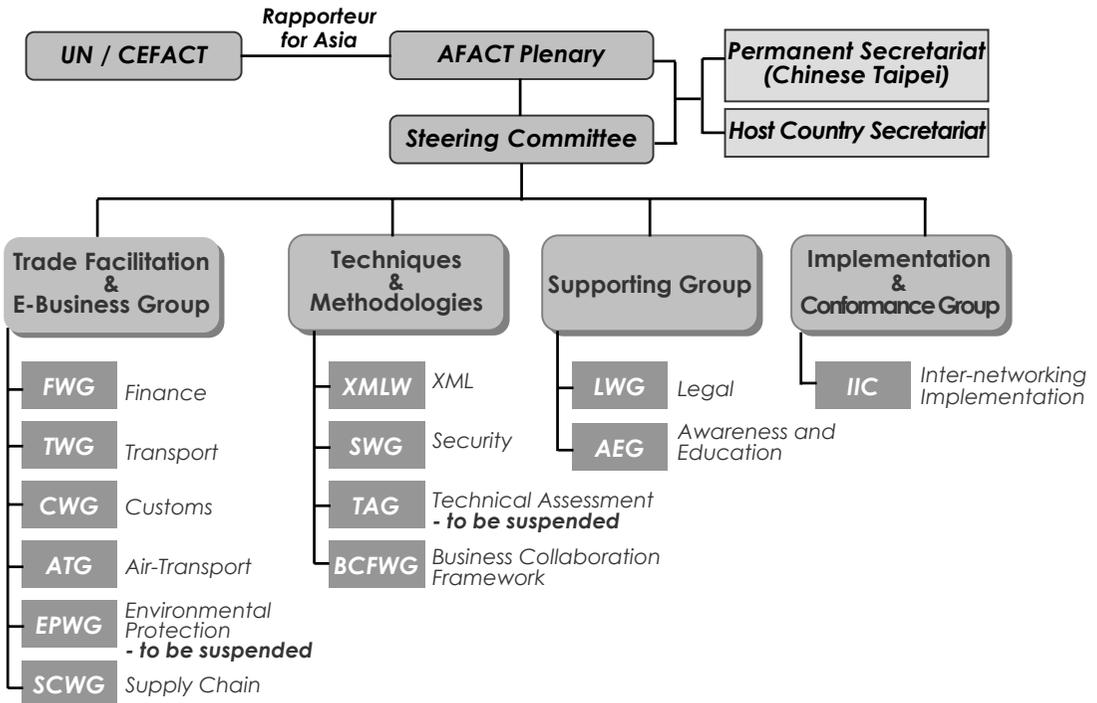
2. Terms of Reference

- The purpose of AFACT Secretariat is to explore, review and identify the most practical approach for managing and operating AFACT tasks on Trade Facilitation and Electronic Business in Asia Pacific region.
- The AFACT Secretariat should coordinate with UN/CEFACT Rapporteur for Asia to achieve the responsibility of the AFACT Secretariat.

Taking account of existing AFACT Terms of Reference, these shall include:

- a) To document all AFACT related activities and publish them on the AFACT web site,
- b) To maintain the AFACT web site in cooperation with other members' secretariat,
- c) To support the host secretariat for organizing AFACT Plenary meeting and its joint working groups' meetings, AFACT Steering Committee meeting and EDICOM,
- d) To facilitate the affairs in relation to new membership application,
- e) To attend AFACT related meetings to support the host secretariat,
- f) To attend UN/CEFACT Plenary meeting, if possible, to follow up its decision and discussion made during the meeting and feed back them to AFACT community, and
- g) Any other business.

2004 AFACT STRUCTURE



AFACT ORGANIZATION

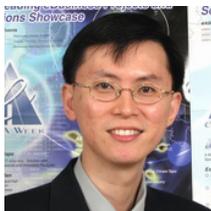
2004 AFACT STEERING COMMITTEE BOARD MEMBERS

2004 AFACT HEAD OF DELEGATES

2004 WORKING GROUPS AND CHAIRS

AFACT MEMBER ORGANIZATIONS

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2004 WORKING GROUPS AND CHAIRS

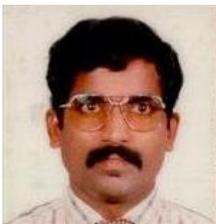


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Siti Abdullah

Inter-networking Implementation Working Group (IIC)

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AFACT MEMBER ORGANIZATIONS

Member Economy	Organization	Contact Information
Australia		Level 6, 131 York Street, SYDNEY NSW 2000, Australia Tel: 61-2-9283 1144 Fax: 61-2-9283 3900 E-Mail: tradegate@tradegate.org.au www.tradegate.org.au
India		Room No. 263-B, Udyog Bhavan, Rafi Marg, New Delhi, India Tel: 91-11-2301 5299 Fax: 91-11-2301 4418 E-mail: takhan@ub.nic.in http://commin.nic.in/
Indonesia		Jl. Medan, Merdeka Barat No. 21, Jakarta 10110, Indonesia Tel: 62-21-3000 3001/ 3000 3002 Fax: 62-21-3809 833/ 3458 155 www.indosat.com
Iran		8th Fl. No. 240-North Kargar St. Tehran – Iran, 14187 E-mail: info@irtp.com www.irtp.com
Japan		29-11, Hatchobori 2-chome, Chuo-ku, Tokyo 104-0032 Tel: 81-3-3555 6031 Fax: 81-3-3555 6032 E-mail: jastpro@jastpro.or.jp www.jastpro.org
Korea		6F, Textile Center, 944-31, Daechi-Dong, Kangnam-Gu, Seoul, Korea 135-713 Tel: 82-2-528 5800 Fax: 82-2-528 5719 E-mail: webmaster@kiec.or.kr www.kiec.or.kr
Malaysia		Level 6, Block B2, Parcel B, Kompleks Jabatan Perdana Menteri, Pusat Pentadbiran Kerajaan Persekutuan, 62502 Putrajaya, Malaysia Tel: 603 888832000 Fax: 603 88883163 www.mampu.gov.my
Mongolia		J.Sambu St.11, Ulaanbaatar 38, Mongolia. Tel: 976-11-324 394 Fax: 976-11-324 620 www.mongolchamber.mn

Member Economy	Organization	Contact Information
P.R.C.	China Electronics Standardization Institute	No.1 Andongmen East Street, Beijing China 100007 Tel: 86-10-8402 9159/ 6400 7689 Fax: 86-10-6400 7681 E-mail: nic@cesi.ac.cn
Pakistan	E-CRC E-Commerce Resource Center Pakistan	2nd Floor, Nabika Square, G-5, Central Commerical Area, Off Shaheed-e-Millat Road, Karachi 75350, Pakistan Tel: 92-21-453 9701/ 453 8837 Fax: 92-21-452 4976 E-mail: info@ecrc.com.pk or ecrc@multi.net.pk www.ecrc.com.pk/home.htm
Philippines	DEPARTMENT OF TRADE & INDUSTRY PHILIPPINES	385 Industry and Investments Bldg., Sen. Gil Puyat Ave., Makati City, Philippines 1200 Tel: 63-2-895 3611 Fax: 63-2-895 6487 E-mail: web@dti.dti.gov.ph
Singapore	SEC Singapore EDI Committee	31 Science Park Road, The Crimson, Singapore 117611 Tel: (65) 6887 7516 Fax: (65) 6778 5277 E-mail : secretariat@sec-edi.org www.sec-edi.org
Sri Lanka	EDI / EC	561/3, Elvitigala Mawatha, Colombo 5, Sri Lanka. Tel: 94-1-510 566/510 551 Fax: 94-1-510 560
Chinese Taipei	Taipei EC/EDI Committee	22nd Fl., 333, Sec. 2, Duen Hua S. Rd., Taipei, 106, Taiwan Tel: 886-2-87326222#173 Fax: 886-2-87326274 www.twtec.org.tw
Thailand	NECTEC	112 Phahon Yothin Rd., Klong 1, Klong Luang, Pathumthani 12120,Thailand Tel: 0-2564-6900 Fax: 0-2564-6901-3 E-mail: webmaster@nectec.or.th or info@ nectec.or.th www.nectec.or.th/eindex.php
Vietnam		Electronic Commerce Department - Ministry of Trade -21 Ngo Quyen Str., Ha Noi, Tel: (84-4) 8262538 Fax: (84-4) 8264696 Email: bitec@mot.gov.vn www.mot.gov.vn

Meeting Minutes

The 22nd Steering Committee Mid-Term Meeting Minutes,
May. 10~11, 2004 in Singapore

The 21st Plenary Minutes,
Jan. 14, 2004 in Karachi, Pakistan

The 21st Steering Committee Meeting Minutes,
Jan. 11, 2004 in Karachi, Pakistan

The 21st Steering Committee Meeting Minutes,
Oct. 12, 2003 in Chinese Taipei

22ND AFACT AFACT STEERING COMMITTEE MID-TERM MEETING MAY 10~11, 2004

Date: 10th ,11th May 2004 (Wednesday)

Venue: G2 Meeting Room, The Gallery Hotel, Singapore

Attendance:

Attendees list:

Mr. Kenji Itoh	Japan	UN/CEFACT Vice Chair
Mr. Gary Gong	Chinese Taipei	Head, AFACT Secretariat
Dr Eva Yueh	Chinese Taipei	AFACT Secretariat
Ms Wan Ju Weng	Chinese Taipei	AFACT Secretariat
Mr. Sang-Won Lim	Korea	HOD
Ms Nguyen Thu Huong	Vietnam	AFACT Vice Chair
Mr. Simon Seow	Malaysia	BCF WG Chair
Mr. S Anbalagan	Malaysia	TWG Chair
Madam Noraidah	Malaysia	TWG Secretary
Mr. Javed Naushahi	Pakistan	Vice Chair
Mr. Syed Khurshed Shah	Pakistan	HOD
Mr. Muhammad Arif	Pakistan	FWG Chair
Mr. Zahid Usman Jamil	Pakistan	LWG Acting Chair
Mr. T A Khan	India	AFACT Rapporteur
Mr. Michael Lie	Singapore	Acting AFACT Chair
Mr. Kamarudin Tambi	Singapore	HOD
Mr. Babu Mandava	Singapore	Host Secretariat
Mr. David Leng	Malaysia	IIC Representative

1. OPENING

Mr. Michael Lie, Acting Chairman of AFACT Steering Committee welcomed all participants to the meeting. He introduced himself and requested all to introduce themselves.

Mr. Kamarudin requested the meeting to congratulate Dr. Ferng-Chin Lin on his appointment as Minister of State.

2. ADOPTION OF THE AGENDA

The Chair informed about the agenda and asked if there would be any changes. Based on members input, the following are added in the day two's agenda during the Any other business.

- (1) ITSC – Presentation by ITSC Secretariat, Singapore
(15 minutes)
- (2) eBusiness 2004 CD/RoM Introduction – by Mr.. Syed Khurshed Shah, Pakistan
(10 minutes)
- (3) HK situation report – by Mr.. Kenji Itoh, Japan
(10 minutes)

- (4) ECO project proposal – by Kamarudin, Singapore
(15 minutes)
- (5) Cross certification discussion – All members
(10 minutes)
- (6) eBusiness Readiness – All members
(15 minutes)

3. REVIEW AND APPROVAL OF THE LAST STC MEETING MINUTES

(1) New membership and non-participation

Dr Eva updated that she had contacted HoDs of Mongolia and Vietnam and arranged workshop training sessions together with AEWG in August 2004.

Mr. Kenji informed that response was received from Mr. Anthony Cortez, Deputy Director of Garments and Textile Export Board, Philippines and they are interested to join back AFACT.

Ms. Eva informed that Dr. Somnuk is current contact point for Thailand.

She also updated the meeting that in response to the letter sent by AFACT secretariat President of PAA (Pan Asian e-Commerce Alliance) has sent an official letter to be an associate member of AFACT.

Project Based Co-operation

Mr. Javed mentioned that after the AFACT meeting in Karachi, Iran has initiated an ATM to ATM connectivity project between Pakistan and Iran in the FWG.

Mr. T. A Khan complimented this initiative.

Mr. Javed requested for an update of ECO project from Mr. Kamarudin. He mentioned that he had completed the project proposal. Mr. T.A. Khan, complimented this initiative but suggested to have more interaction via virtual groups. Mr. Kamarudin mentioned that the kick-off meeting will be planned in May and after that virtual meetings will be held fortnightly.

Mr. Kenji Itoh mentioned that SITPRO has implemented ECO and Australia proposed an e-Cert project under UN/CEFACT.

Mr. Zahid mentioned that an country-to-country MOU would normally be required for a project of such nature to cover legal issues. Mr. TA Khan mentioned that there is a need of cross recognition of certification.

Mr. T.A Khan suggested to Mr. Kamarudin to work closely with LWG to address the e-Laws and security issues.

(2) E-business readiness

Mr. Javed mentioned that he has not received any input from Dr.. Somnuk. Mr. TA Khan mentioned that in India, they have initiated an e-readiness program and completed the assessment. The reports can be downloaded from the web. These reports can be used as input to the AFACT survey program. Dr. Eva mentioned of similar surveys conducted by Chinese Taipei for ITU, EIU, IDC and APEC. AFACT secretariat would depute experienced focal point for survey.

(3) Vietnam to host 23rd AFACT meeting.

Madam Nguyen informed that next 23rd AFACT plenary meeting would be in Vietnam in 2005. Dr. Eva requested her to inform of venue and dates. Madam Nguyen informed that she will announce it after consulting with Ministry.

(4) EOI for AFACT future meeting

Dr. Eva mentioned that she has not received any EOI for the hosting of AFACT 2006 and beyond. Mr. Kenji informed that Australia has offered an apology for not being able to host the event. Reply is waiting from Thailand's EOI. Alternatively, the meeting suggested considering Japan. Mr. Kenji mentioned he needs to discuss with JEC to host 24th AFACT meeting in 2006 in Japan, and reply.

The meeting accepted the minutes with the changes proposed by Mr. T.A. Khan.

4. REVIEW THE 21ST AFACT PLENARY MEETING MINUTES

(1) Restructure of AFACT

Mr. T.A. Khan mentioned that the restructuring is already approved in the last plenary meeting in Karachi.

(2) Report by JWG chair

Mr. TA Khan mentioned that in the last meeting, members concluded that there is a need to have an update on the format for report by the JWG Chair and the country report by the HOD. It was therefore decided that the AFACT secretariat would circulate the updated copy of these two formats to STC members, HODS and JWG chairs for their comments. This would then be approved by the STC and posted on the AFACT's website for uniform adoption by all members. It was also agreed that there should be an awareness program at the beginning of every plenary meeting to explain the methodology and conduct of the working group meetings and plenary.

Mr. Kenji Itoh and Dr. Eva requested all the members to check the focal point contact and HOD in the distributed document. All members are requested to inform revert to the Secretariat for any update.

5. 22ND AFACT MEETING AND CONFERENCE

Mr. Kamarudin presented the theme, agenda and conference details of the 22nd AFACT conference to all the participants. Planning for the event is currently underway and he highlighted the following milestones:

- a. Website development will start in June 2004 and be ready by mid-July 2004
- b. Consolidation of meeting documents by end-August 2004 and ready for download in early September 2004
- c. Abstract of speaker's presentation by end June 2004 and consolidate the full presentation material from all speakers by end-August 2004

Mr. Javed requested Mr. Kamarudin to have the website available by early July 04 to facilitate the participants to make approval and travel arrangements.

Mr. Kamarudin mentioned that all meeting documents, country reports and JWG meeting agenda need to be sent to the hosting secretariat by end August 2004.

Mr. Kenji mentioned that since he is retiring from JASTPRO he will not be able to attend the 22nd AFACT conference when Mr. Kamarudin requested to him present UN/CEFACT report. Then Mr. Kamarudin requested Mr. TA Khan to take the slot for the presentation for which Mr. TA Khan agreed.

6. AFACT SECRETARIAT REPORT

Dr. Eva presented AFACT secretariat report. Subsequently, Ms W J Weng made a presentation on 2004 eASIA Award. It will be held on Sept 22~24th 2004 in Chinese Taipei.

Dr Eva requested that the semi-finalists should reach Chinese Taipei on 21st September to participate in the 2004 eASIA Forum and Exhibition as well as for the presentation leading to the final evaluation of 2004 eASIA award on 24 Sep.

Mr. Kenji mentioned that there are many activities scheduled in September. These are:-

- a. 6 ~ 10th ISO 7372MA MTG (Washington DC)
- b. 13 ~17th UN/CEFACT Forum (Washington DC)
- c. 19 ~ 22nd AFACT Plenary/ EDICOM' 04 (Singapore)
- d. 22~24th eASIA Award (Chinese Taipei)

During the WJ Weng's eASIA award presentation, she raised the following issues,

- a. The secretariat received the request to increase the maximum number of nominations for each category from 2 to 3. It was agreed to accept decided the member's request is accepted. However, the maximum number of nominations for each member will still remain at 8.
- b. AFACT secretariat suggested having more members of the evaluation committee, due to shortage of time for evaluation. It was therefore decided to increase the size of evaluators from 9 to 12. It was also decided that Australia, Thailand and Malaysia may be requested through their HOD to nominate one evaluator each. In case of lack of response from any of these countries, Iran may be contacted.
- c. The STC meeting unanimously agreed that Madam Siti Aminah Abdullah be nominated for the 2004 eASIA Special Honorary Award.

AFACT secretariat would seek EOI from members HODs for the hosting of AFACT secretariat for the 2006~2009 term.

7. UN/CEFACT MEETING REPORT

Mr. Kenji presented UN/CEFACT report. The 10th UN/CEFACT plenary will be held during 17th ~ 19th May 2004 in Geneva. There will be a proposal for the reorganization of the management structure.

8. REPORT OF UN/CEFACT RAPPORTEUR FOR ASIA

Mr. T.A. Khan presented the UN/CEFACT Rapporteur for Asia Report. This includes,

- a. Release of the standard business document header technical specification
- b. Public review of UN/ECE recommendation no.24 (transport status code)
- c. 4th UN/CEFACT forum held on March 24th 2004

- d. UN/EDIFACT D.03B release
- e. UN/LOCODE 2004-1 code list is available in the website
- f. 21st AFACT meeting and EDICOM held in Karachi, Pakistan

9 JOINT WORKING GROUP REPORT

Mr. T.A. Khan mentioned that as decided in the 21st AFACT meeting in Karachi, JWG chairpersons need to update and submit their TOR to the AFACT secretariat for submission to the STC.

It was decided that there is a need for us to emphasize availability of working group agenda well in advance so that the members can prepare for the working group and plenary meeting. It was also emphasized that the working group for which the election is due, the agenda should indicate this aspect.

(1) LWG

Mr. Zahid presented the LWG TOR draft version. Mr. Khan suggested Mr. Zahid to distribute the same copy to all the members in LWG and discuss possible amendments to the document.

(2) FWG

Mr. Arif mentioned the lack of participation in the Karachi FWG meeting, during 21st AFACT. He proposed there should be active participation as previously has been in FWG. He also requested the Chair /secretariat/ UN CEFACT to participate and present paper during the forthcoming event "eBanking – The Future" in Karachi on 14 June 2004 arranged by FWG.

Mr. T.A. Khan mentioned that he is impressed with the development made by Chinese Taipei in this field. Mr. Arif may like to be in touch with the FWG members from Chinese Taipei and other members. AFACT secretariat would provide details of members of FWG to Mr. Arif and he should co ordinate with them.

(3) TWG

Mr. Anbalagan underlined the need for active participation from technical as well as subject experts. He mentioned that there is a need to have a permanent secretariat to ensure continuous participation. He mentioned that TWG has already submitted the TOR to the secretariat.

(4) HOD Pakistan

Mr. Shah requested for collaboration of trust mark initiative among the AFACT members.

(5) BCF

Mr. Simon Seow anticipates that the currently proposed eCOO project may be the first of several iterations to bring it in to alignment with BCF Meta model. He will update the TOR accordingly. He and the eCOO project lead will analyze the project requirement and propose the revised schedule.

(6) Farewell address by Mr. Kenji Itoh

Mr. Kenji Itoh informed that he is retiring from the service at the end of June 2004 and would not take active role in AFACT activities. He thanked all members for the support provided for AFACT.

Mr. TA Khan mentioned that Mr. Kenji Itoh has contributed immensely and inspired the Asia EDIFACT Board and AFACT community from its inception. He would be looking forward for his active participation in future. In case his physical participation is not possible, he may consider active participation in a virtual environment. The STC on behalf of all the members agreed to put on record the appreciation for the fruitful contribution of Mr. Kenji Itoh for the AFACT community.

Mr. Gary Gong suggested to the AFACT STC to appoint Mr. Kenji Itoh as Advisor to AFACT STC. He also mentioned that the secretariat could sponsor Mr. Kenji Itoh to attend the meetings. The STC acting chairman observed that AFACT bylaw need to be checked for such provision.

(7) Any Other Business

a. ITSC (Information Technology Standards Committee, Singapore)

Ms. Ho Buaeay Qui made a presentation on its activities.

b. eBusiness 2004 – by Mr. Syed Khurshed Shah

Mr. Syed Khurshed Shah made presentation of the post event CD of eBusiness 2004.

c. Hong Kong situation report – by Mr. Kenji Itoh

Mr. Kenji Itoh informed that he has received a confirmation that HongKong will attend the AFACT meeting in Singapore in September 2004.

Mr. Kenji informed that he has invited Cambodia to join AFACT and is waiting for a confirmation.

d. eCOO project proposal

Mr. Kamarudin presented the project proposal of eCOO project. He first provided a quick background of BCF, especially the principle which is the business requirement which drives technology implementation. In the BCF Framework, there are essentially two layers: one is the business collaboration and information model, second the technology implementation layer. He mentioned a commercial eCOO system is a fairly complex system which integrates the various technologies like PKI, digital watermarking and print control. For the proposed eCOO project, the scope would be limited to the business collaboration and business information model.

Mr Zahid asked whether this model is restricted to only one document. Mr. Kamarudin mentioned that the business process level will determine the number of documents.

Dr. Eva requested whether the cross certificate recognition can fit in the model to address the issues at the same time. Mr. Kamarudin noted the comments made by Dr Eva.

Mr. TA Khan mentioned that after the eCOO project is successful, the other working groups can work on various projects. The current scope and intention of the eCOO project is to ensure the concept is workable.

Dr. Eva mentioned that, it will be good if this project can be combined with APEC project. The deliverables of this project can be based on the Chamber of commerce or authority for the participating country. She requested BCF working group to closely interact with APEC committee to streamline the deliverables. Mr T.A. Khan mentioned that this is an AFACT-initiated project. We just need to inform them about the project and invite their participation.

Dr. Eva suggested that Mr Kamarudin should contact APEC secretariat since it is located in Singapore.

e. Cross certification discussion

Mr. TA Khan mentioned he is looking forward that LWG and BCF WG work together to closely track the legal issues.

On the issue of cross recognition, Mr Kamarudin informed that PAA has developed a Mutual Recognition Framework, which addresses the cross recognition of certificates. This could be a good reference.

f. eBusiness Readiness

Dr. Eva presented a survey done in Taiwan for information sharing purposes. Mr. Javed mentioned there is need to have internal AFACT survey to know the strengths and weaknesses.

Dr. Eva, mentioned there is a need to prepare a questionnaire to carry out the survey. She mentioned that we need to contact Mr.Somnuk, as he is aware of the survey conducted for ASEAN countries. She mentioned that this could be one of the topics for plenary meeting. She asked which group would carry out the whole project. Mr. TA Khan mentioned that this could be done by AEG and we should obtain the inputs from members and work out a related survey based on the inputs.

Mr. Kenji Itoh requested all the members to be involved for eBusiness readiness project.

Dr. Eva requested on the scope and objective of the survey before she start discussion with Dr Somnuk. Mr. Javed mentioned that he will provide a high level objective and scope to STC on e-Business survey, after which the secretariat can follow up with Dr Somnuk.

Dr. Eva requested for country coordinator contacts for the e-Business readiness in AFACT survey. The country coordinator contacts are as follow:

India – Mr. R.K. Arora
 Pakistan – Mr. Arif Siddiqui
 Singapore – Mr. Kamarudin
 Malaysia – Madam Nazariah Mohd. Khalid
 Vietnam – Madam Nguyen
 Japan – To be appointed
 Chinese Taipei – To be appointed
 Korea – Mr. Sangwon Lim
 Thailand - Dr. Somnuk
 SriLanka – To be appointed
 Philippines – To be appointed
 Indonesia – To be appointed
 Iran – To be appointed
 Australia – To be appointed
 China – To be appointed
 Mongolia – To be appointed

10. CLOSING REMARKS

Mr. Michael Lie, Acting Chairman of AFACT Steering Committee thanked all the participants for their participation and discussions. He thanked all the members for their extended support. He requested all the members to attend the upcoming 22nd AFACT meeting and conference.

21ST AFACT PLENARY

JANUARY 14, 2004

Date : 14th January 2004 (Wednesday)

Time : 9:30 am – 6:00 pm

Venue : Darbar Hall, Hotel Sheraton, Karachi, Pakistan

1. OPENING

- (1) The Chairman welcomed all StC Members, Heads of Delegation (HoD), JWG Chairs, delegates and observers to the 21st AFACT Plenary Meeting.
- (2) The Chairman introduced himself and the members seated at the head table: Ferng-Ching Lin (Secretariat), Kenji Itoh (Vice Chairman Of UN/CEFACT), Kamarudin Bin Tambi (Vice Chairman of UN/CEFACT), Javed Naushahi (Chairman of AFACT), Raja Malik Mohammad (Vice Chairman of AFACT), Mr. T.A.Khan (Rapporteur for Asia).

2. INTRODUCTION TO HEADS OF DELEGATION (HODS)

The Chairman requested the Heads of Delegations to introduce themselves. The HoDs were:

Chinese Taipei:	<i>Neng – Jong Lin</i>
India:	<i>T.A.Khan</i>
Indonesia:	<i>David A. Lasse</i>
Iran:	<i>Ali Mohammad Ghalebani</i>
Japan:	<i>Rie Sakamoto</i>
Korea:	<i>Sangwon Lim</i>
Pakistan:	<i>Syed Khurshed Shah</i>
Sri Lanka:	<i>A. S. Wickramasinghe</i>
Thailand:	<i>Dr. Somnuk Keretho</i>
Singapore:	<i>Kamarudin Bin Tambi</i>
Malaysia:	<i>Raja Malik</i>

Mr. T.A. Khan, on behalf of AFACT and UN/CEFACT, thanked the Government of Pakistan, Government of Sindh, ECRC and People of Pakistan for hosting the 21st AFACT in Karachi.

The Plenary was informed that there are no delegation from Australia, Mongolia, People's Republic of China, Philippines and Vietnam.

3. INTRODUCTION OF JOINT WORKING GROUPS

The Chairman introduced the Joint Working Group Chairs as follows:

<i>S.Anbalgan</i>	Malaysia	TWG
<i>Zaid Ismail</i>	Malaysia	AEG
<i>Eva Yi-Yuan Yueh</i>	Chinese Taipei	BCF
<i>Zahid Jamil</i>	Pakistan	LWG
<i>Chen, Ruey-Ching</i>	Chinese Taipei	EPWG
<i>S.P.Ray</i>	India	ATG
<i>Kim, Yong Jae</i>	Korea	ECWG
<i>Chung-Ping, Liang</i>	Chinese Taipei	XMLWG
<i>Perry Liu</i>	Chinese Taipei	SWG

Siti Aminah Abdullah	Malaysia	IIC
Jamil Qureshi	Pakistan	CWG

4. REPORT OF STC MEETING BY CHAIR

The Chairman reported that the item was missed in the agenda and regretted the error.

- (1) Approved Minutes of the 20th AFACT plenary Meeting in Kuala Lumpur.
- (2) Approved Mongolia's membership.
- (3) Approved that ebXML Asia Committee has become an Associative Member.
- (4) Two new Head of Delegation who were recommended in the last meeting are elected as the members of Steering Committee for this year.
- (5) The e-Asia Award was conducted in Chinese Taipei.
- (6) The 2004 AFACT will be held as planned in Singapore.
- (7) It is proposed that we get the confirmation from the host of 2005 AFACT i.e. Vietnam.
- (8) Mr Kenji briefed the meeting on the contact / email from Vietnam and as yet there has been no confirmation because of change in contact.
- (9) The Chair invited expression of interest for hosting the 2006 AFACT and asked the HoD's to provide input after lunch.

The Chair adopted the Minutes of the last StC meeting.

The Chair then invited presentations on the AFACT restructuring and e- measurements.

5. RESTRUCTURING OF AFACT

Chairman invited Dr.Yueh of AFACT Secretariat to present the restructuring of AFACT.

The revised structure for trade facilitation and e-business is as follows:

(1) Trade Facilitation and E-Business:

- a. While the other JWG will be same, New SCWG Group has been formed which is an integration of two separate groups namely PWG and ECWG.
- b. Suspension of EPWG

There was discussion on the issue of restructuring by the members and two thoughts of opinion were presented. One group suggested that all the present JWG should stay. While the other group wanted further reduction in the JWG.

Mr. Khurshid Shah of Pakistan stressed that the developed country members should use this JWG platform to pass information on Trade Facilitation and

e-Business to developing members who are in the process of adopting new technologies.

Mr Kenji Itoh expressed his opinion that there was no need for all this discussion as this issue has already been discussed in the various StC meetings where the HoD's and Working Group heads approved the issue.

T.A.Khan, proposed to the Chair that the new structure be adopted. This was adopted.

■ Measurement of E-Business and Trade Facilitation

Chairman invited Dr. Somnuk to present E-Measurement. He stressed on the need to agree on definitions, minimum indicators and methodologies for E-Measurement in developing countries.

Mr. T.A. Khan stressed the importance of integration of Trade facilitation and E-Business indicators into this methodology and would like the AFACT secretariat to develop a paper / format for measurements based on the inputs from all members. This format may then be discussed in the coming StC meeting at Singapore.

6. PROGRESS REPORT BY MEMBER COUNTRIES

The HoDs presented their country progress reports on Trade facilitation and electronic business in their respective countries and economies. These documents will be made available on the AFACT website www.afact.org.

The reports were presented as follows:

- (1) Pakistan by Mr. Salman Ansari.
- (2) Chinese Taipei by Mr. Neng-Jong LIN.
- (3) India by Mr. T.A.Khan. On behalf of the Government of India he thanked the Government of Pakistan, Sindh administration, People of Pakistan and especially ECRC for the invitation extended to them and appreciated the cordial environment in which the AFACT meeting was held in Karachi. He also suggested that every country report format be uniform. An upgraded format may be worked out by AFACT Secretariat in consultation with all the members.
- (4) Indonesia by Mr. David. A. Lasse.
- (5) Iran by Mr. Ali Baeedi Mofradnia presented the Iran Customs report in the absence of HoD.
- (6) Japan by Ms. Rie Sakamoto.
- (7) Korea by Mr. Sangwon Lim.
- (8) Malaysia by Sifi Aminah Abdullah
- (9) Singapore by Mr. Kamarudin Bin Tambi
- (10) Sri Lanka by Mr. A.S. Wickramasinghe
- (11) The Chair invited Mr. Ali Mohammad Ghalebani HoD of Iran, who had just arrived from Tehran due to visa delay to present his country report in 10 minutes
- (12) Thailand by Dr Somnuk Keretho.

Mr. T.A.Khan and the Chairman again stressed the importance of following a standard format for the country reports and JWG minutes/report and also stressed the need for finalizing the JWG Minutes day before the plenary.

7. REPORT BY JWG CHAIRS

Before the start of this session, Mr. T.A. Khan suggested that in future AFACT meeting a 30-45 minutes familiarization session be organized for all delegates before the start of the JWG, so that a proper format can be followed for the meetings and minutes. He also suggested that proper election procedure of JWG chairs may be adopted. It may be appropriate that by and large an old member of a working group be elected as chair of the group.

- (1) The JWG Chairs presented their progress reports as follows:

<i>Perry Liu</i>	Chinese Taipei	SWG
<i>Chung-Ping, Liang</i>	Chinese Taipei	XMLWG
<i>Kim, Yong Jal</i>	Korea	ECWG
<i>S.P.Ray</i>	India	ATG

- (2) It was suggested by S.P. Ray that AFACT Secretariat should provide assistance to maintain JWG.

<i>Chen, Ruey-Ching</i>	Chinese Taipei	EPWG
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- (3) Because of lack of participation this group worked with ATWG and PWG. This group has been suspended as per the new structure of AFACT.

<i>S.Anbalgan</i>	Malaysia	TWG
<i>Khurshid Shah</i>	Pakistan	PWG

- (4) Mr. Khurshid Shah was elected the new chair of the PWG. This group is being merged with the ECWG to form the SCWG.

<i>Zahid Jamil</i>	Pakistan	LWG
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- (5) Mr T.A. Khan thanked Mr Jamil for working out a comprehensive work program for LWG. It was decided that the last paragraph of page no.6 of the minutes be dropped.

<i>Eva Yi-Yuan Yueh</i>	Chinese Taipei	BCF
<i>Mr A.S. Sastry</i>	India	CWG

- (6) The CWG minutes were presented by Mr.Sastry, Vice chair of CWG, in absence of Chairperson Mr. Naseer Qureshi.

<i>Zaid Ismail</i>	Malaysia	AEG
<i>Siti Aminah Abdullah</i>	Malaysia	IIC

The documents will be made available on the AFACT website www.afact.org.

These JWG documents are annexed in A.

Mr. T.A.Khan stressed that before the submission of the JWG minutes to the plenary, the JWG chair should obtain a consensus on the minutes amongst the JWG members.

8. VENUE FOR 2005

The Chair requested Mr.K.Itoh to read the message from Vietnam.

Due to reorganization Vietnam's new focal point did not have prior information of hosting. Vietnam suggested that they would like to host AFACT 2006 and not in 2005. The Chairman sought expression of interest from members for hosting the event in 2005 and beyond, which may be made available to the AFACT Secretariat, our priority. This may then be shared by Secretariat with all.

9. RAPPORTEUR'S REPORT

- **A comprehensive report covering the following was made by Rapporteur:**

- (1) 20th AFACT
- (2) AFACT StC meeting

- (3) eAsia 2003
- (4) UN/CEFACT declaration
- (5) AFACT restructuring
- (6) ebXML development in Asia

■ **Some of the salient points of the report are:**

- (1) 20th AFACT was held in Kuala Lumpur from 27th~30th Oct 2002.
- (2) Mongolia was confirmed as new member.
- (3) New cross border initiatives.
- (4) AFACT Steering Committee meeting during on 12th Oct 2003 stressed close relationship between ESCAP and AFACT.
- (5) Restructuring and addition of BCF.
- (6) E-Asia Week 13th~8th Oct 2003.
- (7) Mr. Kenji Itoh was awarded special Honorary Award in recognition for his contribution to AFACT.
- (8) UN/CEFACT Recommendation no 23 released.
- (9) 2nd International Forum on Trade facilitation 14th~15th May 2003.
- (10) UN/CEFACT team visited Asian e-Business community.

10. OTHER ISSUES

Chair requested latest contacts for HoD's country focal point and Chairperson of JWG, as great difficulty was faced in communicating for the 21st AFACT in Karachi.

Any other business JWGs have been requested to submit Terms of Reference if not available, before the midterm StC meeting in May at Singapore to AFACT Secretariat. So that this is considered as part of Re-Structuring plan.

■ **22nd AFACT**

The 22nd AFACT Meeting to be held in Singapore from 19th to 22nd September 2004 as per the following program:

Mr.Kamarudin Tambi thanked the Steering Committee and the Plenary for giving Singapore the opportunity to host the AFACT 2004 Meeting. The program will be as follow: -

- (1) 19th September Steering Committee Meeting
- (2) 20th September 2004 Joint Working Group Meeting
- (3) 21st September 2004 Plenary Meeting
- (4) 22nd September 2004 Conference

He invited all delegates to AFACT 2004 in Singapore.

The next mid term Steering Committee Meeting would be held in Singapore on 10th to 11th May 2004.

21ST AFACT STEERING COMMITTEE MEETING JANUARY 11, 2004

Date : 11th January 2004 (Sunday)

Venue : Darbar Hall, Hotel Sheraton, Karachi, Pakistan

Attendance :

AFACT Steering Committee:

Chairman: *Javed A. Naushahi*

Vice Chair: *Raja Malik*

Vice Chair: *Mr. Kamarudin Tambi*

Member StC: *Mr. Sangwon Lim*

UN/CEFACT Vice Chair: *Mr. Kenji Itoh*

UN/CEFACT Rapporteur for Asia: *Mr. T.A Khan*

AFACT Secretariat: *Dr. Ferng Ching Lin*

1. OPENING

Mr. Javed A. Naushahi, Chairman AFACT opened the meeting and welcomed members of the Steering Committee and Head of Delegation to Pakistan. He expressed his gratitude for delegates attending the 21st AFACT meeting at Karachi.

2. ADOPTION OF THE AGENDA

Chairman mentioned that the 21st AFACT event would be inaugurated by Dr. Atta Ur Rahman, Minister of Science & Technology at 1.30 pm today. The agenda was adopted with this change.

3. STATUS OF PARTICIPATION FROM AFACT MEMBERS

Chairman informed that Australia, Vietnam and Mongolia have sent regrets. There is no response from Philippines and P.R.C. Thailand is processing visa formalities and delegates would arrive.

4. APPROVAL OF THE MINUTES OF THE MID TERM STC MEETING HELD AT CHINESE TAIPEI

- (1) Mr. T.A. Khan informed that he has sent a formal invitation to Bangladesh to join AFACT and is hopeful of getting a favorable response.
- (2) Madam Siti Aminah has proposed to make some changes in the AFACT bylaws to cultivate positive participation in AFCAT.

Mr. T. A. expressed his point of view stating that there are various factors involved in non-participation like, change of focal point, non-availability of visa, finance/budgetary issues and as such it is not viable to cease the membership of a member country without having consent to dis-continue membership.

Mr. Lin from Chinese Taipei suggested that as AFACT secretariat possesses good communication arrangements, so, it is the duty of Secretariat to get in touch with

the focal point of every member country and economy ask them to report any change in focal point promptly.

Mr. Chairman expressed his experience of contact with countries and problems faced in getting response, for example Thailand focal point has become IT Minister and it was very difficult to have a response.

The Chairman stated that he has contacted Govt. of Brunei (Custom Focal Point) but it was too late for a positive response this time, hopefully they will join next time.

Mr. Itoh said that he was continuously in contact with the focal points of member countries but due to changes in focal point and budgetary constrains, various members are unable to attend. He suggested that we should remain in contact with focal points and any changes in focal point should be reported to AFACT secretariat promptly. He also explained that due to another simultaneous business Mr. Ray Walker of UN/CEFACT is unable to attend the Steering Committee meeting today.

Mr. T.A. Khan explained the relationship and discussion held with the Director, Trade Division in UNESCAP who agreed to participate in AFACT on event to event basis but were not agreed to commit permanent long term participation. He also discussed integration with PKI and PAA. Dr. Eva said that she is in contact with PAA, Mr. Chairman agreed that any relationship between PAA and AFACT should be encouraged.

- (3) Mr. T.A. Khan complimented Pakistan for hosting the 21st AFACT and expressed his point of view regarding the missing of EDICOM name as it appears that a new name of e-business 2004 is adopted, since EDICOM is well known to all members so, it should not be missed.

Mr. Chairman replied that exhibition and conference is very much present, but due to some political reservations it is not much highlighted. He confirmed that nothing will be inducted against the set pattern of AFACT annual event.

- (4) Mr. Chairman suggested that beside the StC and JWG meetings we should encourage project based One to One meetings for match making so that some tangible benefit would accrue. Each JWG should start one project / pilot to encourage member's participation and continued support.

Mr. T. A. Khan seconded the idea and said that the lack of participation is due to one of the reason that such benefits are not accruing to new members.

Mr. Chairman requested Mr. Kenji Itoh to briefly describe the newly formed BCF Group because Mr. Ray Walker who will take care for the input to and from UN/CEFACT was in basense.

Mr. Kenji Itoh said that he will give a detailed presentation on the subject during the JWG meeting and Plenary. He further said that Mr. Kamarudin Tambi has written the first paper on BCF, so he should present at the first BCF Group meeting.

(5) E- Business Readiness

Mr. Chairman observed that survey for e-business readiness in APEC region should be conducted. Mr. Chairman informed the StC that Dr. Somnuk has worked extensively on the subject and would give the detailed presentation on the e-measurement in Asia on his arrival.

5. SECRETARIAT REPORTS

- (1) Restructuring of AFACT
- (2) After a brief discussion it was decided that a special meeting on the subject will be held at 5.00 PM p.m. on 12th January. The report of which is attached as Annex-II.

(3) eAsia Award

- a. Mr. Gilbert Chen presented a detailed report on e-Asia Award, on behalf of Chinese Taipei and invited participation for the second e-Asia Award which is planned to be carried out just after 22nd AFACT meeting at Singapore. It was a common concern of delegates that the time consumed in AFACT Meeting and afterward e-Asia Award is more than 15 days and it is next to impossible to spend such a long time out of station. It was suggested that AFACT Meeting and e-Asia award should be held back to back. Mr. Kenji Itoh pointed out that no country other than Chinese Taipei possesses enough experience and resources to hold the award.
- b. Mr. T.A Khan expressed his reservation on decision making by Chinese Taipei for AFACT sponsored 2nd e-Asia Award; He said that before finalizing any event, AFACT Steering Committee should be consulted.
- c. Mr. Chairman suggested that the ownership and evaluation of the award should remain with Chinese Taipei but the ceremony should be coupled with EDICOM conference and exhibition. Mr. T. A. Khan seconded the Proposal. Mr. Khurshed Shah, HoD Pakistan seconded the proposal and expressed that coupling these two event will also reduce the fiscal expenses.
- d. Mr. Lin pointed out the original idea, which was the motivation of member
- e. economies for sharing the experience in e-commerce. He said the initiative was taken by Chinese Taipei, hence initially the event should be made separately but in the long run after having sufficient experience this could be periodically coupled. Mr. Itoh said that at now he will compromise with the time consumed for e-Asia Award, but let the event be done separately at this time.
- f. Dr. Eva Yueh raised the issue of fill up of a vacancy of the evaluation committee and expressed that one member should be inducted to raise the membership from seven members to eight.
- g. Mr. Chairman concluded that for this time e-Asia award should be carried out separately and commented that if any host country is willing to host the award back to back with AFACT, such request should be considered. He further commented that as the tenure of AFACT secretariat would expire next year (AFACT Secretariat's Term four years from 2002 to 2005) so EOI (expression of interests) for hosting next AFACT secretariat (2006~2009) should be sought.
- h. Mr. Kamarudin Tambi made presentation on eCOO (electronic Certificate of Origin) as a follow up of the previous StC meeting.
- i. Mr. Kamarudin Tambi updated the meeting that the 2004 AFACT will be held from 19-22 September 2004. After the briefing Mr T.A Khan suggested that the plenary be held on 21 September and the EDICOM conference on 22 September 2004.
- j. Mr Chairman said that as Vietnam could not participate in 21st AFACT, StC meeting so, confirmation for future AFACT after Singapore could not be finalized. Mr. T.A.Khan suggested that within next two days Vietnam should be contacted for confirmation of hosting the event in 2005, and beyond Vietnam some expression of interest should be sought for future meeting. Dr. Eva

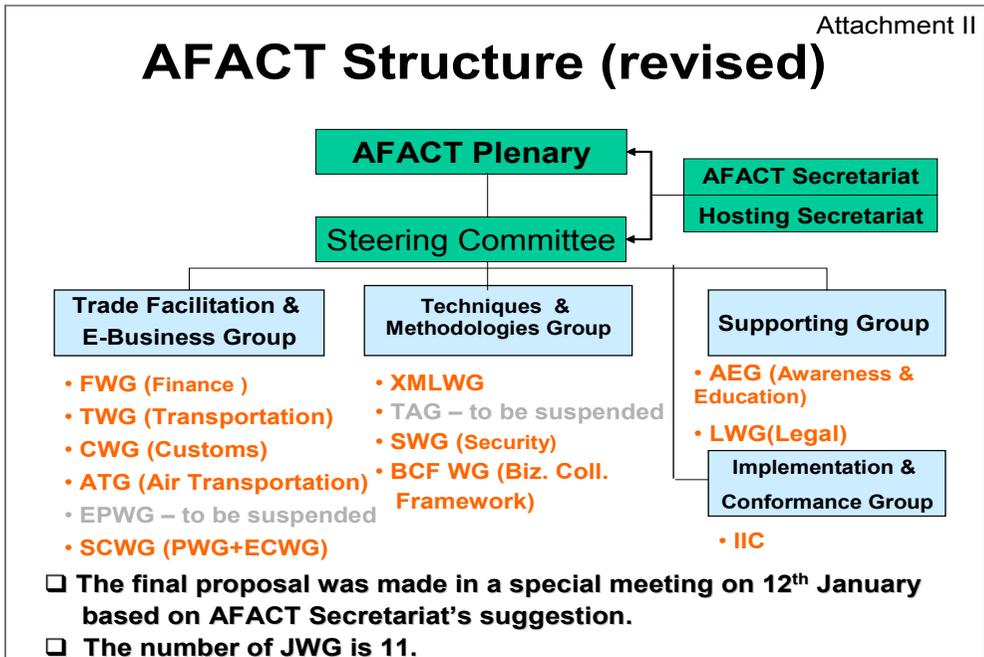
commented that after change of Head of Delegation of Vietnam there is no communication link with the Focal Point. Mr. Itoh committed to contact with Vietnam to confirm regarding the 2005 AFACT/EDICOM by e-mail.

[Note] After several communications between Ms. Nguyen Thi Thu Huong (Senior specialist in E-Commerce, Head of Cooperation and Training Division, Department of E-Commerce and Information and Technology, Ministry of Trade, Vietnam) and Mr. Kenji Itoh, **Vietnam has finally accepted to hold the year 2005 AFACT meeting and EDICOM conference in Vietnam.**

The meeting ended with a vote of thanks to and from the Chair at 18:30 on Jan 11th 2004.

According to the decision made by the STC held on Sunday, **the special StC meeting was held regarding the restructuring the AFACT at 1700-1800 hrs, Jan 12th (Monday)** and concluded as follows.

A decision was made in the special StC meeting that the EPWG is temporarily suspended until the issue of environmental protection can stimulate enough participation. The TAG is also suspended temporarily due to the lack of active participation. There are totally now eleven JWGs in the new AFACT structure.



21ST FIRST AFACT STEERING COMMITTEE MEETING OCTOBER 12, 2003

Date : 12th October 2003 (Sunday)

Time : 9:30 am – 6:00 pm

Venue : Room 201, Howard International House Taipei

Attendance :

AFACT Steering Committee:

Chairman: *Dr. Javed A. Naushahi*

Vice Chair: *Madam Nazariah Mohd. Khalid*

Vice Chair: *Mr. Kenneth Lim*

Elected Member: *Mr. Sangwon Lim*

UN/CEFACT Vice Chair: *Mr. Kenji Itoh*

UN/CEFACT Rapporteur for Asia: *Mr. T.A Khan*

AFACT Secretariat: *Dr. Ferng Ching Lin*

AFACT Secretariat:

Mr. Gary Gong

Dr. Eva Yueh

Mr. C.P. Liang

Ms. Wan Ju Weng

Ms. Angela Chen

Chinese Taipei Delegation:

Mr. Jay San Chen

Ms. Suh-Chyin Chuang

Indonesia Delegation:

Mr. David A. Lasse

Malaysia Delegation:

Dr. Nor Aliah Mohd. Zahri

Mrs. Fauziah Hasan

Mr. Mohd. Danial Ma'alip

Mrs. Azizah Bakar

Dr. Chin Yoong Khoong

Pakistan Delegation:

Mr. Khurshed Shad

Mr. Shahid Mehmood

Observer:

UN/CEFACT Steering Group Chair: Mr. Ray Walker

UN/CEFACT TMG Chair: Mr. Klaus- Dieter Naujok

1. OPENING

Mr. Javed A. Naushahi, Chairman AFACT opened the meeting and welcomed members of the Steering Committee. The Chairman expressed his gratitude for having the meeting setup by the AFACT Secretariat in Taipei. He said mid term STC was postponed due to several reasons and now being held at Taipei, and thanked AFACT secretariat for facilitation role.

2. ADOPTION OF THE AGENDA

- (1) The Chairman opened the floor for comments and suggestions for the proposed agenda for the StC meeting.
- (2) Mr. T. A. Khan proposed to add "Any other business" as the last item of discussion as the last session to discuss, as agenda item 8.1. Two items were added suggested by the Chairman: 1. Initiating a cooperation project with respect to e-Readiness Measurement within AFACT members, and 2. Induction of new members from Asia Pacific Region to expand the AFACT community.
- (3) The Chairman suggested AFACT Secretariat rearrange the order of the Secretariat Report and move the Final Evaluation Procedure of eASIA Award forward as shown in the agenda attached.
- (4) The revised agenda was accepted and adopted for the StC Meeting as attached (Attachment I)

3. REPORTS AND REVIEW OF THE 20TH AFACT PLENARY

(1) Approval the last StC meeting minutes in Kuala Lumpur, Malaysia

- b. It was noticed that EPWG Chairman position is still vacant, after retirement of previous EPWG chair from Chinese Taipei. The Chairman and Mr. Kenji urged Chinese Taipei to nominate the Chairman EPWG as soon as possible and circulate the name to AFACT members before the upcoming 21st AFACT Plenary.
- c. Mr. Itoh encouraged the members of the joint working group to also participate in the UN/CEFACT Forum.

(2) Review the minutes of the 20th AFACT Plenary Meeting in Kuala Lumpur, Malaysia.

- a. The Vice Chairwoman, Madam Nazariah Mohd. Khalid suggested not to approve the minutes at today's StC meeting, as they should be discussed and be adopted in the upcoming AFACT Plenary. It was agreed by all the member that the minutes should be adopted in the 21st AFACT Plenary at Karachi.
- b. The Chairman asked the status on AFACT relationship with UN and ICT regional bodies including PAA. It was informed by Mr. Khan that UN/ESCAP would have ICT advisor soon, he also mentioned of other ECOM bodies working in APEC. The Chairman suggested Mr. Khan keep following up with these bodies especially with new ICT Director in UNESCAP in order to set up a relationship between AFACT and UNESCAP. Other StC members also suggested that AFACT should have close relationships with PAA (Pan Asia e-Commerce Alliance) and UN Agencies working for promotion of trade facilitation and e-Business.
- c. The Chairman observed that P.R.C, Philippines and Hong Kong are not active in AFACT activities for sometime. Mr. Kenji Itoh informed that Hong Kong is so far not a member yet, and he has been recently in contact with P.R.C and Hong Kong points of contacts. The Chairman requested Mr. Kenji Itoh to persuade P.R.C., Hong Kong (Tradelink), Philippines, and PAA to participate actively in 21st AFACT at Pakistan

4. 21ST AFACT PLENARY / EDICOM 2003 PAKISTAN

- (1) On behalf of the hosting secretariat of the 2003 AFACT Plenary EDICOM , the Chairman regretted that Pakistan could not prepare and organize the AFACT/EDICOM as scheduled in October 2003, due to several known reasons including socio-political issues. However, he assured that all issues has been settled and now arrangements are in place to host 21st AFACT plenary and EDICOM conference / exhibition in Pakistan.
- (2) The Chairman informed members of the date and venue of the 21st AFACT Plenary and EDICOM in Pakistan. Mr., Shah of Sindh IT board made presentation to StC on arrangement of 21st AFACT Plenary / EDICOM. After full discussion amongst the StC members and confirmation from Pakistan for the hotel it was decided that the 21st AFACT StC/Plenary/EDICOM would be held from 11th to 16th January 2004 in Karachi, Pakistan. Details of the StC meeting, Plenary and EDICOM are as attached (attachment II).
- (3) Mr. Naushahi asked Mr. Ray Walker, Mr. Klaus and Mr. Kenji Itoh to encourage UN/CEFACT community to participate in the upcoming 21st AFACT Plenary / EDICOM in Karachi, Pakistan.
- (4) All StC members supported 21st AFACT / EDICOM hosting in Pakistan, and showed willingness to send delegates.

5. AFACT SECRETARIAT REPORTS

- (1) Mr. Gary Gong presented the AFACT Secretariat report covering three topics, i.e. the eASIA Week Overview, Proposal of 2004 eASIA Week and Promotion –AFACT Magazine. Details of the report are as attached (attachment III)
- (2) Mr. C.P Liang explained the detailed schedule and requirements for the final evaluation procedure of eASIA Award which included the general evaluation, evaluation criteria, workflow, and highlights. Few changes were made by StC after discussion, on recommendation of Mr. Kenji. Details of the report are attached (attachment IV)
- (3) Dr. Eva Yueh, on behalf of AFACT Secretariat, presented the program of the eASIA Day in WSIS (World Summit for Information Society). The program is a parallel event hosted by AFACT consisting of Global eBusiness Forum in Palais des Nations and eASIA Award Exhibition in ICT4D of Geneva Palexpo. The details are also shown in the Attachment III. The Chairman appreciated the efforts and observed that the proposal should have been shared with StC members to include the comments to improve the event.

Mr. Kenneth Lim agreed the item 5.3 of the proposal of AFACT hosting the eASIA Day in WSIS, and all the StC members seconded the item 5.3.

- (4) Mr. T. A. Kahn, on behalf of Dr. Richard Mengko of Indonesia, made the presentation of the new structure of AFACT as shown in the Attachment III, which was proposed by an Ad Hoc Taskforce established by the Malaysian Chair of 2002 in Kuala Lumpur. It was proposed by Mr. Itoh that the structure be further modified with the addition of a BCF (Business Collaboration Framework) Group in AFACT. It was observed that five members have sent response to the proposal, and the

UN/CEFACT structure has been proposed to be adapted. After discussion The Chairman requested AFACT Secretariat to collect opinions and comments further from HoDs and JWG chairs, and make report in StC at Karachi in January 2004.

6. PROPOSAL FOR ESTABLISHING THE AFACT-BCF GROUP

Mr. Kenji Itoh proposed to establish a new joint working group, BCF Group. Mr. Klaus-Dieter Naujok, the chairman of UN/CEFACT Techniques & Methodology group (TMG) gave a brief introduction to the StC member, on Business Collaboration Framework. Mr. Ray Walker, the Chair of CSG of UN/CEFACT, mentioned that UN/CEFACT BCF Team will give full support to the AFACT BCF Group. Mr. Kenneth Lim informed that APEC has initiated a program entitled e-Certificate of Origin in Singapore. He suggested AFACT-BCF initiate a joint program with APEC. He promised to send more information to AFACT Secretariat and other StC members.

Mr. T. A. Khan from India and Mr. Naushahi from Pakistan showed willingness to join e-Certificate of Origin program.

The StC members suggested this issue should be brought to the 21st AFACT Plenary and should be discussed with the new structure of AFACT together at the upcoming 21st AFACT Plenary.

7. MR. T. A. KHAN, UN / CEFACT RAPPORTEUR FOR ASIA, PRESENTED RREPORT ON PROGRESS AND DEVELOPMENTS IN AFACT AND OTHER RELATED AFFAIRS

8. ANY OTHER BUSINESS

- (1) The Chairman proposed to initiate e-Readiness Measurement project within AFACT members. StC members suggested the Chair prepare for more details and put this issue into the StC agenda at the StC meeting in Karachi on January 11th 2004.
- (2) New Members induction from Asia Pacific Region to expand the AFACT Community. Mr. T. A Khan explained previous efforts and urged current members to make efforts to persuade neighboring countries to join AFACT community.

Mr. Kenji Itoh informed that he had strongly encouraged Hong Kong to apply for membership of AFACT and hoped that an application could be forthcoming within the next few weeks.

■ Follow-up Action:

- (1) Chinese Taipei is urged to nominate a new Chairman of EPWG and circulate the name to AFACT members before the upcoming 21st AFACT Plenary.
- (2) Mr. Khan keeps following up with new assignment of ICT Director in UNESCAP.
- (3) AFACT Secretariat together with Mr. Kenji Itoh follow up the progress of application from HKANA; also need to urge CEF (PRC) and Philippines to actively participate in 21st AFACT at Pakistan and other AFACT activities.
- (4) AFACT Secretariat is waiting for the information from Mr. Kenneth Lim of Singapore with respect to eCertificate of Origin initiated in APEC. This subject might be proposed as first BCF application in AFACT.

- (5) The Chairman proposed to initiate e-Readiness Measurement project within AFACT members. StC members suggested the Chair prepare for more details and put this issue into the StC agenda at the StC meeting in Karachi on January 11th 2004.

**The meeting ended with a vote of thanks from the Chair.

2004 COUNTRY PROGRESS REPORTS

AUSTRALIA PROGRESS REPORT

CHINESE TAIPEI PROGRESS REPORT

INDIA PROGRESS REPORT

JAPAN PROGRESS REPORT

KOREA PROGRESS REPORT

SINGAPORE PROGRESS REPORT

THAILAND PROGRESS REPORT

COUNTRY PROGRESS REPORT
AUSTRALIA
TRADEGATE AUSTRALIA
TRADEGATE ECA™

SECTION I - GENERAL CONDITION UPDATE

1.1 Australia's Strategic Framework for the Information Economy 2004-2006

1.1.1 Australia's Strategic Framework for the Information Economy 2004 - 2006: Opportunities and Challenges for the Information Age emerged from a national consultation process. It provides a policy platform for the renewed and heightened levels of effort and leadership required to guide Australia Government agencies and to assist all Australian organisations, public and private in dealing with the opportunities and challenges of the information age.

1.1.2 Information and communications technologies (ICT) have emerged in the last decade as a powerful tool for social and economic development. Since the release of the first Strategic Framework in December 1998, Australia has secured a position as a leading adopter and user of ICT, and a leading information economy. The *2004-2006 Strategic Framework* recognises that keeping this position in a rapidly changing global environment requires coordinated action and constant leadership.

1.1.3 The *2004-2006 Strategic Framework* identifies four information economy priorities which acknowledge Australia's unique circumstances and focus on issues extending across government, community, social, business, sectoral, geographic and national boundaries. Each priority is supported by related strategies which set out a range of policy actions and programs currently being undertaken by Australian Government agencies.

The Strategic Framework emphasises the importance of collaborative arrangements in coordinating information economy activities across different sectors, and in a national and global context.

1.1.4 Australia's vision for the information economy is where government, business and society are all connected, can participate with confidence, are open to innovation and can collaborate to maximise the economic and social benefits. Four priorities focus on a whole-of-government agenda:

1.1.4.1 Ensuring that all Australians have the capabilities networks and tools to participate in the information economy.

Three supporting strategies focus on individuals, communities and sectors where additional effort is required to achieve wider uptake and effective use of technology.

1.1.4.2 Ensuring the security and interoperability of Australia's information infrastructure and support confidence in digital services.

Six supporting strategies include building collaborative arrangements across enterprise, agency and sectoral boundaries to address security and interoperability, encouraging a culture of security across the nation, increasing

research and development on e-security issues, addressing online authentication, privacy, consumer protection and promoting confidence in online transactions.

- 1.1.4.3 Develop Australia's innovation system as a platform for productivity growth and industry transformation.

Four supporting strategies involve building an ICT innovation culture that focuses on education, skills formation and ICT literacy, creating capabilities and coordination mechanisms to integrate ICT in national research activities, as well as connecting to the global research effort and developing ICT industry capability.

- 1.1.4.4 Raise Australian public sector productivity, collaboration and accessibility through the effective use of information, knowledge and ICT.

Three supporting strategies involve providing convenient access to government services and information, delivering services responsive to client needs, establishing governance structures particularly where multiple agencies are involved, integrating related services, building trust and confidence, enhancing closer citizen engagement and achieving greater efficiency and return on investment.

1.2 Statistical Information

In Australia 64% of adult users have access to the internet from home and 45% have access to the internet from their workplace. Businesses with personal computers increased from 76% in 2000 to 83% in 2003. In the same timeframe businesses placing orders online increased from 18% to 39%.

E-Commerce revenue increased from AUD\$5 billion in 2000 to 24.3 billion in 2003.

SECTION II – EDIFACT/EBXML/XML BASED STANDARDS DEVELOPMENT

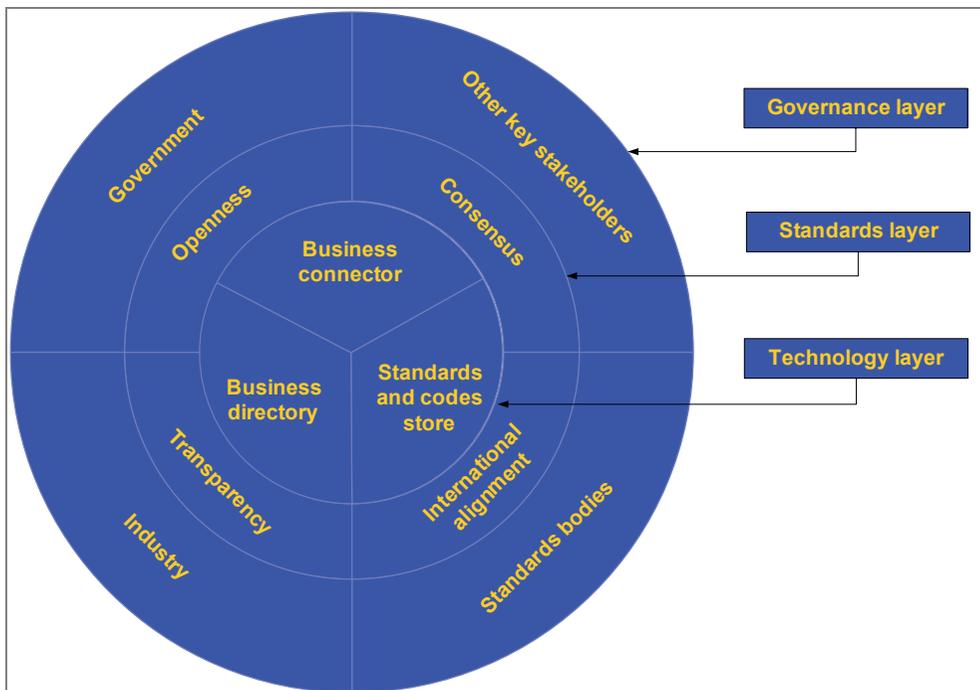
2.1 BizDex

- 2.1.1 In April 2002 there was an Australian Industry forum, which discussed barriers to increasing eBusiness in Australia. Arising from this forum the Australian Federal Government through its agency the Department of Communications IT and the Arts (DCITA - previously known as the National Office for the Information Economy NOIE) formed a partnership in 2003 with Standards Australia, Australia's National Standards Body to work with communities to overcome a variety of eBusiness challenges. The outcome was a project titled BizDex.

- 2.1.2 BizDex is a collection of open infrastructure components that come together with a commercial and governance framework. It provides an environment, which enables Australian companies, particularly small – medium size enterprises to engage electronically with trading partners at a low cost. BizDex also addresses other relevant issues such as:

- Process Alignment
- Conformance with the relevant standards
- Security
- Messaging
- Technical lock-in and high switching costs.

- 2.1.3 To explain BizDex at a high level it is best to think of an onion with 3 layers. The 1st layer is a governance layer to ensure that the BizDex framework is competitively neutral and an impartial piece of national infrastructure. The 2nd layer is standards focused and insures that the standards developed have transparency, industry support and are internationally aligned. At the inner core of BizDex is a technology layer. This offers a business connector to make integration scalable and cost effective. Also in this layer is a high quality standards and codes library to enable reusability of electronic standards and components. Finally a business directory is provided to hold information relating to businesses and their electronic trading capability.



- 2.1.4 With the technical design aspect of the project completed in late 2003 Standards Australia led a consortium of companies to win a federal government grant from DCITA to pilot the project in the grains industry over a 12 month period.

Titled the 'eEnablement of the Grains Industry', companies involved in the consortium are:

- Australian Wheat Board (AWB). The AWB is the exclusive manager and marketer of all Australian bulk wheat exports through what is known as the Single Desk system.
- AWB Grainflow, this company has 21 sites, which focus on grain receipt and storage facilities with a total capacity of 2.9 million tonnes.
- Red Wahoo, an Australian company that uses service-oriented architectures to deliver interoperable B2B solutions for business.
- Sun Microsystems – (Best summarized by visiting <http://au.sun.com/>)

2.1.5 The projects objectives can be summarized as:

- Define a public, grain industry specific, inventory movement process which conform with BizDex
- Publish the public process to BizDex
- Create schema on BizDex's Registry
- Demonstrate the values and reuseability of BizLink – BizDex's integrations tool
- Demonstrate the procedure for a bulk handler (AWB Grainflow) and freight provider (Freight Australia) to search for a bind to AWB via the public process
- Demonstrate the replication of inventory movement transactions across AWB Grainflow, Freight Australia and AWB back office applications
- Conduct and communicate a case study which demonstrates how improved supply chain inventory movement visibility reduces supply chain costs and secures improved export sales price yields of Australian grain
- Prepare a go-forward strategy and plan for rollout of the solution to bulk handlers throughout Australia

2.1.6 It is anticipated that the outcomes from piloting BizDex through the eEnablement of the Grain Industry project will be launched in November 2004. Information will be available on the BizDex website www.bizdex.com.au

2.2 Australian Cross-Industry eBusiness Standards Harmonisation Initiative

EAN Australia over recent years has assisted it's membership develop UN/EDIFACT message guidelines per industry vertical. These Industry Vertical Message Guidelines have been based on the EAN.UCC system, EANCOM® and associated identification and barcoded representations. These deployed standards currently support Scan Packing, VMI & Evaluated Receipt.

2.2.2 The twelve (12) industry verticals along with EAN Australia have reached the level of eCommerce maturity whereby there is an expressed desire and clear return on investment to consider harmonising the above industry vertical standards.

2.2.3 In July 2003 EAN approached the consultancy firm of Applied Electronic Commerce (AEC) to assist EAN establish an approach to the National Cross Industry eBusiness Standards Harmonisation initiative. AEC is a recognised niche Australian eCommerce enablement consultancy. (AEC's founder and managing director, Ian Watt, is the Australian delegate to UN/CEFACT Supply Chain & eProcurement work group TBG1.)

2.2.4 A work group of nationally prominent eCommerce representatives of Industry Associations and Corporations was formed. After serious consideration of UN/CEFACT BCF and EAN International's related Supply Chain eBusiness Methodology, this group recommended to the steering committee of Industry Heads and Standards Australia that the Australian Harmonisation initiative adopt the UN/CEFACT approach.

2.2.5 Appreciating "the lessons learnt" by the US Automotive After Market the Australia harmonisation initiative has been funded to allow for a planning period and the development of communication collateral.

2.2.6 The Australian Government had previously engaged Red Wahoo to develop the National Standards and framework of a deployment of the BCF Business Domain

Model, with BizDex being demonstrated nationally in December 2003, as a proof of concept.

- 2.2.7 Red Wahoo has worked closely as an associate of AEC in developing with EAN the overall BCF based approach to the National Cross Industry Harmonisation initiative.
- 2.2.8 The success has been that EAN International has recognised the Australian work, such that the initiative to date will be presented in September 2004 to an EAN International Forum. Also EAN Australia has been invited to work with EAN International on the Global Data Dictionary project.
- 2.2.9 UN/CEFACT & EAN International are working closely together and in particular with respect to the EAN International developed Global Data Dictionary and the UN/CEFACT TBG17 Harmonisation of Core Components.
- 2.2.10 What the work to date has established is the extent of the education and communication required among the business community as the progression to a business process based methodology and away from the traditional EDI message centric approach is a significant paradigm change.

This paradigm change more than the technology matters has the potential to be a significant inhibitor.

2.2.1.1 The current state of the initiative is as follows:

- The Steering Committee presentation at which significant funds will be sought to allow for the initial Business Requirements Documentation and work to be conducted is scheduled for September 2004.
- Current work involves aligning with other BCF based work Nationally, including Government and the Transport, Imports & Exports industries.
- EAN Australia is charged by EAN International to progress the Global Standards Management Process (GSMP) Delivery group of business processes.
- The intent as a proof of concept is to develop a number of Business Requirements Documents and to implement one engaging the BizDex framework enabling up to thirty SME's with one or two major trading partners.
- Work is currently underway, not so much exploring the BCF & eBusiness methodologies, but more the communication required to develop national understanding and support of the paradigm change.

2.3 Hardware Industry Message Guidelines

- 2.3.1 The HIWG (Hardware Industry Working Group) began in July 2001 with its focus on B2B e-commerce. They have developed a suite of eight UN/EDIFACT EDI messages for the hardware community in Australia and New Zealand. The overall project includes participation from the broad hardware industry including the timber, plumbing, greenlife and electrical sectors and has a current membership of 60. Many of these members have implemented, or are in the process of implementing, the EDI messages developed. The SME members are implementing simpler HIWG flat files (based on the UN/EDIFACT MIGs) as an initial step to B2B e-commerce. There is also some current work being done on XML which, in the first instance, will also be based on the UN/EDIFACT MIGs developed so that the business rules associated with the MIGs can be migrated

to the XML implementations and mapping/translations between the two formats will be simplified. In the longer term, the global standard for XML will be used. Additional UN/EDIFACT MIGs are also being developed as required.

- 2.3.2 The 'Hardware' industry in Australia may be described in other economies as the 'do-it-yourself' industry which makes and sells tools, materials and equipment.

2.4 Tradegate - ExportNet upgrade

- 2.4.1 Tradegate are upgrading the popular ExportNet (Export Documentation over the Internet) hosted application that allows users to make export declarations to Customs and produce container terminal Pre-Receipt-Advices and other transport documents.
- 2.4.2 The new version allows users to make Customs declarations through the current EXIT-1 system and will also support the new CMR system, without the need for PKI and Digital Signature Certificates (DSCs), when it becomes available. There is also improved support for the new PRA requirements from stevedores and shipping lines, enabling exporters, their agents and trucking companies to send PRAs to CSX in Adelaide, and to Patrick and P&O Ports Australia wide.
- 2.4.3 Tradegate, as a not-for-profit industry association is making ExportNet available to the industry to simplify the use of electronic commerce, which the introduction of PRAs and CMR is making mandatory for exports. ExportNet is a single system where information from the Customs export declaration can be used to produce the PRA, without the need for re-keying and the delays and possible errors that entails. Support for both CMR and PRAs, with FWBs to be available soon, make ExportNet a good system for SMEs or as part of the Business Continuity Plan for larger exporters.
- 2.4.4 As a hosted application available over the Internet, the system does not need any IT support to set up and is very cost effective. Use of the ExportNet service is normally on a per consignment basis, where there is a flat fee for lodging an export declaration with Customs and producing all the PRAs you need for the consignment.

For more information visit <http://www.tradegate.com.au>

2.5 Standards Australia Standards Development Committee - eBusiness Architecture and Data Exchange

- 2.5.1 In another standards related development, Standards Australia is in the process of forming a high profile committee, which will monitor Standardization in the field of eBusiness. This will involve monitoring international standards forums such as ISO, OASIS, W3C, UN/CEFACT, JTC1 and ITU and deliverables from other standards bodies that should be utilized by the Australian eBusiness Community. The committee will have a clear understanding of the international eBusiness standards landscape. It will be the focal point within Australia to provide input to government policy concerning international eBusiness standards, alignment with BizDex and other assistance to other communities undertaking standards development.

SECTION III—TRADE FACILITATION/EBUSINESS/ECOMMERCE RELATED PROJECT UPDATES

3.1 Australian Customs Service – Integrated Cargo System

- 3.1.1 Australian Customs is modernising the way businesses report the movement of goods across Australia's borders. These changes, a result of the Customs Cargo Management Re-engineering (CMR) project, have involved a major review of Customs practices. The CMR project includes the introduction of a new IT system and new legislation.
- 3.1.2 Customs new IT system, the Integrated Cargo System (ICS), will replace existing reporting and processing procedures with one integrated IT system. The ICS will significantly enhance Customs risk management assessment at the border and assist industry track cargo movements more efficiently. The ICS will be phased in to assist industry through the transition from the old to the new system.
- 3.1.3 Exporting and importing businesses, cargo handlers, cargo carriers and service providers will need to introduce new procedures and update their existing IT systems to comply with Customs new requirements. Those businesses involved in the export chain must be ready to fulfill Customs new requirements by October 2004. Import reporting through the ICS will commence in early 2005.
- 3.1.4 If businesses directly involved in the reporting of exports and imports have not updated their internal systems this may delay the movement of goods and result in additional costs.
- 3.1.5 A key feature of the ICS is its improved security. Users and transactions will be protected by public key infrastructure (PKI). This involves the use of digital certificates, which are a proven way of providing confidentiality, authentication, non-repudiation and message integrity over open networks such as the Internet. All transactions will also be encrypted so that the data cannot be read by anyone other than the intended recipient. This technology requires individuals and businesses wishing to communicate electronically with Customs to purchase a digital certificate from a Customs approved certification authority.
- 3.1.6 The implementation of CMR's major legislative changes coupled with the introduction of new technologies, such as the ICS, provide for the largest change in Customs in over 100 years. Australian Customs is continually developing new information products about the CMR project, which are posted on the Customs website.

To access more information about CMR email cmr@customs.gov.au

3.2 Australian Quarantine Inspection Service

3.2.1 E-cert Project

- 3.2.1.1 E-cert is an Internet based government-to-government data transmission system for electronic export certificates. E-cert certificates contain the same data as their paper equivalents, just the mode of delivery has changed from paper to electronic. E-cert data elements reflect confidential government-government bilateral agreements, and the principles and rules of trade established by WTO - SPS/TBT, WHO/FAO - CODEX, OIE, IPPC, and ISO and UN/ECE.

- 3.2.1.2 E-cert was developed by Australian Quarantine and Inspection Service (AQIS) and the New Zealand Food Safety Authority (NZFSA), to enhance supply chain security and facilitate paperless trading.
- 3.2.1.3 E-cert is gaining recognition amongst government export/import authorities as a tool to facilitate exports and protect borders. It achieves this by providing government authorities with prior notice of imports and being government-to-government offers enhanced security over paper certificates which pass through many hands in the chain before presentation to government import authority.
- 3.2.1.4 Implementation is underway with US, Canada and Singaporean authorities participating in E-cert trials and arrangements are underway for further trials with trading partners in the Middle East, Europe and Asia later this year.
- 3.2.1.5 E-cert export certificate data can be accessed by authorised government staff by viewing certificates online - well suited to developing economies with limited IT infrastructure or economies with relatively low levels of imports - or certificate data can be downloaded into an automated import management system.
- 3.2.1.6 International Standards are being sought through UNCEFACT and CODEX:

3.2.2 UN/CEFACT

- 3.2.2.1 E-cert Ratification Project approved by UN/CEFACT Forum, September 2003.
18 member E-cert Ratification Project Team formed in February, inaugural meeting 9-11 March 2004 during the UN/CEFACT Forum in Bonn, Germany. Team co-chaired by AQIS (Fiona Cornwell) and NZFSA (Drasko Pavlovic) and AQIS/NZFSA provide secretariat services.
- 3.2.2.2 Key outcomes endorsed by UN/CEFACT included:
- an agreed Terms of Reference; and
- Work Plan, which includes liaison with AFACT Electronic Certificate of Origin project, primarily through the Australian Head of Delegations (B.Keogh) joint membership of E-cert/ECO project teams.
AQIS participated in last teleconference to discuss requirements of UNCEFACT process.
- 3.2.2.3 Next team meeting will be by teleconference in late August to agree final E-cert Data Elements Business Requirements Specification and Modelling Documents for consideration at September UN/CEFACT Forum, where feedback will be sought from Applied Technologies and Information Content Working Groups - to progress the ratification process.

3.2.3 CODEX CCFICS

- 3.2.3.1 Sub Group formed to review draft guidelines for production and issuance of export certificates, which already recognise paper and electronic certificates as equivalent, for completeness in an electronic environment.

3.3 Australian Logistics Council – Dangerous Goods

- 3.3.1 The Office of Transport Security will work with government agencies and other stakeholders in a detailed examination of security arrangements for transporting

high consequence dangerous goods (HCDG). The focus will be on goods imported or exported by sea.

3.3.2 Most dangerous goods entering and leaving Australia do so by sea. The need to strengthen dangerous goods security at ports and along associated logistic supply chains has been identified as a high priority.

3.3.3 The secure transport and storage of dangerous goods, and HCDG in particular, has been the focus of a number of recent government and industry initiatives.

3.3.4 Recent Policy Developments

- At the request of the Australian Transport Council (ATC), the National Transport Commission is revising the Australian Dangerous Goods Code with a view to incorporating United Nations endorsed dangerous goods transport security provisions.
- In addition, on 30 April 2004 the ATC agreed to the establishment of a national dangerous goods security programme consistent with the recommendations of an Australian multi-jurisdictional international security mission led by the Secretary of the Department of Transport and Regional Services. This mission identified a significant worldwide concern relating to the security of HCDG.
- On 25 June 2004 the Council of Australian Governments (COAG) agreed to a national approach to ban access to ammonium nitrate for other than specifically authorised users. Each jurisdiction will establish a licensing regime for the use, manufacture, storage, transport, supply, import and export of ammonium nitrate.
- COAG also agreed to strengthen security policy and planning for land transport through an Intergovernmental Agreement. The Agreement is to be finalised by 30 November 2004 and will cover dangerous goods.
- The Office of Transport Security has been assisting the Australian Logistics Council to prepare an industry paper that proposes a regulatory framework for the secure movement of HCDG. The paper recommends the development of improved security measures at a national level, including a licensing and accreditation system to apply to shippers, importers, carriers and agents involved in the HCDG supply chain.

3.4 Smartfreight

3.4.1 The Australian State of Victoria's Transport, Distribution and Logistics (TDL) industry has identified the need to increase the uptake of ICT and e-commerce as part of a range of actions required to improve the state's supply chain performance. The Victorian Government, in its quest to maintain Victoria's position as the State for Freight, supports this approach and has developed the SmartFreight initiative as a way for industry to gain efficiencies through ICT solutions.

3.4.2 SmartFreight will identify, investigate, trial and implement a range of pilot ICT based projects, initially focussed on operations around the Port of Melbourne. It is one of the tools being used to achieve the Government's strategic vision for the integration of the Port of Melbourne with the Dynon Rail Precinct (Melbourne Port@L) to create a world class intermodal terminal. Improvements in the efficiency of the import and export supply chains are expected to lead to measurable gains for the Victorian economy.

3.4.3 Buyers/Importers, Sellers/Exporters, Freight Forwarders, Carriers - Air, sea, road, rail, Terminal Operators, Government and its Agencies, as well as Small to Medium

Enterprises (SME) are all expected to benefit through reduced road congestion, better asset/labour utilisation, cost reductions and better interconnectivity between supply chain elements.

- 3.4.4 The SmartFreight initiative seeks to provide ICT based "solutions" that will improve the effectiveness and efficiency of Victoria's freight and logistics industry.
- 3.4.5 Through the investigation of industry wide ICT options (common transaction infrastructure), SmartFreight will enable organisations and individuals from all aspects of the industry, regardless of their location, to work more effectively together to deliver seamless freight and logistics through discrete ICT solutions which will assist increased supply chain productivity.
- 3.4.6 SmartFreight presents Government and industry with the opportunity to address current deficiencies such as ineffective links between transport modes, which are impacting on the reliability and performance of carriers, shippers and terminal operators. Moreover, the lack of effective information sharing among stakeholders creates bottlenecks and unnecessary delays in the efficient movement of freight. These deficiencies increase operating costs and congestion and decrease safety, economic competitiveness and air quality.
- 3.4.7 The Port of Melbourne container origin and destination study has identified a number of opportunities to deliver improved container transport efficiency. To achieve these efficiencies, the SmartFreight project will target the following areas:
- Container truck loading and utilisation
 - Empty container management
 - Use of rail for container transport
 - Transport routes used

SmartFreight will focus its pilot projects around operations at the Port of Melbourne.

3.5 Certificate of Origin Project

- 3.5.1 Australia is participating in the Certificate of Origin Project being managed by Singapore. Tradegate, Eltrad Consultancy, the Chambers of Commerce and the Australian Quarantine and Inspection Service are collaborating with overseas economies of APEC on this project.

**COUNTRY PROGRESS REPORT
CHINESE TAIPEI
TAIPEI EC/EDI COMMITTEE**



SECTION I - GENERAL CONDITION UPDATE

1.1 Status of E-Commerce Development

According to the report "Trade Facilitation and Economic Development: Measuring the Impact" released by the World Bank as of March 2003, Chinese Taipei ranked 5th among APEC members based on the Indexed Input of E-Business Usage. Chinese Taipei's Networked Readiness Index (NRI) ranked 9th among 84 nations, up from 15th in 2001-2002 (Table 1) as the data was stated on the report "Global Information Technology Report 2002-2003" published by the World Economic Forum. These rankings certainly indicate the worldwide praise and accomplishment for Chinese Taipei's favorable E-Commerce environment and utilization rates, which result from the governmental promotion policies and consistent strength as well as the efforts from both sides of the public and private sectors.

Table 1: 2001 - 2003 Global Network Readiness Index

Country	2001-2002 NRI Ranking	2002-2003 NRI Ranking
Finland	3	1
USA	1	2
Singapore	8	3
Sweden	4	4
Iceland	2	5
Canada	12	6
UK	10	7
Denmark	7	8
Chinese Taipei	15	9
Germany	17	10

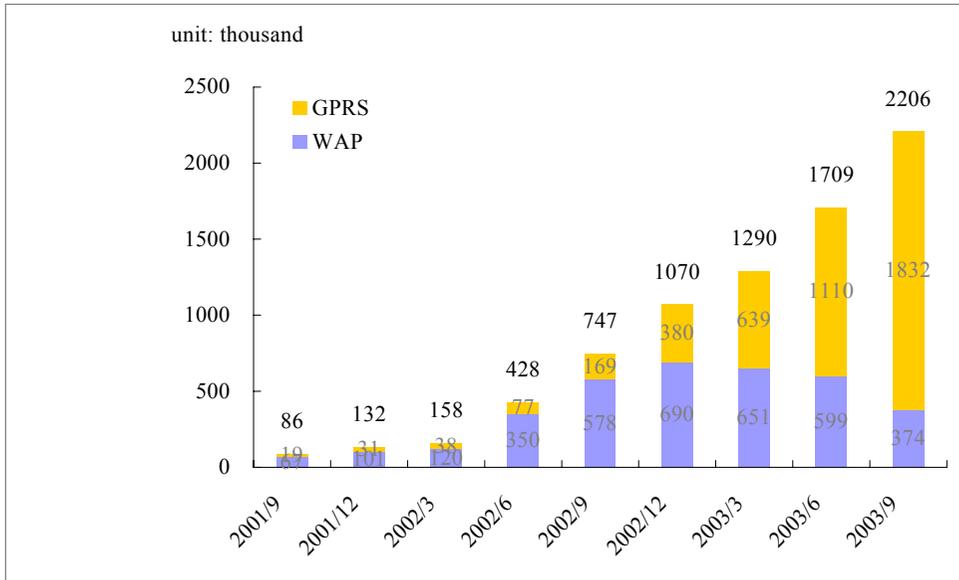
Source: WEF, "Global Information Technology Report 2002-2003"

1.1.1 Internet Subscribers

The number of Internet Subscribers in Chinese Taipei reached 9.3 million as of September 2003. The number represents an increase of 21% growth comparing to 7.7 million in September 2002.

Although dial-up is still the most popular method for Internet connections, its number and market share have both been decreasing gradually since 2001. The number of dial-up subscribers accounted for 80% of total Internet subscribers by September 2001, the proportion decreased to 61 % in September 2002 and 47% in September 2003. The distribution of Internet subscribers as according to the type of connections can be seen in Figure 1.

Figure 1: Distribution of Internet subscribers

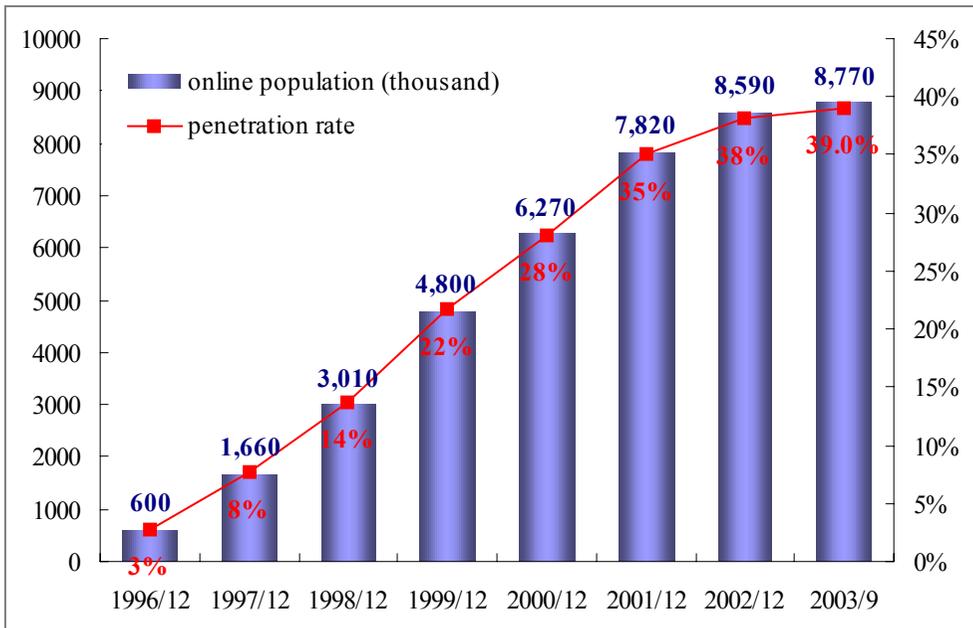


Source: FIND, ACI, III /sponsored by DOIT, MOEA

1.1.2 Internet Users

The numbers of Internet users are 8.77 million as of September 2003 in Chinese Taipei, with an Internet penetration rate of 39%. Compared to September 2002, there was an increase of 420,000 users, with a growth rate of 5%. Figure 2 shows the number of Internet users and penetration rate in Chinese Taipei from 1996/12 to 2003/9.

Figure 2: Internet users in Chinese Taipei, September 2003

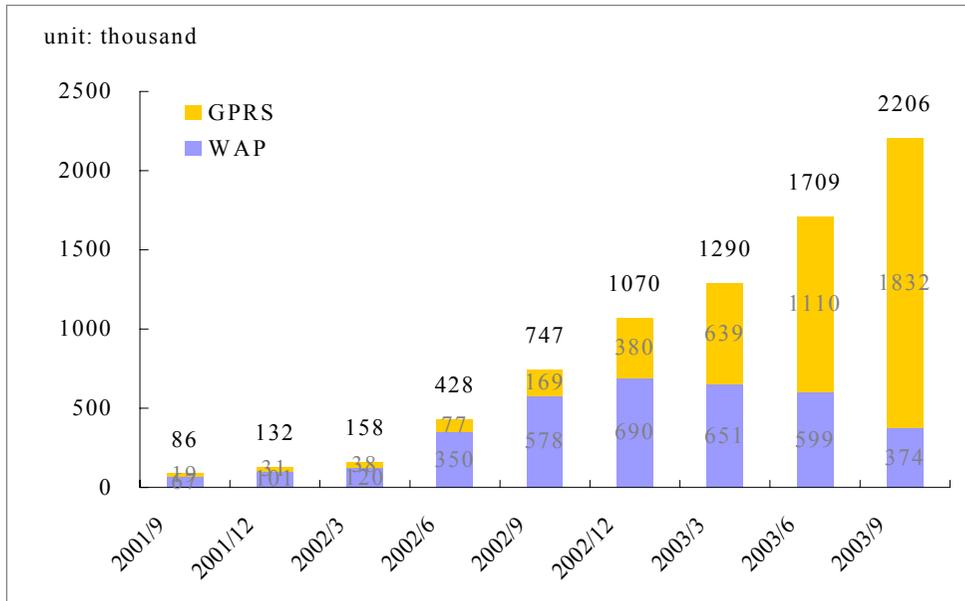


Source: FIND, ACI, III /sponsored by DOIT, MOEA

1.1.3 Mobile Internet Users

Mobile Internet subscribers in Chinese Taipei mainly use WAP and GPRS. As of September 2003, there were 374,000 WAP subscribers and 1.832 million GPRS subscribers, totaling 2.2 million mobile Internet users, accounting for 8.7% of the mobile phone subscribers. WAP subscription showed a 35% decrease from a year ago. On the contrary, GPRS subscription grew rapidly to more than ten times the number of the same period in 2002. Thanks to the drastic increase in GPRS, Chinese Taipei's mobile Internet market grows fast to the size of more than twice the number a year ago as shown in Figure 3.

Figure 3: Mobile Internet subscribers in Taiwan, September 2003



Source: Directorate General of Telecommunications (DGT) of Ministry of Transportation and Communications (MOTC)

Compiled by: FIND, ACI, III/ sponsored by DOIT, MOEA

1.1.4 Broadband Subscribers

The data released by the International Telecommunication Union (ITU) indicated the penetration rate for Chinese Taipei's broadband Internet access has reached 9.4%. Chinese Taipei ranked the fourth place worldwide according to the data released by the ITU as indicated in Table 2.

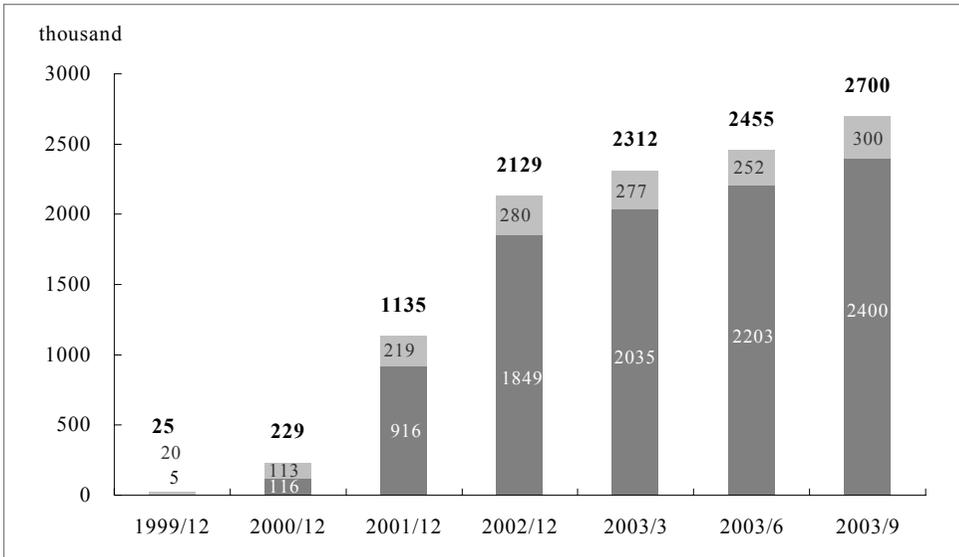
Table 2: Top 10 Countries by broadband Penetration rate

Country	Korea	Hong Kong	Canada	Chinese Taipei	Iceland	Denmark	Belgium	Sweden	Austria	Netherlands
Penetration Rate (%)	21.3	14.6	11.5	9.4	8.6	8.6	8.4	7.7	6.6	6.5

Source: ITU, December 2002

According to the latest statistics by ACI-FIND of Institute for Information Technology (III), there were 2.7 million broadband (DSL and Cable Modem) subscribers in Chinese Taipei as of September 2003, representing a 45% increase compared to September 2002 (see Figure 4).

Figure 4 Growth of broadband subscribers



Source: FIND, ACI, III/ sponsored by DOIT, MOEA

1.2 Market Size of e-Commerce

According to the survey conducted by the MIC of III as of May 2001, the scale of the domestic B2B market reached US\$97.58 million (see Table 3), a 54% increase over 2001.

Table 3: Chinese Taipei B2B e-Commerce Market Scale in US\$ millions

Year	2000	2001	2002	2003	2004	2005	2006
Market Scale	41.5	63.41	97.58	137.79	200.56	264.23	335.76

Source: MIC, Institute for Information Technology

According to the data released by the ACI, III, the Chinese Taipei's B2C E-Commerce market is worth about US\$ 649 million in 2003, growing 40% from 2002 (see Table 4).

Table 4: Chinese Taipei B2C e-Commerce Market Scale in US\$ millions

Year	2001	2002	2003	2004
Market Scale	2.61	4.63	6.49	10.45

Source: ACI, Institute for Information Technology, December 2002

1.3 Legal Issue of eCommerce

1.3.1 Intellectual Property Rights Protection

Copyright Act Amendment

Chinese Taipei's digital content industry has been identified by the government as one of two "star" industries in the Two Trillion, Twin Stars plan, including computer animation, digital games, e-learning, mobile applications and services, data streaming and video conferencing, interactive television, digital archiving, digital publishing, digital broadcasting, digital music, multimedia software products and services. (Sources: MOEA IDIC)

Considering Intellectual Property Rights is the catalyst for content industry development, the Copyright Act has been amended in July 2003. The right of public transmission and the rule to use electronic rights management information have been embodied already.

1.3.2 Organizational Restructure for Telecommunication Regime

Establishment of National Communications Commission

With the evolution and convergence of communications and media technologies, the government is initiating several cross-agency plans to spur the development of Chinese Taipei's digital content industry. The Telecommunication Reform Plan is the Communications Basic Act, and has been enacted in Jan 2004. The Telecommunication Reform Plan offers the legal base to establish the National Communications Commission. The Telecommunication Law and Regulations for telecommunications service have been amended during the past year as responses to technology convergence.

1.3.3 Formality and authentication

Electronic Signature Act

The lack of confidence toward online security has become one of the most important hurdles for the full development of e-commerce. To overcome this barrier, Electronic Signatures Act was passed in 2001 and enacted in April 2002 for the purpose of building a secure and reliable mechanism to assure the confidentiality, integrity, authentication, and non-repudiation of online data transmission and transaction.

The Act regulates both private and public use of electronic records and electronic signatures. It serves as a fundamental law for promoting e-business and e-government in Chinese Taipei. The development of electronic certification services, and the plan for Public Key Infrastructure are followed.

1.3.4 Consumer Protection

Consumer Protection Act Amendment

The Consumer Protection Act Amendment has been enacted in Jan 2003. It applies to e-commerce via expanding the definition of mail-order transaction. EC Consumer has the right to release contract without condition is needed within 7 days. Tangible goods and intangible service are included. The web-wrap contract is deemed a presentation of standard contract, which consumer shall have 30 prior days to review the contract details before deal.

Internet Content Rating Regulation

In order to protect minority from harmful Internet content, Article 27 of Children and Youth Welfare Law delegates Government Information Office to made a rule to obligate Internet service providers to classify their content before upload. The Internet Content Rating Regulation was passed in April 2004 and several standards will be set in the coming years.

1.3.5 Information Security

Chapter to against Computer Misuse Conducts in Criminal Code

In order to combat information technology crime effectively, the Criminal Code Amendment has been enacted in Jun 2003. Refer to Council of Europe's Convention

on Cyber crime, the goal for new chapter is to criminalize types of computer misuse conducts, unauthorized access, computer intrusion and interference etc.

1.4 e-Government

In April 2001, an initiative of e-Government was launched to expand and deepen the e-Government and continued to innovate government services so as to build an environment where the e-government was listed as one of the plans in "e-Taiwan Program" of "Challenge 2008: the Six Year National Development Plan" to speed up the development.

The government has built the Government Service Network (GSN) since the launch of the "e-Taiwan Program" as the backbone network for the e-government. All levels of government agencies have been connected to the Internet. As of October 2003, 85% of government agencies have their own websites. The penetration rate of e-mails among government staffs is 92% and that of browsers 98%. Electronic signature law has been formally implemented since April 2002. By May 2003, more than 500,000 electronic certificates have been issued to natural persons for their use of e-Taxation, e-Documents, and e-Procurement.

1.5 Taipei EC/EDI Committee

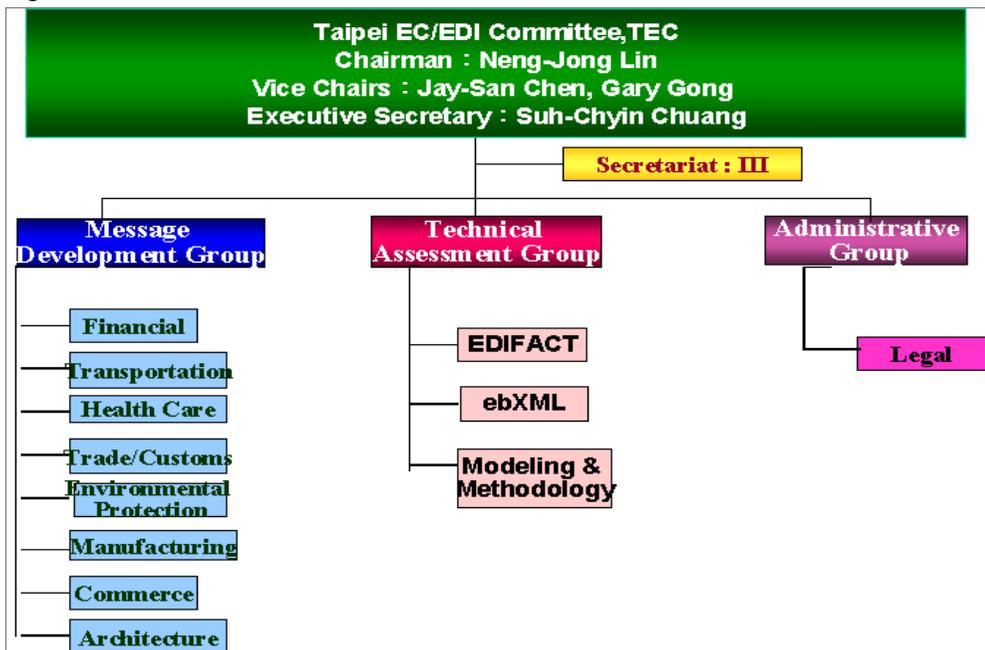
1.5.1 Introduction

National Bureau of Standards, Metrology and Inspection under Ministry of Economic Affairs established Taipei EC/EDI Committee (TEC) in 1992 for accelerating the promotion of the eCommerce Standards and Trade Facilitation as well as set up subcommittees to take charge in specific area of concerns.

1.5.2 Constitution

The General Director of National Bureau of Standards, Metrology and Inspection chairs Taipei EC/EDI Committee. Figure 5 shows the current structure of TEC.

Figure 5: Current Structure of TEC



Source: TEC Secretariat, August 2004

SECTION II—EDIFACT/EBXML/XML BASED STANDARDS DEVELOPMENT

2.1 The Registry-Augmented Collaboration Platform for E-Standards (RACE) Plan

In order to speed up the evolution of e-Business standards, improve the methods whereby standards are formulated, and facilitate the development of the relevant applications and value added, the Ministry of Economic Affairs launched the National Information Infrastructure Enterprise Promotion Association's Registry-Augmented Collaboration Platform for E-Standards (RACE). The main objectives of RACE are as follows:

1. To speed up the formulation of XML-based de facto e-Business standards in Chinese Taipei.
2. To increase the level of standard formulation knowledge-intensity and overall standard formulation capability.
3. To expand the scope of application of de facto standards, and ensure that these standards are utilized effectively.
4. To enhance the ability of small and medium enterprise to use registry mechanisms to undertake collaborative e-Business activities.

In the future, the development of the RACE platform will come to embrace a wide range of different applications, and will involve the formulation of the necessary measures for technology transfer, so as to expand both the overall scope of application of the plan and the benefits achieved through its implementation.

2.2 Vitamin Plan – Projects A, B, C, D and E

In 1999, the Ministry of Economic Affairs (MOEA) formulated and began implementation of two pilot projects for promoting e-Business in the IT sector – Projects A and B. The main focus of Project A and B was on e-Procurement. Project A involved helping IBM, Compaq and HP and Chinese Taipei's leading IT manufacturers to establish an e-Business supply chain covering every stage from design through procurement. In project B, assistance was given 15 leading Chinese Taipei's IT manufacturers and more than 1800 of their component suppliers to establish e-Business supply chains covering the stages from procurement through to manufacturing.

After implementation of Projects A and B had been completed in 2001, MOEA began implementation of Projects C, D, and E as a continuation of successful Projects A and B. The aim of these new projects was to ensure the provision of e-Business services covering payment, accounts receivable management, on-line financing, global inventory management, delivery tracking and collaborative design services. Project C was to build on the e-Business supply chain foundations established in Project B. The main goal for Project C was to help banks in solving the problems that “center” manufacturers and “satellite” suppliers faced in the area of payment and collection. Project C was to provide real-time online financing service, and to establish mechanisms for achieving e-Business integration in the area of information exchange and cash flow between banks, “center” manufacturers, and suppliers. Project D focused on providing guidance for the adoption of e-Business delivery services by Chinese Taipei's IT hardware and semiconductor manufacturers and logistic service providers (LSPs), and to encourage other IT service providers to participate in the development of e-Business services that integrate delivery and information in line with industry's needs. The focus of Project E is to help companies establish an interactive model of e-Business for collaborative design with customers, suppliers, and technology design partners at the new product development stage.

SECTION III—TRADE FACILITATION/EBUSINESS/ECOMMERCE RELATED PROJECT UPDATES

This section depicts the current state and future development trend of various standard related projects that are carried out by respective working groups of Taipei EC/EDI Committee.

3.1 Manufacturing

The e-Business standards in seven manufacturing industries was developed and implemented in 2002 with budget from Industrial Development Bureau (IDB), Ministry of Economic Affairs. The seven primary industries are the textiles, pulp & paper, automobile, heavy electronics, iron & steel, petrochemicals, and machinery industries. During the project period, 14 business process standards, 30 document standards, 2 vocabulary standards, and 4 classification standards were accumulatively developed, and about 143 companies implemented and applied document standards in business process of ordering, purchasing and shipping in a total of 20 systems. (Please refer to Table 5 for details)

Table 5: Summary of e-Business Standards Implemented and Applied by industries by 2002

Industry	Process Applied	Standards implemented	Standards Developed
Textiles (RN-like)	Fabric dyeing, finishing process operations	Dyeing/finishing notice, shipping notice	<ul style="list-style-type: none"> ◆ Process standard: packing specification notice ◆ Document standard: dyeing/finishing notice, muslin finishing, shipping notice, packing specification notice
Petrochemicals (CIDX)	Order operation client-end	Ordering, response, modification, cancellation, response, tracking, and response	<ul style="list-style-type: none"> ◆ Process standards: Client registration process, demand forecasting process, supply planning /demand planning process ◆ Document standards: Qualification application, qualification response (customer management operation), demand forecasting, demand forecasting response, demand planning, demand planning response (supply management operation)
	e-Catalog operation	Product catalogue update, particular client catalogue update	
Machinery (RosettaNet)	Purchasing operation on supplier's end	Enquiry, quote, purchasing order, tracking, modification, and cancellation	<ul style="list-style-type: none"> ◆ Process standards: Enquiry, quote, purchasing order, tracking, modify, cancellation ◆ Document standards: Enquiry, quote, purchasing order, tracking, modification, cancellation
Pulp & Paper (PapiNet)	Order management operation from client end	Ordering, order confirm	<ul style="list-style-type: none"> ◆ Document standards: Shipping indication, shipping notice
Automobile (OAGIS)	Manufacturing management operation from supplier end	LT component demand plan, ST component demand plan, shipping indication, receipt QC	<ul style="list-style-type: none"> ◆ Process standards: Ordering, payment specification ◆ Document standards: Order, payment specification <p>Note: LT = Long term ST = short term QC = Quality Control</p>
		Shipping indication, Receipt QC	
		Shipping indicator, ST component demand plan	
		Shipping indication, receipt QC	
		Shipping indication, receipt QC, return notice	

Industry	Process Applied	Standards implemented	Standards Developed
Heavy Electronics (OAGIS)	Purchasing operation from supplier end	Enquiry, quote, order form, order confirmation	<ul style="list-style-type: none"> ◆ Process standards: order process ◆ Document standards: order cancel, order modify
Iron & Steel (isXML)	Order operation from client end	Order form	<ul style="list-style-type: none"> ◆ Process standards: Order process ◆ Document standards: enquiry, quote, order confirm, order form/ dispatch notice ◆ Classification standards: stainless steel plates / hot-rolled stainless steel / cold-rolled stainless steel, stainless steel rod / steel wire, galvanized & painted steel wire, concrete reinforcement bars ◆ Vocabulary standards: particular terminology for iron & steel industry, business related terminology
	Distribution operation from client end	Shipping notice, quality certification, non-radiant certification	
Total		Document standards: 36	<ul style="list-style-type: none"> ◆ Process standards: 14 ◆ Document standards: 30 ◆ Classification standards: 4 ◆ Vocabulary standards: 2

In the year 2003, the budget support from Industrial Development Bureau (IDB), Ministry of Economic Affairs has assisted two benchmark industries, heavy electronics and machinery, to develop furthermore e-Business standards application. Moreover, seven major domestic manufacturers of benchmark industries were in cooperation with their upstream and downstream, to implement the e-Business standards. The application of e-Business standards includes enquiry, quote, order, shipping, quality control and payment of e-Business standard items.

In 2003, five user-groups have been supported by the IDB to develop the plan of the e-Business standard application, including the industries of the heavy electronics, machinery, filament weaving, iron & steel and pulp & paper. There are five primary industrial associations carrying out this plan including Chinese Taipei Machinery Association, Chinese Taipei Electronic/Electrics Association, Chinese Taipei Filament Weaving Association, Chinese Taipei Pulp & Paper Association and Chinese Taipei Iron & Steel Association.

The professional training classes and discussion for the industries in the fields of e-Business standards application were provided as well, the courses focusing on XML, UML and ebXML...etc. By 2003, there were sixteen classes held in Taipei, Taichung and Kaohsiung. There were more than 180 persons attending these classes of e-Business standards technology.

3.2 Commerce

In 2003, a number of government e-commerce promotion policies were instituted in order to establish a solid e-commerce infrastructure for Chinese Taipei. E-commerce-related regulations instituted include the "Electronic Signature Law" and its three by-laws, and electronic signatures and PKI application environments have gradually taken shape. Also, a number of laws related to current e-commerce environmental issues such as the Copyright Law, Patent Law and Consumer Protection Law were revised to assist in e-commerce development. Moreover, major government-sponsored industry digitization promotion projects

were launched in 2003, which will help to bring major breakthroughs in Chinese Taipei's future B2B cash flow, goods flow and global logistics development.

The drive behind Chinese Taipei's B2B e-commerce development stems from the short product life cycles of the information technology and telecom industries between 1998 and 1999. At the time, foreign manufacturers were imposing strict delivery requirements, called "955" and "983" materials requirements (95% of products delivered within 5 days of order and 98% of products delivered within 3 days). Chinese Taipei manufacturers had to respond by implementing computerized business management methods such as ERP (Enterprise Resource Planning), MRPI (Material Requirement Planning), MRP II (Manufacturing Resource Planning), and SCM (Supply Chain Management). Chinese Taipei's IT and electronics manufacturers have already expanded the scope of information sharing from internal data sharing to intra-company access to information. The most representative example of this is in the domestic OEM semiconductor industry. Chinese Taipei's two largest OEM semiconductor manufacturers - TSMC and UMC - have implemented SCM as well as collaborative design applications. Their digitization moves were seen as major achievements both among domestic suppliers and internationally. As central links in the domestic supply chains gradually digitized their processes, digitization of companies throughout the supply chain became an essential trend. Thereafter, the trend toward enterprise digitization in Taiwan spread from the IT and electronics industries to other industries. Currently, the level of digitization remains highest in IT and electronics industries; in traditional industries, B2B e-commerce still has considerable room for growth. But this will no doubt continue to rise as Taiwan's e-commerce environment matures over the next few years.

With the impetus from the government's "e-government" promotion, domestic G2B2C e-commerce also developed rapidly in 2002. In the G2B2C sector, the e-government portal website and other related digitization measures were released in the early 2002. At the same time, over 966 million government tenders were published on the government's e-procurement system, which received over 15 million visits. In public construction projects, over 300,000 projects were awarded via the online tender system. In online tax filing, a total of 348,000 individuals filed their year 2001 taxes via the online income tax system, and a total of 217,000 in business income tax statements were filed online.

2003 was also a banner year for Chinese Taipei's C2C development. After eBay formally entered the Chinese Taipei's C2C market in 2002, Yahoo! Kimo also began running its auction site, and domestic C2C market was born. Looking at the experience of foreign online auction markets, typically one stronger competitor succeeds while the remaining companies are pushed out. Whether this will be the case in Chinese Taipei remains to be seen.

3.3 Environmental Protection

Environmental Protection Administration is in charge of the development and promotion affairs in environment related data exchange standard. The current focus includes analyze the difference of data elements required in hazardous waste import/export between EUDIN and UNEP/Basel agreement; explore the usage of web services and XML applications on data-transmission etc.

■ **The projects set for this fiscal year include:**

1. To maintain application system for cross-border delivery of disposable waste and reinforce the system management functions
2. To develop experimental web services and XML application prototypes for on-line transmission of Air Quality Monitoring networks
3. To open to public the Environmental Database web services and enable people to search for information provided by long term water and air monitoring

■ **Future Development Direction:**

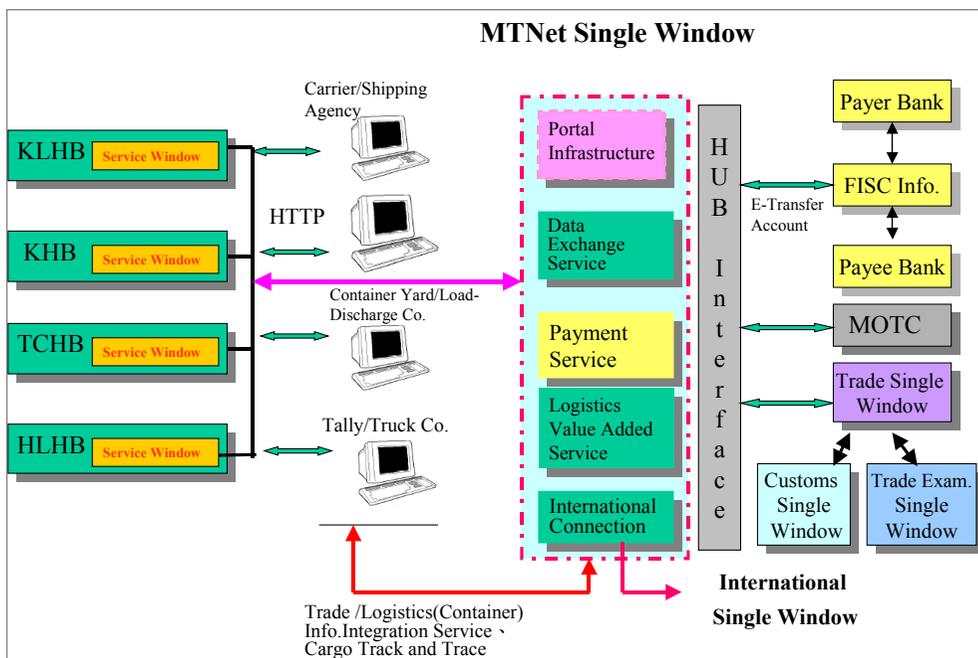
1. To familiarize data elements for disposable waste input/output use case with cross-domain practices such as SANCRT in transportation, WASDIS in custom, etc.
2. To extend the prototype of on-line transmission of Air Quality Monitoring Data System to more than 70 Air Monitoring Stations across the island.

3.4 Transportation

1. By November 2003, "Maritime Information System Project" was conducted and sponsored by Ministry of Transportation & Communications (MOTC). With the goals to implement the "Maritime Transport Network (MTNet) Single Window", it acts as the integration architecture to be a key channel for business parties' information exchange of marine transport and seaport stevedoring.

MTNet Single Window connects Marine Businesses, Port Authorities and Government's Trade Facilitation respectively. The Marine Business Type such as: Vessel Operating Carriers, Cargo Distributing Centers, Cargo Forwarders, and Shipping Agencies are part of this. MOTC, Keelung Harbor Bureau (KLHB), Taichung Harbor Bureau (TCHB), Kaohsiung Harbor Bureau (KHB) and Hualien Harbor Bureau (HLHB) are all entitled as Port Authorities. The Trade Single Window will integrate the pertinent Government units such as Examination, Licensing, Customs Clearance, as illustrated in figure 6.

Figure 6: MTNet Single Window



From the view of application integration, there are individual systems in each authority, and individual different data formats in Marine Business Parties or Port Authorities. Hence, the MTNet is to dissipate the different individual systems via a mutual consensus standard data format for exchanging information.

For now (from year 2003 to 2005), MOTC is engaged in building MTNet/Portal platform for providing national-wide marine services. Services include:

- a. One-Stop Shopping Portal Services (Applying, Auditing, Noticing, Customer, Statistics, and Certification Authority (CA) Services)
 - b. Port Service Systems (Port State Control System, Liner Sailing Schedule Services, Shipping Order Booking Services, Port Service Due Billing System)
 - c. Port Authorities Service (Maritime News, Port Statistics)
 - d. Port Monitor Information Service (Container Identifying and Trace System)
 - e. Marine Corporation Information Service (Customs Declaration Deputies, Forwarding Agents, Cargo Container Yards, Marine Transport Corporations).
2. The Web-Base Dangerous Goods Notification System is on line for 4 ports and the further work is to maintain the system and to promote the system for more users.
 3. E-payment system for Port Working Project is been proceeding for requirement development and testing. This project will develop network service application for user to complete payment operation just to access a single application entry point.
 4. In order Taiwan to join WTO, a new Port Service Billing System is been proposed. This system has been completed by Chun-Hua Telecom at January 2002 and is on line so far.
 5. The Manifest Dispatching System (MFDS) will to connect Customs to access the manifest data, convert the Customs EDI messages into XML standard, and then transfer them to 4-port authority via MTNet at the end of 2005.

3.5 Customs

1. Customs implemented Sea/Air Cargo Clearance Automation System in 1992 and 1994 respectively. Clearance electronic data converted into EDI standard messages are exchanged via Vans by connecting Customs EDI system with related trading partners including customs brokers, banks, warehouses, air lines, shipping companies, bonded factories, other government licensing agencies, etc. The volume of Customs' EDI messages transmitted by Vans is about 4 GB, while volume of PEDI is about 390 MB.
2. Originally, only Trade-Van provides clearance information exchange services. In May this year, Universal Electronic Commerce Corporation obtained a network license from the Ministry of Finance. With a Clearance Service Contract signed with the Customs, both Trade-Vans and Universal Electronic Commerce Corporation are authorized to transfer Customs clearance electronic data for the Customs. Meanwhile, Customs clients now have alternatives in choosing network services provider.
3. Trade-Van began a declaration application system on the Internet in June. Its users can make the declaration directly via web site. However, the information transmitted to the Customs still use EDI formats.
4. By now, all kinds of cargo clearance information submitted by Customs' clients are transmitted to Customs via Vans. But, owing to wide use of the Internet and the rapid growth of information technology, the Customs feels the

responsibility and pressure to offer plural services for the importers/exporters. The Customs plans to develop XML-based data exchange formats for messages used in Customs Clearance Automation System. And most important, the Customs plans to offer interactive facilities to accept declaration through Internet. A recovery system that automatically replicates Customs clearance related data would also be included in the reengineering project. The whole project will be fulfilled at the end of 2005.

5. The Customs provides lots of information on the web site, such as: tariff classifications, Customs laws and regulations, statistics database information, etc. In order to make cargo clearance procedures transparent, the Customs has made the whereabouts of either import/export or air/sea declarations available to the public. Business firms and their trading partners can access the Customs web site to keep track of their declarations. According to our statistics, there are more than 1 million's visitors every month.

3.6 Finance

3.6.1 Current Status of FEDI Standards Application:

Refer to UN/CEFACT/EWG electronic data exchange standards:

Application System	Related Messages	Indexes
Payment process	PAYEXT · CREEXT · DEBADV · BANSTA · AUTACK	D.95A
Control	CONTRL	D.94W
Cross-bank payment process	FINPAY BANSTA	D.95 Draft D.95A
L/C process	DOCAPP · DOCINF · DOCADV · BANSTA · DOCAMR · DOCAMI · DOCAMA · DOCARE · AUTACK	D.95B
Lump-sum payment process	PAYMUL · DIRDEB · DEBMUL · CREMUL · BANSTA · FINPAY · CREMUL	D.95A
Foreign currency payment process	PAYEXT · CREEXT · DEBADV · BANSTA · AUTACK	D.95A
Notice process	APERAK	D.95A

3.6.2 Current Status of Finance development using EDI:

Subscribers: Financial organizations: 37
 Value-added network/banks: 25
 Clients: over 7,000

3.6.3 Transaction volumes

- The 2003 monthly average transaction amount: 384,248 (Millions NT Dollars)
- The 2003 monthly average transaction numbers: 230,627
- The 2003 monthly average cross-bank transaction amount: 113,592 (Millions NT Dollars)
- The 2003 monthly average cross-bank transaction numbers: 126,355

3.6.4 Message Development:

Regarding the development process of e-Commerce financial messages, the following XML messages are designed for electronic data exchange between client and banks.

- Base services: Service Account Inquiry Request/Response
- Service Profile Inquiry Request/Response
- Bank services: Account Inquiry Request/Response
- Balance Inquiry Request/Response
- Deposit Account Statement Advise Request/Response
- Deposit Account Transaction Inquiry Request/Response
- Pay services: Payment Add Request/Response
- Checksum Add Request/Response
- Payment Modification Request/Response
- Payment Cancellation Request/Response
- Payment Audit Request/Response
- Payment Synchronization Request/Response
- Payment Inquiry Request/Response
- Account aggregation: Balance Inquiry Request/Response
- Deposit Account Statement Advise Request/Response
- Financing/Factoring: Credit Line Add Request/Response
- Reimbursement Account Add Request/Response
- Reimbursement Account Modify Request/Response
- Reimbursement Account Cancel Request/Response
- Reimbursement Account Inquiry Request/Response
- Account With Bank Modify Request/Response
- Account With Bank Inquiry Request/Response
- Financing Bank Inquiry Request/Response
- Credit Line Inquiry Request/Response
- Financing Document Add Request/Response
- Financing Document Cancel Request/Response
- Financing Document Input Request/Response
- Document Inquiry Request/Response
- Financing Document Verify Request/Response
- Financing Document Inquiry Request/Response
- Draw Down Add Request/Response
- Draw Down Cancel Request/Response
- Due Payment Notice Request/Response
- Reconcile Input Request/Response
- Supplier History Inquiry Request/Response
- Notification: Financing Synchronization Response
- Notification: Payment Synchronization Response

3.7 Health Care

The following is the current status report on the Medical Information Standards HL7 (Health Level Seven) and DICOM (Digital Imaging Communications in Medicine) Plan under the health care working group.

1. Assisted the HL7 Taiwan association with implementation of promotion work:
 - a. HL7 v2.4 Translation for Traditional Chinese Edition.
 - b. Electronic Healthcare Records for Referral HL7/XML standard draft.
 - c. Disease Surveillance HL7 Information Exchange standard draft.
 - d. HL7 Health Insurance IC card for Claims standard draft.
 - e. HL7 Health Insurance for Claims Uploading Format standard draft.
 - f. Health Insurance Laboratory Item Code standard draft.
 - g. From July 9~10, 2004, The 3rd Asia-Pacific and Cross-Strait HL7 Conference on Healthcare Information Standards Conference was held in Taipei. 204 participants from Chinese Taipei, New Zealand, Czech, Germany, Korea and the United States were in attendance.

2. Assisted DICOM association with implementation of promotion work:
 - a. Attend International DICOM standard association for routine meeting or conference.
 - b. Implement DICOM Traditional Chinese Code in Taiwan.
 - c. Enhance and maintain DICOM Taiwan web site.
 - d. Deploy DICOM DIR media storage object formats.
 - e. Force DICOM related conferences and activities.
3. Implementing the "Healthcare Information HL7/DICOM Standard 2004 Task Force Project "
 - a. Implement conformance statements of national healthcare information standard for local usages.
 - b. Accompany with the executions of community medical group project, long-term healthcare information project, and related projects to implement related messages and transaction standard profiles.
 - c. Research and implement the profile implementation guide for quality, transmission, and security management in hospital medical image information implementations.
 - d. Hold international healthcare information exchange standards conference.
 - e. Implement national laboratory item coding standard format knowledgebase and maintain related health insurance code and knowledgebase.
 - f. Implement HL7 Message Certificate and Index System.
 - g. Plan how to deploy and execute related HL7/DICOM standard drafts which implement by HL7 Taiwan and DICOM Taiwan.
 - h. Plan free HL7 technical training courses.

3.8 Construction and Planning

The Construction and Planning Agency's aecXML promotion project focuses on promoting the concept of information standards, and aims to establish uniform standards on which information systems throughout the supply chain are built by designing and developing standards for industry information, thereby facilitating transactions across multiple platforms.

The major promotion projects include:

■ Supply chain platform schema standards under development

Central supplier forms in order of frequency of use are as follows: business registration verification forms, order entry forms (purchasing forms), procurement contracts, payment request forms, withdrawal notification forms, payment notifications, shipment notifications and shipment forms, return notifications, materials verification forms and price negotiation notifications.

■ Construction supply chain digitization information standards promotion activities

On November 26 at the National Taiwan University Siliang International Conference Hall, a construction industry digitization and information exchange standards symposium was held. The main topic of the symposium was the current status of digitization and information exchange standards in the construction industry. Domestic public and private engineering project departments, construction companies, materials suppliers, central suppliers receiving assistance from the Construction and Planning Administration, IT industry suppliers and academic institutions were invited to participate. Lectures focused mainly on the status of government promotion of industry digitization, the status of construction industry deployment of ERP systems and digital

procurement exchange between companies, and the development of construction industry e-commerce platforms. In late October, experts from the construction industry, e-commerce, government and academia were invited to submit research papers on all topics of the symposium so that opinions on construction industry digitization promotion from multiple perspectives could be gathered. Each topic paper was to be between 8-10 pages in length, to be published in late December.

■ **Establishment of promotion and announcement website**

The primary functions of the promotion website include publication of the latest website information, introductions of XML standards content, introduction and publication of standards promotion activities, online system demo display area, introduction of related projects, supply chain company evaluation section, a website FAQ, related links and an internal site search function. URL: <http://mlb.cv.nctu.edu.tw:800/aecxml>

**COUNTRY PROGRESS REPORT
INDIA
EC/EDI DIVISION
DEPARTMENT OF COMMERCE
MINISTRY OF COMMERCE & INDUSTRY
GOVERNMENT OF INDIA**

SECTION I - GENRAL CONDITION UPDATE

1.1 Electronic Commerce(EC)/Electronic Data Interchange(EDI) Users

E-commerce and Internet is growing at a rapid speed in India and even the most-pessimistic projections indicate a high growth. India is expected to log the highest compounded annual growth rate (CAGR) of 83.7 per cent among Asia-Pacific countries in e-commerce revenues between 2003-08, according to research firm IDC.

The pattern of volume growth witnessed in the software sector is now being repeated in the virtual world. The number of internet subscribers have increased to 4.55 Million in March 2004 from 3.64 Million in March 2003 i.e an increase of 25%.

There has been a sustained increase in the exports of computer software and services from the country despite the resistance from the developed countries to Business Process Outsourcing. India's software and services exports registered 25 per cent year-on-year growth in 2003-04. According to the Electronics and Software Export Promotion Council (ESC) estimates, export of IT enabled Services increased by 57.14 per cent to Rs 16,500 crore (\$ 3.59 billion) during 2003-04 from Rs 10,500 crore (\$ 2.28 billion) in 2002-03.

1.2 EC/EDI Project Studies

Department of Information Technology has been giving importance to promote research and development in the field of Information Technology and Electronics in the country as one of its major activities. Accordingly, it has been providing financial support to projects/schemes for undertaking research and development. The Department pursues its efforts to promote indigenous technology development and test bed applications in identified priority areas in information security through e-Commerce and Information Security programme.

During the year 2003-04 this led to the development of Indigenous Cryptography products and a gateway level Virtual Private Network (VPN), a software tool for validating security processes and methodologies for web based enterprise. Institute for Development and Research in Banking Technology (IDRBT), Hyderabad has completed development of Protocol and Standard for e-Cheque Clearing and Settlement. National Police Academy (NPA), Hyderabad has developed and brought out detailed methodology for handling and investigation of cyber crimes.

1.3 EC Market size & Growth

Financial year (FY) 2003-04 was a good year for the ISP industry as it has registered a 24% growth in terms of subscribers. Revenues have grown by about 22% to reach

Rs 1,573 crore (US \$341 million). The total number of internet subscribers in the country were estimated to be around 4.55 Million whereas broadband subscribers were around 0.19 Million.

The Indian communications industry has grown by a whopping 20% in 2003–04 according to the latest reports released so far. In comparison, the growth rate in FY 2002–03 was a more moderate 5%. In FY03–04, India's communications industry was pegged at Rs 56,367 crore (US \$12.25 billion) in comparison to 47,121 crore (US \$10.24 billion) in FY 2002–03. The massive expansion in the cellular segment, both in terms of the subscriber base and revenues, was the prime reason for this 20% growth.

According to the report, the total number of telephone subscribers in India has increased to 76.53 Million in FY 2003-04, which is a 25% increase from the 54.48 Million in FY 2002-03. The key for such an excellent growth was low pricing and CPP (calling party pays regime).

SECTION II – EDIFACT/EBXML/XML BASED STANDARDS DEVELOPMENT

2.1 Message Development Activities

EDIFACT messages are mainly used in the Ports sector. The web based standard systems have been operationalised by agencies like Airports Authority of India, Customs, Directorate General of Foreign Trade (DGFT), Container Corporation of India etc. Around 25 banks have started internet banking operations.

2.2 Awareness and Education Programs

The EuroIndia2004 Co-operation Forum on the Information Society, funded by the European Commission, was held between 24 – 26 March 2004 at New Delhi. It was a unique platform to establish Euro-Indian collaboration and co-operation in the ICT sector. The EuroIndia2004 programme provided a stimulating mix of plenary presentations and innovative parallel workshops along distinct streams and themes of relevance to Europe and India.

Department of Information Technology (DIT) has been supporting the research and development effort in the areas of electronics and information technology at various institutions. To disseminate information on these technologies and products developed through this effort among the users and the industry, the ELITEX-2004 was held during April 26-27, 2004 at New Delhi. The theme of ELITEX-2004 was "Technology vision: India in 2010".

SECTION III– TRADE FACILITATION/EBUSINESS/E-COMMERCE RELATED PROJECT UPDATES

3.1 Regulatory Sector

3.1.1 Directorate General of Foreign Trade

3.1.1.1 Nature of Project

Directorate General of Foreign Trade (DGFT) is an organisation under Department of Commerce, Ministry of Commerce and Industry engaged in formulation of export-import Policy of the country and its administer. All types

of licenses required for export and import within the country are issued by this organisation. The interface with trade and industry is provided by the 33 offices of DGFT scattered through out the country. EC/EDI implementation stipulates day to day interface with trade and industry and related organisation and filing of the application in the EC/EDI environment.

3.1.1.2 Status

Computerisation and networking of all the 33 offices of the DGFT has been completed. Software for all export promotion schemes has been operationalised.

DGFT has launched a web based electronic application filing system. The facility of Web Based on-line and off-line submission and processing of application is operational in all the offices. Licenses are now issued in 6 hours compared to 45 days earlier. The web based electronic filing system is integrated with Banks to facilitate electronic payments.

Digital Signature have been integrated into the license application processing. The electronic interface with Customs is also being operationalised using digitally signed documents.

3.1.2 Indian Customs EDI System (ICES)

3.1.2.1 Nature of Project

ICES is a customs clearance system providing paperless transactions in the Customs House. The system is integrated with users and Bank. Import/export documents, Clearance messages are transmitted over the network to/from the Custom House Agents (CHAs) and trading community.

3.1.2.2 Status

Hardware, software and networking completed at all 23 major sites. Software developed for major scheme like duty drawback, DEPB etc. Info kiosks, tele-enquiry facilities as well as internet query stations have been started. Bank branches are connected with the systems for duty drawback disbursement and collection of customs duties. 12 more locations are now being networked.

EDI gateway for electronic interface with users like agents, exporters, importers etc. is operationalised at 17 locations. Online help desk has been created for the users of the system. The Customs has also started functioning as certification authority for its domain. Message exchange with community partners like Airlines, Directorate General of Foreign Trade (DGFT), Apparel Export Promotion Council (AEPC) and Directorate General of Commercial Intelligence and Statistics (DGCI&S) has been established.

3.1.3 Drawback & Duty Payment System

3.1.3.1 Nature of Project

Customs duty payments are done electronically by having debit orders issued against exporters/importers bank accounts and crediting the Customs account automatically in the Bank. Duty notices and advice of payments are integrated with Customs ICES system. The drawback payments to exporters have also been automated through ICES, directly advising the bank to credit the accounts of Cargo Handling Agents (CHA).

3.1.3.2 Status

The bank branches are connected with the Customs EDI system for duty payments and drawback disbursements. Message exchange for import duty payment is operational at 17 locations. Export – Drawback scroll is sent electronically at all locations. Export cess collection is operational at 15 locations.

3.2 Port sector

3.2.1 Port EDI system

3.2.1.1 Nature of Project

There are eleven major Ports (Calcutta, Chennai, Cochin, Tuticorin, Mumbai, JNPT, Goa, New Mangalore, Vizag, Kandla and Paradip) out of which the six are container handling ports i.e Calcutta, Chennai, Cochin, Tuticorin, Mumbai and JNPT. These ports are implementing systems for Efficient cargo management and tracking, Port Automation, Uniform procedure/documentation, Electronic sharing of information with all trading partners like Customs, Container Corporation of India Ltd. (CONCOR), Banks, Shipping lines, Freight Forwarders, Advance shipment information availability at all ports etc.,

3.2.1.2 Status

All 11 major ports are equipped with hardware, software and networking. This covers 75% of sea trade. The electronic interface with Customs (at 9 ports), Banks, shipping lines, agents, freight forwarders etc. is operational. A web based system is being developed to provide a single window message exchange with community partners. The system scope would cover minor as well as private ports also.

3.2.2 Container Management System

3.2.2.1 Nature of Project

A system for having interface for Electronic sharing of information with trading partners like Customs, Port Trusts etc., and automation for efficient cargo movement and cargo tracking is under process.

3.2.2.2 Status

All 9 domestic and 36 international locations are interconnected by VSAT/ISDN link. The roll out for uniform automation at all EXIM locations has been completed. Message interface with Customs is operational at Tuglakabad and Ahmedabad. An online container/consignment tracking system is operational, which is integrated with Indian Railways to provide exact location of container on a route. A web based community partner message exchange system has also been made operational.

3.3 Air Sector

3.3.1 Nature of Project

The community partners in Air sector facilitates EC/EDI based processing into the clearance of export and import consignments. The community partners in this case are Airports Authority of India(AAI), Airlines, Customs, Banks, Agents etc. The EDI based cargo handling system and Electronic interface between trading partners is to be established.

3.3.2 Status

The Integrated Cargo Management System (ICMS) is operational at Delhi, Mumbai, Chennai and Kolkata. A web based system for AAI's electronic interface with Airlines, Agents, Banks etc. has been developed. The system provides interface with airlines, agents, banks etc. The integration of automatic data capturing tools in the automation of AAI is also being done. Three more international airports i.e. Hyderabad, Bangalore and Trivandrum have established EDI based interfaces.

3.4 Financial Sector

3.4.1 Nature of Project

The project is for implementation of intra-bank, inter-bank, and bank-user electronic interface establishment for facilitation of electronic receipts/payments.

3.4.2 Status

Around 25 major public sector and private sector banks have launched net-banking services. Real Time Gross Settlement (RTGS) has been made operational from March 26, 2004 by the Reserve Bank of India. The system provides for inter-bank settlement of funds on a real time mode.

All export intensive centers (106 centers identified for the purpose) are connected through VSATs and can push electronic transactions. The digital signatures are available through Institute for Development & Research in Banking Technology for banking sector. Electronic interface with Customs, DGFT, Ports like Chennai, Cochin, Tuticorin, Mumbai, JNPT, AAI has been established.

**COUNTRY PROGRESS REPORT
JAPAN
JAPAN EDIFACT COMMITTEE (JEC)**



SECTION I - GENERAL CONDITION UPDATE

1.1 Status of EDI in 2003

Regarding the EDI status, ECOM (Electronic Commerce Promotion Council of Japan) carried out the survey in the beginning of 2004. Actual data were received from 463 companies out of 2,890 companies.

According to the research, 78% of companies have implemented EDI. The main industries are Electronic manufacturing, Wholesale, Trading, Transportation and Warehousing.

Regarding the kind of communication line, 81.7% of companies use internet, 64% use VAN, 61.2% use public line and 26.9% use leased line. Internet EDI includes such as Web-based EDI, File-transfer EDI and e-mail EDI.

As for XML/EDI, only 9.0% companies have introduced and 2.3% companies are under consideration. 12.7% companies are planning to introduce it within 3 years. The number of companies that introduced XML/EDI is gradually increasing comparing with those of previous years.

1.2 Electronic Government

In 2001, Government announced and compiled "e-Japan Priority policy Program", an IT policy package, taking the initiative in establishing an environment where the private sector, based on market forces, could exert its full potential and make Japan the world's most advanced IT nation by 2005.

In July 2003, The IT Strategic Headquarters adopted "e-Japan Strategy II".

In order to accelerate implementation of this and to achieve the goal of turning Japan into the most advanced IT nation in the world by 2005, the e-Japan Strategy II Acceleration Package was adopted in February 2004 and clarify the priority measures that need to be addressed by the government.

Five areas are picked up where priority is given for achievement:

- (1) International IT Strategies in Asia
- (2) Reinforcement of Security Measures
- (3) Promotion of Content Measures
- (4) Promotion of IT Regulatory Reforms
- (5) Promotion of e-Government and e-Local Government

When implementing this package, emphasis will be placed on the perspective of users and collaboration between government ministries and agencies will be reinforced and promoted.

1.3 Single Window System

The "Single Window" can be described as a system whereby all the trade related information and/or documents need only be submitted once at a single entry point.

This will expedite and simplify the information flows between trade and government and brings meaningful gains to all parties involved in international trade.

Japanese Government introduced in July 2003 the Single Window System by linking three major systems relating to international trade which are, Port EDI System, Nippon Automated Cargo Clearance System (NACCS) and Crew Landing Permission Support System. The system also covers a wide-range of trade related procedures such as animal quarantine, plant quarantine and port clearance.

1.4 Internet Users

According to Information and Communication White Paper 2004, it is reported that internet users in Japan are 77.3 million at the end of 2003. It was 69.4 million in 2002, 55.9 million in 2001, so almost 10 million new users joined in a year. The White Paper reports that the number of internet users in Japan exceeded 60% of the population for the first time.

SECTION II – EDIFACT/EBXML/XML BASED STANDARDS DEVELOPMENT

2.1 Message Development Activities

2.1.1 Japan Electronics and Information Technology Industries Association (JEITA)

JEITA is a new industry organization established in November 2000 by merging the Japan Electronic Industry Development Association (JEIDA) and Electronic Industries Association of Japan (EIAJ) to enter the 21st century. Its activities cover both the electronics and information technology (IT) fields. Within the JEITA, the EDI Center plays the role of promoting standardization which has been executing activities together with the vendors and buyers, focusing on the EIAJ-EDI Standards in order to exchange business transactions.

JEITA uses EIAJ-EDI Standard based on CII syntax rules, a domestic business protocol standard, developed by the Center for the Informatization of the Japan Information Processing Development Center. The EIAJ-EDI Standard was established for promoting electronic ordering of materials in the electronic manufacturing industry, and has been revised as appropriate every two to three years. The latest version was issued in December 2001.

In December 2003, JEITA released "ECALGA (Electronic Commerce Alliance for Global Business Activities)" as EDI brand for the new era. "ECALGA" is intended to widely offer the solutions to the changing needs of new EDI in the Electronic industry, through newly developed messages which are to reflect the real time exchange of a forecast and stock information. At the same time, "ECALGA" changes EIAJ-EDI Standard to the ebXML base. "ECALGA" seamlessly combines all the business processes among the enterprises in the various fields including, but not limited to, the business segment of planning, designing, development, production, distribution and sales.

2.1.2 The Distribution Systems Research Institute (DSRI)

DSRI, a member of EAN International, facilitates EANCOM (UN/EDIFACT subset) as the industry EDI standards for Japanese retail and distribution industry since 1997.

Since 2000, DSRI has been developing XML/EDI Distribution Standard messages for the grocery industry. In 2002, message development and preparation of Reliable Messaging Protocol guideline have been carried out as follows:

- 1) Development of an XML schema with 3 messages consisting of products master, purchase order and dispatch schedule.
- 2) Review and classification of necessary data items, based on data items for JEDICOS.
- 3) Preparation of XML tags in Japanese and English languages, taking into consideration international standard specifications.

2.1.3 Japan Shippers' Council (JSC)

JSC has been actively involved in UN/EDIFACT promotion and popularization activities. They have done this as a management body of the Japanese trading industry in response to the industry's expectations. UN/EDIFACT messages have been penetrating in the trading industries. Regarding XML/EDI area, the ebXML has been penetrated into JSC members as an international standard in XML/EDI works.

2.1.4 The TEDI Project

Since TEDI operating companies started commercial service in November 2001, TEDI has worked out not only to conduct various pilot tests but to define rules and practices with PAA (Pan Asian E-commerce Alliance) members to achieve electronic cross-border transactions in Asian region and succeeded to bring some of them into live operation. PAA developed standard messages using XML and adopted ebXML MS V2.0 as communication protocol and is studying to upgrade the standard messages based on ebXML in cooperation of ECOM.

More information regarding TEDI, can be obtained through the following web site.

TEDI Club	http:// www.tediclub.com
Japan Electronic Trade Service, Inc.	http://www.jets-tedi.com
TEDI Advanced Network, Inc.	http:// www.tedianet.com
PAA	http://www.paa.net

2.1.5 Nippon Automated Cargo Clearance Systems (NACCS)

(1) Current System

Japan has two automated customs clearance systems named "the Nippon Automated Cargo Clearance Systems for sea-cargo (Sea-NACCS) and for air-cargo (Air-NACCS)". These systems are operated by NACCS Operations Center established in 1978 by the joint funding of the government and private sectors.

Now these systems process approximately 90 % of all import and export customs declarations. Since 1997, these systems permit legal procedures related to non-customs application systems, such as "FAINS (Food Automated Import Notification and Inspection Network System)" of the Ministry of Health and Welfare, "PQ-NETWORK (Plant Quarantine NETWORK)" and "ANIPAS (Animal

quarantine Inspection Procedure Automated System)" of the Ministry of Economy, Trade and Industry.

(2) Sea-NACCS

Sea-NACCS was redeveloped based on UN/EDIFACT standards in October 1999 according to the resolution made by the Osaka APEC Customs Group in October 1985. The system's ability of on-line processing of import procedures has been expanded to process at port arrival, unloading, import declaration, and approval of import stages. Export procedures have been expanded to transferring of cargo from the bonded area, export declaration, approval of export, loading, and departure.

Sea-NACCS adopted UN/EDIFACT in submitting arrival report and list of loaded cargo, application for departure, etc. UN/EDIFACT Messages used in Sea-NACCS are as follows:

CUSRES (Customs response message)
CUSREP (Customs conveyance report message)
CUSCAR (Customs cargo report message)
CUSDEC (Customs declaration message) *
PAXLST (Passenger list message)
CODECO (Container gate-in/gate-out report message)
COPARN (Container announcement message)
IFTMIN (Instruction message)
APERAK (Application error and acknowledgement message)
CONTRL (Syntax and service report message)

* CUSDEC was decided to adopt in Sea-NACCS, but the time of utilization is now under consideration.

(3) Air-NACCS

Air-NACCS processes from air-port arrival to import declaration of import stages, and from export declaration to departure of export stages. The upgraded Air-NACCS was launched October 2001. The "Air-NACCS Upgrading Sub-group", which consists of experts from government and private sectors in air-cargo customs community, was set up in March 1998 and worked till February 2000. The detailed design of the new Air-NACCS was approved at the "Steering Committee for Data Processing" in March 2000 and was published in June 2000.

2.1.6 EDI in Japanese Financial Sector

In the first half of 2004, no major changes were observed in the area of electronic data interchange (EDI) in the Japanese financial sector.

Since March 1996, a function for financial EDI has been available in Zengin System, an electronic payment system mainly used for domestic credit transfer. Payer firms can attach a twenty-digit matching key, with which beneficiary firms can reconcile commercial and payment date, to payment instructions sent through Zengin System.

This function has been succeeded to its fifth-generation system, which start operation in November 2003. In parallel with the development of the new system, a working group of Japanese Bankers Association examined the possibility to introduce a scheme for financial EDI using XML. However, it has decided not to introduce such a scheme for the time being as there are legal and technical issues to be addressed.

Use of MT103Remit, which is a new message type of SWIFT's FIN for customer payment and has the financial EDI capability, is very limited at Japanese banks. By using MT103 Remit, payers can attach EDI data of up to 9,000 digits and of any type of formats including EDIFACT to a payment instruction. However, Japanese banks use SWIFT messages only in cross-border transactions, partly because the protocol and formats for most Japanese payment systems are incompatible with those for SWIFT.

Turning to C2F area, electronic methods to transfer money between individuals' bank accounts are widely used in Japan. According to a survey conducted in March 2003, funds transfer services are provided through the Internet by 60 percent of the 607 respondent banks. In addition, services using mobile terminals (e.g., mobile phones) are provided by 70 percent of the respondents.

2.1.7 Port Logistics Information Network System (POLINET)

POLINET, operated by POLISA (Port Logistics Information System Association), formerly called as SHIPNETS, is the first cross-industry EDI network system in Japan and has been in service to exchange shipping documents among the freight forwarders, ocean carriers, tally companies and sworn measurers at major sea ports in Japan since 1993.

POLINET has become to handle UN/EDIFACT and (Japan's local) CII standard and proprietary message formats, in addition to the traditional SHIPNETS standard message formats, and expanded the scope of the application areas to cover the import, terminal and container operations, warehouse, land transport and settlement activities, in addition to the export activities since 1998.

POLINET implemented a new Internet EDI system using the Internet technology in February 2001, and after that it has started operations of an enhanced version of the Internet EDI (Phase II) system as well as an "eForwarder" ASP service since April 2002.

The Internet EDI (Phase II) system comprises Web-POLINET and Cyber-POLINET, both of which interface with the traditional VAN-to-VAN POLINET. The system offers a format conversion capability between the Web, SHIPNETS and UN/EDIFACT formats built in the application server. The Web-POLINET has improved the ability to relieve the input burden as well as the easiness to use. It is an economical EDI system easy to use and is suitable to small sized users who have no in-house system.

Meanwhile, the eForwarder ASP service is an outsourcing system covering a freight forwarders business applications package, which is capable to efficiently process the freight forwarders day-to-day operations, including import, export documentation, warehousing, billing activities. The utilization fee for the service is set low as compared to the cost actually developed individually. The users are free from the system maintenance burden and may keep the investment risk minimum. It is expected the eForwarder ASP service will contribute to expedite the diffusion of EDI in the port logistics community in Japan.

In 2002, we carried out an investigation and study of XML/EDI which will be useful for EDI promotion of a medium and small-sized business. As the result, a port & harbor logistics XML/EDI standard guideline (the first edition) was made, and it was published in March, 2003.

In 2003, continuously we carried out a proof experiment to relate to mutual connection and cooperation between private EDI networks using XML/EDI (between POLINET/TEDI, and between POLINET/BOLERO) and devised a guideline of it and announced it in April, 2004. It is expected that it is fixed the environment that can exchange business information between users of a different network seamlessly by this, and it is hoped that convenience of a user improves more.

NACCS center announced "mutual connection EDI specifications" to link Sea-NACCS and a private network in November, 2003. POLISA studied a business plan to connect POLINET/eForwarder ASP and Sea-NACCS on the basis of this specifications. As a result, POLISA let development of a mutual connection system complete by the end of 2004, and plans starting service from the beginning of 2005. Freight forwarders can reduce load of the double input by using this service. Furthermore, a range of the business partner who can exchange EDI spreads and the effect that the EDI ratio becomes high can be expected.

2.1.8 Port & Harbor EDI System

This year's hi-lighted event is that "New SOLAS Pre-arrival Notification" procedure is in service on July 1st 2004.

The "Port & Harbor EDI System" (Port EDI System in short) has been in service since 12th October 1999. WAVE (Waterfront Vitalization & Environment Research Center - non-profitable organization) has been assigned to develop, operate and manage this system by Harbor Bureau of Ministry of Land, Infrastructure and Transport, Japan. The parties concerned of this EDI system are Port Authorities, Harbor Masters and Shipping Lines or their agents.

Since the launch on 12th Oct. 1999, the numbers of participants in the Port EDI System is increasing. As of end of May 2004, 66 Port Authorities, 97 Harbor Masters, 797 shipping lines, their agents or private berths are members of this system.

Shipping lines/agents have two options to transmit data required electronically, by UN/EDIFACT messages or through the web-screen (Web-EDI).

In the 1st stage, two UN/EDIFACT messages, BERMAN (Berth management message - UNSM in D00A) and APERAK have been implemented. Adding these two messages, an application of "dangerous (hazardous) goods handling operations (IFTDGN)" has been implemented in October 2000, thence expand to other major ports within this year. In order to implement IFTDGN, we cooperated with PROTECT Group (a users group to develop a harmonized user guidelines in Europe, and their latest version of user guidelines was endorsed as an international standard by IMO) to develop the harmonized message implementation guideline (MIG). Furthermore, we are modifying/changing BERMAN to cover more functions of pilot/tugboat service requirements in cooperation with TBG3 (Transport Sub-working Group under TBG).

Adding IFTDGN, two applications "vessel's long term schedule and previous called port information (IFTSAI)" and "Passengers' and crews' information (PAXLST)" also have been implemented in October 2000.

With regard to the reducing redundant input data item issue, we are collaborating with the customs authority, the immigration authority and the quarantine authority to provide an electronic data input environment for users

(shipping lines/agents), so-called "Single Window (SW) " methodology. This is in service in July 23rd 2003, and once users transmitted Port-in/out related declaration or application data to the portal system, the data is automatically transferred to the related authorities. In Japanese SW, both the Port EDI system and the Sea-NACCS system play a part of portal system. The Port EDI system provides three input methods which are a web screen input, an application program on user PC and UN/EDIFACT messages, for the SW portal system.

Lastly WAVE has been dispatching their representative to various international meetings, such as ICG (UN/CEFACT's Information Content Management Group), TBG3/ITIGG (an official subgroup of TBG3 to develop harmonized MIG's) and other global users' group (SMDG) so as to develop and implement harmonized MIGs to be used in our system.

2.1.9 EDI in Japanese Automobile Industry

JAMA and JAPIA (the Japan Auto Parts Industries Association) are jointly working towards EDI standardization in the Japanese automobile industry. Major objectives include the standardization of EDI messages by applying UN/EDIFACT, document formats and industry networks under the JNX system.

Composed of Japan's 14 automobile manufacturers, JAMA has 10 general committees whose purpose is to address industry issues. The Electronic Information Exchange Committee is in charge of information issues such as EDI.

JAPIA, whose membership comprises about 450 auto parts suppliers, has an organization similar to that of JAMA and both associations work together in a close relationship.

Traditionally, each Japanese automobile manufacturer formed its own closed circle of companies that supplied auto parts exclusively to that manufacturer.

Each such group established its own order and purchase system to ensure convenience and efficiency in intra-group transactions.

That traditional system underwent a gradual evolution, however, and today business transactions beyond one single group are becoming an industry norm.

The change began when automobile manufacturers started to purchase auto parts from outside the established groups and when auto parts suppliers started to supply to non-traditional customers.

This meant that every business transaction was required to have multiple lines in the order and purchase system in order to meet the needs of the new business relationship.

The inefficiency inherent in this mode of operation ultimately mandated the formation of one single standardized system for the entire industry.

Against this background, the JNX network system was established in 2000.

Currently more than 800 companies are connected to JNX, thereby enabling connection with any automobile manufacturer and parts supplier by one circuit.

The decision to adopt UN/EDIFACT to achieve the standardization of EDI formats was made by JAMA's Electronic Information Exchange Committee in August 2000 for implementation as of fiscal year 2003. The committee was convinced that the

adoption of an international standard such as UN/EDIFACT would have tremendous value in view of anticipated globalization trends in the industry.

Various message guidelines based on UN/EDIFACT were developed to cover the following transactions of auto parts:

- 1) Order and delivery instructions
- 2) Shipping and receiving
- 3) Invoicing and payment

Major messages for the above are: DELFOR, DELJIT, DESADV, RECADV, INVOIC.

Message guidelines for supplementary messages, i.e., OSTENQ, OSTRPT, PROTAP, APERAK, and CONTRL, were also developed.

All these can be downloaded from the JAMA Web site.

In addition, the following reference materials have been published:

- 1) An EDI transaction standard manual
- 2) Translator implementation guidelines

Beginning in fiscal year 2003, JAMA member companies implemented UN/EDIFACT on the basis of JAMA standards and at present 13 automobile manufacturers are sending data by UN/EDIFACT. Because implementation is still selective, JAMA intends to further promote EDI transactions adhering to UN/EDIFACT standards in order to take full advantage of the system.

2.1.10 Travel, Tourism and Leisure (TT & L)

The initial EDI activity in the travel related industry in Japan started in 1992 soon after the establishment of TT&L work group in UN/EDIFACT. In order to internationally sell Japanese travel products, more than 30 travel related companies and associations have kept working to normalize the travel related business processes and data using XML/EDI based on the standards and specifications of UN/CEFACT Forum and OTA (Open Travel Alliance). The progressing working results on the Japanese specific lodging houses (Ryokan) will be submitted during this year to UN/CEFACT Forum to be facilitated in the small scaled lodging houses project. The first TT&L EDI meeting with Taiwan was held this year in Taipei among the travel related industries of the two countries. This activity will be maintained between the two countries to be expanded to many other Asian countries.

2.2 Education and Awareness Programs

2.2.1 JEDIC (Japan Electronic Data Interchange Council)

JEDIC holds seminars for education and awareness of EDI every year on a quarterly basis. The programs focus on i) the introduction to EDI, ii) the current status of EDI in the leading industries, iii) EDI over the Internet, iv) cross-industry EDI, v) ebXML technical standards, vi) e-Japan strategy of the national government, vii) e-market place in various industries, viii) the IT revolution, ix) an overview of ebXML, x) core component usage, xi) the introduction of UN/CEFACT Modeling methodology, xii) the basis of IC tags(RFID) and traceability, and so on.

2.2.2 ECOM (Electronic Commerce Promotion Council of Japan)

ECOM holds seminars every month. The contents of programs include i) the information technology and management strategy, ii) Electronic

Commerce(EC) and IT investment, iii) EC and social economy, iv) EC and legal issues, v) EC and the protection of personal information, vi) alternative dispute resolution, vii) electronic government services in many overseas countries and Japan, viii) mobile EC and electronic account settlement, ix) EC and supply chain management, x) logistics and EC, xi) the measure of EC diffusion in small and medium-sized enterprises, and so on.

2.2.3 JASTPRO (Japan Association for Simplification of International Trade Practices)

JASTPRO holds "EDI seminar" every year. The contents of the programs include;

- 1) Current status of Trade Facilitation and EDI
- 2) Characteristics of Japanese EDI in trade area
- 3) Port EDI system under single-window service
- 4) Japanese trade EDI activities with Asian counterparts

2.3 Status of ebXML Development

For implementing the e-Business Collaboration based on ebXML, the Model Sharing among the related business entities is the key. The Electronic Commerce Promotion Council of Japan (ECOM, Chairman: Fujio Cho, President of Toyota Motor Corporation) organized eight projects for developing the Business Process Models and the Business Information Models using the standard way of Modeling (UMM: UN/CEFACT Modeling Methodology and CCTS: Core Component Technical Specification). In four of the projects, it has been made an attempt to implement these models into ebXML environment.

The following table shows the list of those projects.

Organization	Project	Overview
JIFS & KOSA	J-K Steel Joint Project	To exchange the quality report between a maker and a customer.
KIDS Forum	Steel Traceability Project	The experimental project for the steel traceability using RFID.
JEITA	Specification Exchange	To exchange the specifications for the ordered parts between a maker and a supplier.
JEITA	Custom Parts Order Entry	To exchange the timely order information between the maker and the supplier.
JILS	Small Lot Consignment	To realize the electronic collaboration for handling the small lot consignments.
HIIS	House Building Material Order Entry	To analyze the house building material and equipment order entry process.
Travel EC Promotion	Hotel Informatization	To build up the information model for the Japanese style hotel (Ryokan) service.
JPIC	Publishing Traceability	The experimental modeling project for the publishing distribution using RFID.

Besides, ECOM started the National Registry and Repository project for providing the reusable Business Models to the industries in Japan. Up to now, the models which were developed through the eight projects have been registered in the National Registry and Repository prototyped.

2.4 Working Groups and Committees

2.4.1 JEC

Japan EDIFACT Committee (JEC) was established in July 1990 as a supporting organization for UN/ECE/WP.4 (currently UN/CEFACT) and Asia EDIFACT Board (currently AFACT). JEC is composed of committee members representing various field of industry, which includes trade, finance and manufacturing. JEC member details are shown separately. JEC sends delegates to AFACT meeting every year.

2.4.2 TAG (Technical Assessment Group)

With regard to the development of UN/EDIFACT standard messages, TAG has been playing a key roll in technical support by making technical assessment of DMR(Data Maintenance Request) from UN/EDIFACT users in Japan. TAG members have reviewed the translated MDR (Message Design Rule Rev.5 & Rev.6), main points of EDIFACT Syntax Rules Ver. 4, as well as Ver.1.2 of MACH (Message and Code Handbook) and they had nine meetings in 2003. They also studied about XML/EDI in line with the UN/CEFACT Forum groups work.

2.4.3 Japan Committee for UN/LOCODE

UN/LOCODE has been in use in Sea-NACCS and Port EDI system since 1999. For the purpose of successfully introduce these systems, the committee was established in 1997. Currently the number of the registered UN/LOCODEs for Japan counts 1,622 in comparison with 400 at the beginning. The roll of the committee is to maintain the codes and make a request for new codes in Japan. In the future, it is intended to enhance the roll of the committee to encompass UN codes other than locations.

2.4.4 Special Committees

(1) Port Entry Procedures Simplification Committee

In order to facilitate maritime traffic, it is important to simplify and reduce the formalities, documentary requirements and procedures on the arrival, stay and departure of ships engaged in international voyages. It is also important to regulate the procedures based on a world standard. For this purpose, International Maritime Organization (IMO) has adopted "Convention on Facilitation of International Maritime Traffic (IMO/FAL convention)" in 1965 and is so far ratified by 94 countries that include most of maritime industrial nations, except Japan. The committee exercises preparatory studies for possible implementation of the convention by Japanese government.

(2) Trade Network System Research Committee

The committee member visit an oversea country in order to study and research trade network systems from the viewpoint of trade and procedures facilitation. The outcome is reported to the trade industries and authorities concerned. The committee visited Malaysia in 2002 and UK in November 2003.

(3) Trade Procedures for XML/EDI Implementation Research Committee

XML/EDI using internet is the hottest theme in EDI business. XML/EDI is regarded the next-generation EDI that resolves the problems in legacy EDI and Web-based (Internet) EDI. JASTPRO launched this committee in order to study

possibility of introducing XML/EDI concept into trade procedures. This approach is important to re-use resource of UN/EDIFACT and to keep inter-operability between UN/EDIFACT and XML/EDI. The committee continues to extend their efforts to simplify tag name for data element in UN/EDIFACT and explores the area of trade procedures based on object-oriented model.

**COUNTRY PROGRESS REPORT
REPUBLIC OF KOREA
TRADEGATE AUSTRALIA
KOREA INSTITUTE FOR ELECTRONIC COMMERCE**



SECTION I - GENERAL CONDITION UPDATE

1.1 Overview

With the strong commitment of Korean government to promote eBusiness as well as private sectors' continuous effort to e-transform, eBusiness environment in Korea is continuously improving. The improvement is well recognized by international community and illustrated by Korea's position in various eBusiness related index and ranking.

On the public side, various programs are initiated and managed for the promotion of eBusiness, improvement of eBusiness environment and e-transformation, in addition to the preparation of necessary legal framework and institution. Consequently, trade using electronic commerce in Korea is steadily increasing year by year.

Also, in this global age, for the competitiveness of Korean industry in international trade, eTrade Facilitation Committee is formed and conducted comprehensive eTrade ISP/BPR. Based on the result of ISP/BPR, specific programs are to be planned and launched in the near future.

1.2.1 eReadiness

According to EIU, Korea was ranked 14th in eReadiness ranking in 2004. Korea's rank went up 2 levels this year compared to last year's rank of 16th.

Table 1: eReadiness Ranking

Country	Score (2004)	e-Readiness Ranking		
		2004	2003	2002
Denmark	8.28	1	2	7
Britain	8.27	2	3	3
Sweden	8.25	3	1	4
Norway	8.11	4	7	11
Finland	8.08	5	6	10
USA	8.04	6	3	1
Singapore	8.02	7	12	11
Netherlands	8.00	8	3	2
Hong Kong	7.97	9	10	14
Switzerland	7.96	10	8	4
Canada	7.92	11	10	9
Australia	7.88	12	9	6
Germany	7.83	13	13	8
Korea	7.73	14	16	21
Austria	7.68	15	14	13

(Source: Economist Intelligence Unit)

1.2.2 e-Learning Readiness

According to EIU (Economist Intelligence Unit), Korea was ranked 5th in the world in e-Learning Readiness.

Table 2: eLearning Readiness Ranking

Country	Rank (of 60)	Score (of 10)	Country	Rank (of 60)	Score (of 10)
Sweden	1	8.42	Taiwan	16	7.47
Canada	2	8.40	Germany	17	7.45
US	3	8.37	New Zealand	18	7.37
Finland	4	8.25	Hong Kong	19	7.34
South Korea	5	8.24	Belgium	20	7.19
Singapore	6	8.00	Italy	21	7.07
Denmark	7	7.98	Spain	22	6.98
UK	8	7.93	Japan	23	6.53
Norway	9	7.91	Greece	24	6.52
Switzerland	10	7.72	Malaysia	25	6.48
Australia	11	7.71	Israel	26	6.34
Ireland	12	7.60	Portugal	27	6.33
Netherlands	13	7.59	Chile	28	6.13
France	14	7.51	Czech Republic	29	6.11
Austria	15	7.49	Hungary	30	6.09

(Source: Economist Intelligence Unit)

1.2.3 Digital Access According to ITU Digital Access Index, Korea was ranked 5th in 2002.

Table 3: Digital Access Index

Top Five Countries in International Telecommunication Union (ITU) Digital Access Index, 2002 (rating on a scale of 0-1*)

Rank/country	Rating
1. Sweden	0.85
2. Denmark	0.83
3. Iceland	0.82
4. South Korea	0.82
5. Norway	0.79

*Note: *1= highest access; digital access index values are shown to hundreds of a decimal point and countries with same value are ranked by thousands of a decimal point*

Source: International Telecommunication Union (ITU) Digital Access Index, November 2003

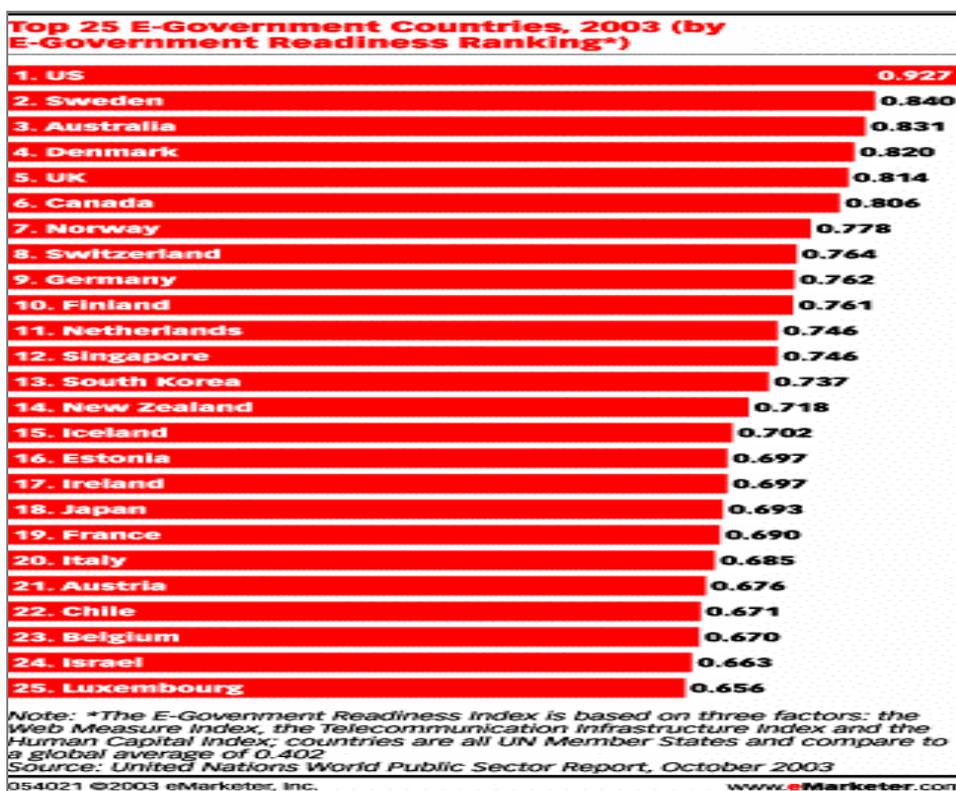
054014 ©2003 eMarketer, Inc.

www.eMarketer.com

1.2.4 eGovernment Ranking

According to United Nations E-Government Readiness Ranking, Korea was ranked 13th in 2003.

Table 4: eGovernment Ranking



1.3 User Status

1.3.1 PC Penetration

As of June 2004, there are 30,930,000 PC users (68.8% of total Korean population) in Korea. 75% of male and 62.6% of female in Korea are using PCs. Among many age groups, 6 – 19 years old had highest PC usage ratio – 96% of age group. The second largest group was in their 20s with 95.3% of usage ratio.

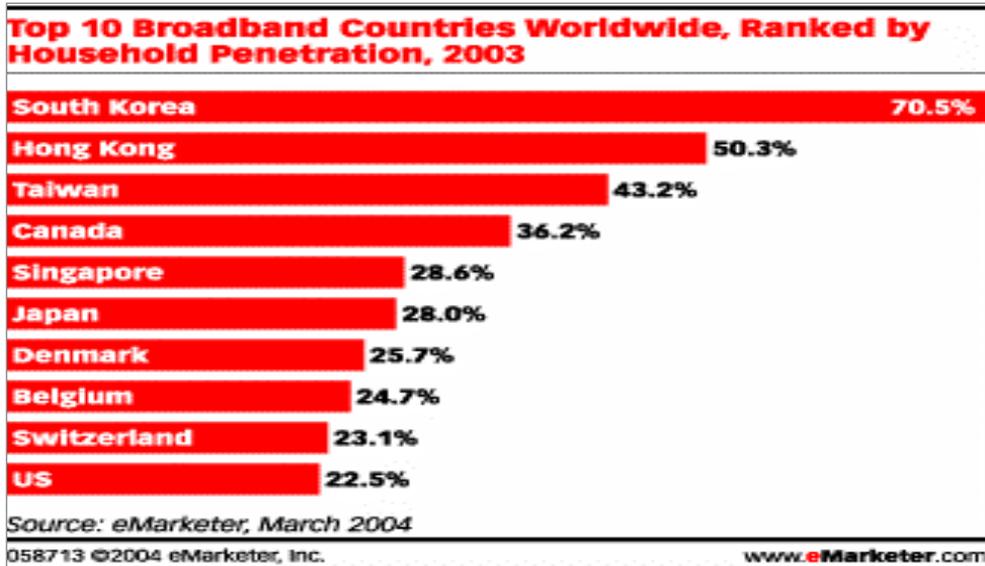
1.3.2 Internet Users

As of June 2004, there are 30,670,000 Internet users (68.2% of total Korean population) in Korea. With the start of 134 users in 1994, the number of Internet users has increased so rapidly up until 2002. And, afterwards, the growth of number is slowing down.

1.3.3 Broadband Penetration

As of June 2004, the ways for Korean household to access Internet are DSL (84%), Cable (11.6%), phone modem (2.4%), ISDN (1.1) and other (0.1). According to eMarketer, Korea was ranked top in world household broadband penetration ranking with the ratio of 70.5% as of 2003.

Table 5: Top Broadband Countries Ranking



1.4 eCommerce Market Status

1.4.1 eCommerce Trade Volume

Table 6: 2003 Korea eCommerce Trade Volume

Unit: Million USD, %

	2003				Total	Percentage
	1/4	2/4	3/4	4/4		
B2B	40,924	43,507	43,239	51,115	178,785	88
G2B	3,483	4,537	3,626	7,052	18,698	9.2
B2C	1,268	1,264	1,311	1,425	5,268	2.6
Other	102	83	80	117	382	0.2
Total	45,777	49,391	48,256	59,709	203,133	100

Source: Korea National Statistical Office, May 2004

1.4.2 Korea e-Marketplaces

Table 7: 2003 number of e-Marketplaces in Korea

Business Area	Number	Percentage
Chemistry	20	7.7
Construction	16	6.2
Agricultural, dairy & marine products, F&B	22	8.5
Steel	9	3.5
MRO	24	9.2
Textile	12	4.6
International Trade	37	14.2
Healthcare	11	4.2
Oil	5	1.9
Machinery & Industrial Materials	31	11.9
Electronics	32	12.3
Other	41	15.8
Total	260	100

Source: Korea National Statistical Office, May 2004

1.4.3 Cyber Shopping Malls

Table 8: 2003 number of Cyber Shopping Malls in Korea

	Number	Percentage
General Retailers	343	10.2
Specialized Retailers	3,015	89.8
Total	3,358	100

Source: Korea National Statistical Office, May 2004

1.4.4 G2B Market

Table 9: 2003 G2B Market Size in Korea

Unit: Million USD, %

	2002		2003	
	Amount	Percentage	Amount	Percentage
Purchase of Goods & Services	5,882	40.8	7,270	38.9
Construction	8,534	59.2	11,428	61.1
Total	14,416	100	18,698	100

Source: Korea National Statistical Office, May 2004

SECTION II EDIFACT/EBXML/XML BASED STANDARDS DEVELOPMENT

2.1 EDIFACT/XML based Standards Development

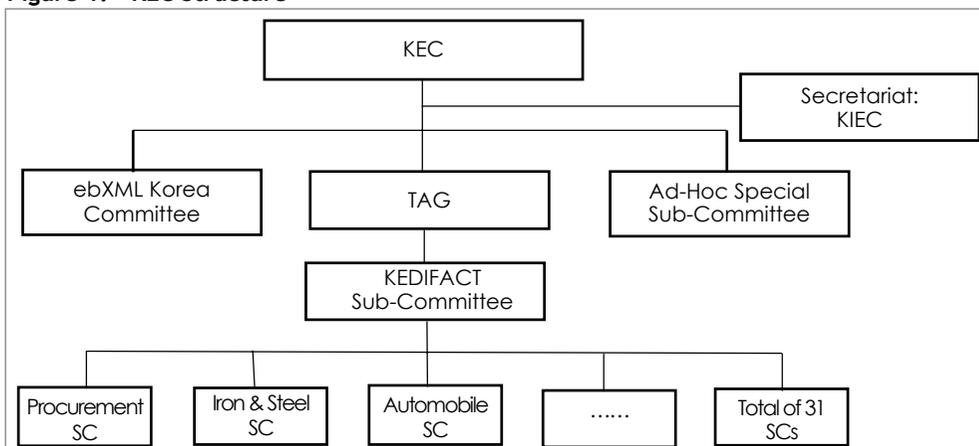
2.1.1 Overview

In Korea, electronic messages are standardized by KEC (Korea EDIFACT Committee). KEC was established in 1992 and, after some name change, the current name was adopted in 1999. Even though its name indicates EDIFACT, KEC standardizes XML/EDI messages, XML messages as well as EDI messages.

2.1.2 Structure of KEC

KEC is managed by Secretariat organization, which is KIEC. Under KEC, there are TAG, ebXML Korea Committee, KEDIFACT Sub-Committee and Ad-Hoc Special Committee. TAG (Technical Assessment Group) checks the validity of the submitted messages; ebXML Korea Committee deals with adoption and promotion of ebXML in Korea; KEDIFACT Sub-Committee is composed of 31 sub-committees covering each industrial domain; and Ad-Hoc Special Committee handles such standard issues as codes.

Figure 1: KEC Structure



2.1.3 Standard Message Development Status

Since 1992, 354 Korea standard messages (242 EDI, 53 XML/EDI and 38 XML) were developed and published. In 2003, 21 EDI messages & 38 XML messages were developed and 18 EDI messages were abolished.

Table 10: Korea Standard Electronic Messages

Category	Domain	Number of Message Developed
EDI	Trade	37
	Insurance	4
	Transport	1
	Sea Transport	38
	Land Transport	6
	Finance	31
	Healthcare	11
	Electronics	20
	Customs	39
	Distribution	19
	Iron & Steel	11
	Shipbuilding	21
	Common	3
Sub Total	242	
XML/EDI	Trade	27
	Insurance	4
	Textile	22
	Sub Total	53
XML	Procurement	15
	Electricity	17
	Iron & Steel	5
	Electronic VAT Bill	1
	Sub Total	38
	Grand Total	354

2.2 ebXML Development

2.2.1 Overview

ebXML is an international eBusiness standard jointly developed by UN/CEFACT and OASIS for the creation of single global market. As the focal point of UN/CEFACT and a member of OASIS, KIEC has consistently and actively promoted ebXML in Korea. Consequently, ebXML is gradually adopted by more and more Korean industrial sectors.

2.2.2 ebXML Promotion Programs

- Participation in and contribution to ebXML Standardization activities
 - 4th UN/CEFACT Forum Meeting (Bonn Germany, Mar. 2004)
 - 10th UN/CEFACT Plenary (Geneva, May 2004)
 - 11th ebXML Asia Committee Meeting (Wuhan China, May 2004)
- ebXML Korea Committee
 - Established on February 2000
 - Composed of Korean IT professionals from universities, research institutes, and leading IT enterprises
 - Follow-up and research on the work progress of ebXML

- Research on the implementation of ebXML in Korean environment
 - Support the ebXML standardization and promotion work of KIEC
- c. eBusiness/ebXML Workshop
- For the purpose of promoting eBusiness/ebXML in Korea and providing real-time information on the global eBusiness/ebXML work to Korean community
 - Held 11th Workshop (Apr. 2004)
- d. Korea ebXML Standardization Website (www.ebxml.or.kr)
- Established on May 2000.
 - Provision of ebXML specifications translated in Korean & ebXML related information
 - The role of window for market to interact
- e. 2004 ebXML White paper (Handbook)
- Comprehensive handbook on ebXML technologies and progress status
 - Written jointly by many Korean ebXML experts
 - Published in February 2004
- f. Korea ebXML Central Registry & Repository (REMKO) (www.remko.or.kr)
- Established on May 2001
 - Based on ebXML RIM ver. 2.0 and RS ver. 2.0 with federation function of ver. 2.5
 - First ebXML Registry & Repository in the world
 - To be linked to multiple domain ebXML Registry & Repository (ex. Steel R&R)
- g. XML Message development Guideline
- XML message design rules used by Korean industry
 - Based on multiple international efforts such as ebXML CC, UBL, EDIFACT, xCBL, OAG, BOD, etc. with primary focus on UN/CEFACT XML NDR (Naming & Design Rules)
 - Version 1.0 developed in 2002 and Upgraded to version 2.0 in 2003

2.2.3 ebXML Adoption

- a. ebXML Registry & Repository
- Korea Central Registry & Repository (KIEC)
 - Iron & Steel Industry Registry & Repository (POSDATA)
 - Trade Sector Registry & Repository (KINET)
 - ebXML Registry & Repository software: Innodigital, POSDATA, KINET, HanMaek, etc.
- b. ebXML Messaging Service solutions (Version 2.0)
- KINET, Innodigital, ManMaek Infotech., Esumtech, Samsung SDS, Dasan Tech., POSDATA, ETRI, etc.
 - ebMS interoperability test through eAC ITG is still on-going.
- c. ebXML CPPA Composer software: Innodigital, POSDATA, ETRI
- d. ebXML BP Engine (Based on BPSS): Innodigital, HanMaek Infotech. and POSDATA
- e. ebXML CC Editor: Esumtech, POSDATA and ETRI
- f. Adoption by Korean Industrial Sectors
- Iron & Steel industry
 - Bankasurance (insurance business in bank)
 - Distribution
 - Moulding, watch, bio-industry and publication (at the message level)

2.3 Other XML Based Standards Development

2.3.1 Web Services

- a. Korea government plans to implement web services in public systems on a pilot basis.
- b. The target public projects are as follows:
 - Anti-disaster Weather Information System
 - Military Defense Service Duty Checking System
 - Missing Children Information Sharing Service System
 - Integrated IT Plaza Portal of Cheju Island
 - eBusiness Information Relay System
- c. Various web services standards (SOAP, UDDI, WSDL) are to be used.

2.3.2 RosettaNet

- a. RosettaNet Implementation by Korean Companies
 - Dae Duck Electronics (in process)
 - Samsung Electronics
 - Hynix
 - TriGem Computer
- b. RosettaNet Solution Development
 - CTBIT RosettaNet+ jointly developed by RosettaNet Korea and HANDYSOFT (CubicThink)
 - One of 7 solutions in the world certified by RosettaNet Ready™ Compliance Center
 - Adopted by TriGem Computer and Dae Duck Electronics (in process)

2.3.3 UBL (Universal Business Language)

- a. UBL Korean Localization Subcommittee was established
- b. Production of UBL content in Korean language is planned
- c. Monthly meeting is held and managed by Korea KALS/EC Association

SECTION III – TRADE FACILITATION/EBUSINESS/ECOMMERCE RELATED PROJECT UPDATES

3.1 eBusiness Programs/Projects

3.1.1 e-Learning

- a. Enactment of "e-Learning Industry Promotion Act" (Jan. 2004)
 - KIEC – designated as an e-Learning promotion agency
 - Korea e-Learning Industry Association was established
- b. Purpose
 - Promotion of Korean e-Learning industry
 - Expansion of e-Learning by establishing industrial foundation
 - Facilitation of industrial competitiveness through policy study, standardization, international cooperation, human resource development, promotion program, etc.
- c. Main Activities
 - e-Learning policy studies

- Research on market (industry, college, public organizations) status
- Setting short and long-term policy directions and preparing specific programs
- e-Learning Standardization
 - Launching standards-based pilot projects and enhancing domestic standard activities
 - Participation in & Contribution to such standard bodies as ADL, ISO, ASTD, IMS, etc.
 - Establish and operate ADL Co-Lab in Korea
- Human resource development
 - Assessment of e-Learning human resource market demand and setting relevant policy direction
 - Preparation of e-Learning human resource development curriculum for college and industry
- Promotion programs
 - Operation of e-Learning Policy Forum for relevant policy development
 - Regular seminars for dissemination of relevant information and technology
 - Professional exhibition for industry motivation and overseas market access
 - Finding e-Learning best practices and success cases
 - Publication of comprehensive e-Learning White-paper

3.1.2 eTrust Certification Program

- a. Purpose
 - Protection of consumers under e-commerce environment
 - Guarantee of safety and convenience in online trade
 - Increase of consumers' trust on e-commerce
 - Provision of guideline to those who want to open commercial websites
- b. Managed by Korea Institute for Electronic Commerce
- c. Number of websites with eTrust Mark (As of Jul. 2004)
 - 56 websites
- d. Program Description
 - Application Area: Finance, Auction, B2B, Trade, Various types of cyber-malls, etc.
 - Period of Certification: yearly
 - Operation of eTrust Mark Committee
 - International Cooperation: BBB of USA, Online Shopping Trust of Japan, CNSG, etc.



3.1.3 ECOM (Electronic Commerce Mediation Committee)

- a. Purpose
 - Mediation and resolution of disputes in e-commerce
 - Mediation and resolution of disputes among consumers, EC companies and related companies
- b. Managed by Korea Institute for Electronic Commerce
- c. Number of disputes received and mediated

Table 11: The Number of Application for Dispute Resolution

Year	Number of Application
2000	83
2001	457
2002	854
2003	1,151
July 2004	573

d. Program Description

- Mediators: a pool of 23 professionals
- Mediation Fee: free of charge
- Closed Mediation Procedure for the Protection of Parties' privacy
- Rapid Settlement of Disputes (Within One Month)
- Operation of Cyber Mediation System for fast mediation



3.1.4 ECRC (Electronic Commerce Resource Center)

a. Purpose

- Expansion of e-commerce to local areas
- Overcoming the Digital Divide

b. Managed by Korea Institute for Electronic Commerce

c. Number of Centers: Total of 39 centers



Figure 2: Locations of ECRCs

d. Program Description

- Training and educating e-commerce specialists
- Provision of Consulting and technical guidance on e-commerce
- Promotion of e-commerce technology and information
- Provision of government's e-commerce promotion policies
- Development of industry-university joint cooperation system for the promotion of e-commerce

3.1.5 eBusiness Human Resource Development Center

a. Purpose

- Fulfillment of market demand for e-business specialists
- Development of specialized human resource development program
- Nurturing eBusiness instructors and consultants

b. Managed by Korea Institute for Electronic Commerce

c. Program Description

- Financial Support to Colleges with e-Business Program

- Financial support to e-Business Graduate school with Industry-Academy joint program
- Operation of e-Business Human Resource Development Center
- Opening of Women's e-Business Cyber Academy
- Gold Card (Program for attracting overseas good human resources)
- Database of e-Business best practice cases library)

3.1.6 B2B Pilot Project

- Purpose
 - Improvement of efficiency and competitiveness of Korea industry by innovating vertical business process and transitioning to network system
 - Preparation of infrastructure to expand e-commerce to all industries
- Managed by Korea CALS/EC Association
- Program Description
 - E-commerce base for enterprises in specific domain to do e-commerce each other
 - Purchase/procurement system of enterprises through e-commerce
 - Promotion of efficiency in distribution by connecting to Comprehensive Distribution Network and foreign procurement network
 - Setting e-commerce standard
 - Support for e-commerce of SMEs
 - With the addition of 6 more industries this year, there are 46 industries

Table 12: B2B Pilot Project Industrial Sectors

Industry		Industry	
1	Electronics	24	Animation
2	Textile	25	Glasses and Optics
3	Automotive	26	Toys
4	Distribution	27	Utility Equipment
5	Electric Power	28	E-commerce Support Consortium
6	Iron & Steel	29	Papers
7	Machinery	30	Environment
8	Ship-building	31	Jewelry
9	Bio-industry	32	Pottery
10	Watches and Clocks	33	Industrial Mineral Materials
11	Fasteners	34	Stationary
12	Instruments	35	Food
13	Agricultural and Dairy Products	36	Medical Utensils
14	Construction	37	Battery
15	Precision Chemistry	38	Casting
16	Metallic Pattern	39	Shipping (carrying)
17	Oil	40	Flower Distribution
18	Corrugated Cardboard	41	Measuring Machinery & Tools
19	Furniture and Wood	42	Industrial Arts
20	Logistics	43	Marine Products
21	New Ceramic	44	e-Learning
22	Semi-Conductor Equipment & Automation	45	Franchise
23	Non-Iron Metals	46	Industrial Plant

3.1.7 Other Programs

Table 13: Miscellaneous eBusiness Promotion Programs

Program	Description
e-Transformation of 30,000 SMEs	Support IT application and use by SMEs
eBusiness Technology Development Support	Support the development of core ebusiness related technologies for ebusiness competitiveness of Korea at a technological level
Small Businesses Networking	Provide support to Korean small businesses with training, consulting, ASP services, etc.
eBusiness Roadmap 2010	Set a mid and long term plan for promoting and facilitating eBusiness
SME ASP Support	Support ASP services to SMEs

3.1.8 New Initiatives

- a. G4B System
 - Comprehensive Government service portal for businesses (Con. G4C)
 - Provision of information, service, training and consulting to businesses
 - To be internetworked with the existing other government portals (G4C & G2B)
 - Pilot system now open (<http://www.g4b.go.kr/>)
- b. Enactment of Law on the Promotion of Electronic Document Use
 - Replace paper document with e-document by providing legal effect to e-document
 - Establish publicly certified electronic document repository
 - Facilitate B2B e-Commerce
- c. eHealth
 - eHealth Working Group was established
 - Plan to launch a research on Korea eHealth industry & market status
 - Cooperate with other countries through international bodies such as ASEM, APEC, etc.

3.1.9 International Projects

- a. PAA (Pan Asia eCommerce Alliances) Project
 - Interconnection among Asian VAN service providers
 - Actively participated by Korea VAN service provider KTNET
- b. POSCO Electronic Procurement System
 - Using Bolero Network
 - 4 messages are exchanged between POSCO-Rio Tinto, etc.
- c. ASEM eTrade Network Project
 - EDI-based Pilot project between Hyundai Motors of Korea and Bosch of Germany
 - To be expanded as a joint Korea-Germany-France-Britain project
- d. Other projects
 - Korea-Japan e-AMP Project
 - Korea-Japan Trade Network Interconnection Project, etc.

3.2 Trade Facilitation

Korean government initiated a new initiative, National eTrade facilitation Committee, to renovate existing trade facilitation measures to effectively deal with rapidly changing trade environment.

3.2.1 Purpose of eTrade Facilitation Committee

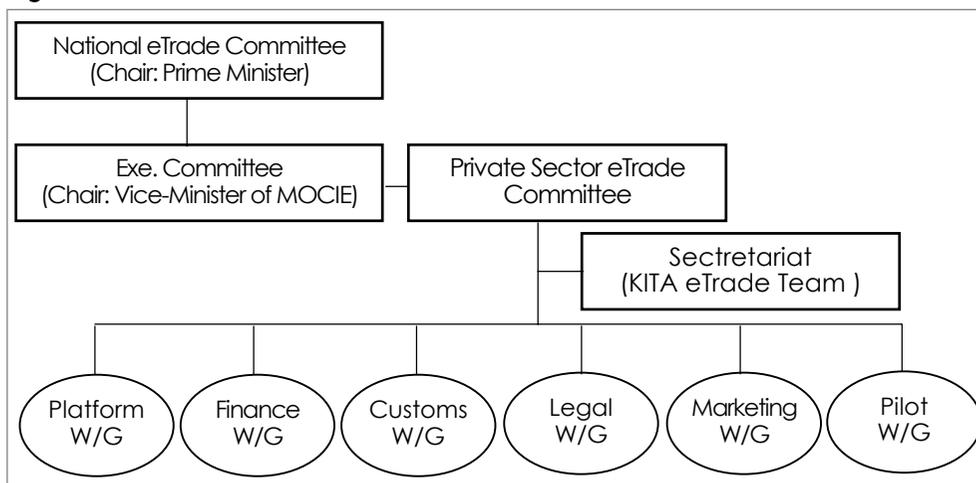
- a. To build eTrade infrastructure, at a national level, more effectively and systematically
- b. To find out problems, issues and solutions for the problems in facilitating eTrade through the committee and its 6 subordinate working groups

3.2.2 Role of eTrade Facilitation Committee

- a. Figure out solutions for the problems in facilitating eTrade in trade process
- b. Nurture an environment for Korean export companies to utilize eTrade
- c. Provide advice to government on measures and policies for facilitating eTrade
- d. Initiate and manage specific programs for building and utilizing eTrade infrastructure

3.2.3 Structure of eTrade Facilitation Committee

Figure 3: Structure of eTrade Facilitation Committee



3.2.4 Activities and Future Plan of eTrade Facilitation Committee

- a. Concentration on the completion of eTrade ISP/BPR this year
- b. Specific projects/programs are to be launched according to the result of ISP/BPR and eTrade Facilitation 3 Year Plan

COUNTRY PROGRESS REPORT SINGAPORE SINGAPORE EDI COMMITTEE



Singapore EDI Committee

SECTION I - GENERAL CONDITION UPDATE

1.1 A Global City at Asia's Crossroad

International businesses, seeking to extend their reach into Asia and the rest of the world, often look to Singapore as a highly preferred base for a successful launch. And executives of multinational corporations readily accept appointments to live and work in the "Garden City".

In Singapore, the pace of commerce is driven by cutting-edge info-communications technology. With direct Internet connectivity to more than 20 countries - at more than 140Mbps to key regional markets such as China, Korea, Japan, Hong Kong, Australia, India and Taiwan, and 4Gbps to the United States - it's one of the most 'connected' city in the world.

Besides having a highly developed technology infrastructure, Singapore is a sophisticated city offering the region's best education, transportation, legal, and lifestyle infrastructure.

Home to a highly educated multilingual workforce, Singapore is renowned for being a business-friendly city, where English is the language of industry, education, and government.

A comfortable and clean city, with some of the most beautiful urban spaces in Asia, this Garden City is also a robust and entrepreneurial island-state, where opportunities abound for corporations and individuals alike.

1.2 A Pro-Business Environment

Singapore's world-class infrastructure, transparent business practices and liberalised telecom market have attracted more than 200 new telecom operators since the telecom and IT markets were liberalised in April 2000.

On top of that, a comprehensive system has been put in place to ensure an open and fair market that promotes both competition and co-operation among telecom players in Singapore.

Public and private sector training programmes sustain one of Asia's most infocomm-savvy workforces. And, some of the world's most flexible immigration laws ensure that businesses can recruit offshore talent when they need it.

Innovation is a way of life in Singapore, thanks to corporate R&D hubs such as Ericsson's Cyberlab, Kent Ridge Digital Labs, and Hewlett-Packard's Mobile e-Services Bazaar.

Singapore nurtures and protects intellectual property. The Intellectual Property Office of Singapore leads a government-wide effort to guard intellectual property rights, and the *Writing Down Allowance for Approved Intellectual Properties* gives favourable tax concessions for innovations created in Singapore.

Singapore is also a natural test bed for new ideas and products. Its multicultural, multilingual citizens are tech-savvy and internationally recognised as 'early adopters'. Internet, mobile telephone and PC penetration rates are among the highest in the world - half of Singapore's households have Internet access, three-quarters of its population carry mobile phones, and 61% of homes own at least a PC. And hand-held devices of all kinds are commonly used for business and leisure, making Singapore a 'living lab' for wireless technologies.

More than 6,000 multinational companies with regional HQs or operations in Singapore bear testimony to its excellent standing among international business leaders and talent. And no wonder: Few countries in the world can match the stability and integrity of Singapore's political and legal systems.

1.3 A World-Class Infrastructure

Located at the crossroads of Asia, Singapore has long been known as a major financial, Infocomm and transportation hub. More than 6000 MNCs have made Singapore their home in Asia. Many use it as a launch pad to expand into the region. They enjoy the benefits of being a part of a world-class business hub with excellent infrastructure, skilled & IT-savvy workforce, pro-business government policies and a stable environment.

In Singapore, we have more than 21 Tbps of total submarine cable capacity and international and regional telecoms connectivity to more than 100 countries. Complementing this is over 1.0 million square feet of data centre space offering world-class capabilities meeting stringent standards in security, availability and service level quality. It's everything you need for business continuity/disaster recovery, server/data centre consolidation and data storage services.

In an age where global telecommunications demands seamless connectivity and the ability to deliver services across borders, our telecom infrastructure and data centres can provide you the stability, reliability and capacity so critical to your business.

Singapore is well adapted for the Internet age too. Practically every home, school and office in Singapore has access to broadband. Security in electronic commerce is a high priority for the nation and wireless technologies are set to become a cornerstone of the island-state's future.

No matter whether you choose to live, work or do business in Singapore, you can be assured of a technological environment ready for the Infocomm millennia.

SECTION II – EDIFACT/EBXML/XML BASED STANDARDS DEVELOPMENT

2.1 AFACT - BCF – ECO PROJECT

As part of the AFACT Business Collaboration Framework Working Group's initiative, Singapore is a leading a ECO project team comprising members from Singapore, Malaysia, Chinese Taipei, Australia, India and South Korea.

The purpose of the project is to develop the business collaboration and business information model for the Certificate of Origin. This will be based on the UN/CEFACT Business Collaboration Framework.

The Certificate of Origin system is a large and complex system. A complete commercial system involves technologies like PKI, Optical Watermark and Print Control. The scope of this project is limited to the design-time modeling of the business collaboration and business information. It excludes the technology implementation. This is within the mission and objectives of UN/CEFACT and its groups.

The project is divided into three phases as follow:-

1. Define the business collaboration and business information model
2. ECO Interoperability Testing
3. ECO Pilot Testing

2.2 ebXML Asia Committee Interoperability Task Group

CrimsonLogic participated in the Level 3 Interoperability Test. The test scope covers Basic, Reliability and Security. CrimsonLogic's Message Hub has been certified to be interoperability with ebXML products from eight other organizations from five countries.

SECTION III – EBUSINESS/ECOMMERCE RELATED PROJECT UPDATES

3.1 Nerve Centre of High-tech Manufacturing

The competition in today's IT and consumer electronics business is not between the brand owners of the products but between their respective supply chains. A brand owner may have just launched a new product that is flying off the shelves but if its manufacturing supply chain cannot cope with the orders, it will soon lose out to its nearest competitors. To attract these global MNC brand owners to continue making use of Singapore's manufacturing capabilities, a plan was recently announced to position Singapore as the nerve centre of high-tech manufacturing in the region.

IDA has embarked on a new project called "Collaborative High-Tech Manufacturing Plan" to develop integrated and responsive supply chains in Singapore. Enabled by ICT technologies, companies can provide efficient end-to-end services from product design to distribution.

IDA has set the target of building 10 of these end-to-end supply chains within 5 years. These chains will be centred on product companies with operations in Singapore such as Hewlett-Packard, Seagate and Maxtor, and original design manufacturers, such as Venture Corporation and MMI.

The Plan is expected to result in annual savings of about S\$700 million from higher efficiency and to generate additional manufacturing revenues of S\$2 billion through expansion into higher-value activities. The development of the 10 supply chains will also generate an estimated S\$40 million of ICT spending, he added.

Changing landscape of manufacturing

Manufacturing has long been one of the key engines of economic growth in Singapore, consistently contributing between 22 to 26% of Singapore's annual GDP since 1991. The high-tech manufacturing cluster is particularly important to

Singapore, he added, as it alone contributed more than 50% of the total manufacturing output of S\$147 billion.

But in recent years, the high-tech manufacturing sector has experienced major shifts. These include the emergence of low-cost regional manufacturing locations like China, outsourcing by global MNCs in order to focus only on brand management and shorter product life cycles resulting in the need for faster responses.

Increasingly, the competition will be among supply chains rather than among individual factories or among individual companies. Success will in part depend on the degree to which a supply chain is integrated and its responsiveness to market demands. Singapore's manufacturing will have to upgrade their supply chain management capabilities in order to compete effectively in this globalised market.

3.2 Adoption of Web Services

It has only been a year since IDA launched its 3-year Web Services adoption programme; but the results are already showing. A total S\$32.9 million has been invested in 26 Web Services projects, involving 45 companies and organisations in the past year. Of the S\$32.9 million, S\$9 million was contributed by IDA. Over 1,000 professionals have acquired skills and knowledge in Web Services as a result of these projects, of which 269 were certified, and 130 new jobs have been created. These projects are expected to bring in S\$125 million of revenues from their commercialisation over the next two years.

IDA's Web Services Add Value to Enterprises (WEAVE) programme is well on track to meet its target of having S\$120 million invested in Web Services, to train and certify 600 professionals and have 20% of companies in Singapore adopt Web Services, over the three-year period.

Web Services implementation has increased the flexibility for companies in choosing their partners and lowering their integration costs.

One example is NTUC Income's Web Services project which linked its general insurance system to 12 independent assessment centres and 48 workshops. This has helped the company reduce average workshop charges from S\$3,700 per case to S\$2,500.

Another success story is SISTIC's integrated ticketing system called STiX. Using Web Services, STiX is able to integrate different processes such as purchasing, payment and marketing under one system. The system's ability to analyse customer profiles helps it to offer more effective target marketing programmes. SISTIC can now offer new services beyond its traditional ticketing business.

Other examples include Gridnode which was able to sell its business integration software to MMI, Borneo Motors and a major manufacturing MNC; Ecquaria, which expanded its business beyond e-government contracts to include SISTIC and Esplanade and Integro which deployed a Web Services project with a bank in Singapore.

What is Web Services?

Getting people who speak different languages to understand each other is just as difficult as getting computers running applications in different protocols to talk to one another. The solution, however, is the same - either get a translator or get them to speak the same language.

In the early days, getting applications to work and interface with one another was a laborious manual process. Whenever a new application was added or an existing one amended, the IT department would have to literally spend man days or weeks to develop software to interface the new or amended application to all other applications that communicated with it. Programmers not only had to develop a new programme for the new application to work, they also had to develop programmes for all other related applications as well.

The arrival of Web Services

One way to solve the communications barrier was to get everyone to speak in a common language, much like how the Chinese of different dialect groups speak in the national Mandarin language. Enter Web Services. Simplistically, in the Web Service world, XML is that common "language" that all applications can use to communicate with one another. With Web Services, companies can quickly integrate its internal applications as well as link up with other Web Services-enabled companies quickly. This paves the way for smoother automation of business processes, better integration between enterprises and helps companies operate more efficiently.

3.3 Retail Sector to Stay Connected to Global Marketplace

To keep pace with today's rapidly changing business environment, Singapore's retail sector needs to be closely connected to the global marketplace. Adopting open standards, embracing global best practices and leveraging Infocomm technology would give local retailers the much-needed integration with the global market place.

Last year, the Infocomm Development Authority of Singapore's (IDA) plan to develop a Retail Ecosystem comprising open e-business messaging standards and a database of standardized product codes that will enable seamless transactions among trading partners. A year on, the Retail Ecosystem has attracted major players in the Fast Moving Consumer Goods industry, such as Carrefour, Cold Storage, FairPrice and Unilever. Through adoption of open e-business messaging standards and an internationally standardized product catalogue, known as the National Electronic Product Catalogue, retailers and suppliers can now efficiently interact and exchange data with each other.

Having put in place the foundation of the retail ecosystem, the IDA's focus is now to build collaborative relationships within the retail sector. To this end, IDA aims to work with retail industry leaders to develop three collaborative retail hubs over the next three years that will embrace best business practices and technology innovations. Such collaborative hubs will become more cost-efficient and responsive in meeting customers' demands and changes in the marketplace. When fully implemented, this initiative is expected to generate annual savings of about S\$25 million and additional profits of S\$15 million from increased sales. In addition, these hubs can act as reference sites when our Infocomm industry partners pitch for business overseas. Each hub is likely to comprise a major retailer and its pool of suppliers, whose IT systems are linked by supply chain technologies and business process tools to facilitate greater collaboration.

FairPrice, the leading supermarket chain in Singapore, is a major player in the retail ecosystem. FairPrice send purchase orders electronically to nearly 500 suppliers including Auric Pacific, Diethelm, Harpers, Nestle and YHS. This represents nearly

S\$400 million worth of orders through e-procurement every year. The e-Procurement system is an important cornerstone of our business infrastructure. It streamlines our business processes and supply chain, and allows it to respond more quickly to consumer demands.

Another major retail group, the Cold Storage Group, is now in the final stage of implementing its B2B hub to perform e-procurement transactions, from ordering to invoice payment processes. To-date, the Cold Storage Group has selected 3 suppliers for its pilot run, after which, the project will be rolled out further. With this implementation, the group expects to see cost benefits and marked improvements in productivity and efficiency of processes.

Proliferating the use of common standards represents Phase 1 of the retail ecosystem. Having done that, the next step is to deepen adoption of Infocomm technology in the retail sector. To do so, the IDA is encouraging retail industry players to embrace a business process tool known as Collaborative Planning, Forecasting and Replenishment (CPFR³). CPFR involves the sharing of sales and inventory data between business partners to enable collaborative activities such as sales planning, promotion management and replenishment planning. It is a global best practice in the Retail and Fast Moving Consumer Goods industry and lists Procter & Gamble, Tesco and Wal-Mart among its proponents.

In Singapore, home-grown supermarket chain, Sheng Siong is planning to use CPFR to link up with five of its suppliers - Jia Mei Trading, Nestle, PSC Corporation, Sin Hoe, and Unilever. CPFR will allow it to more accurately manage inventory levels which reduces out-of-stock situations and improves customer service. Better inventory forecast also means it don't overstock and can reduce unnecessary costs from wastage.

To further enhance supply chain integration and efficiency, the retail sector is encouraged to tap on innovative infocomm technologies like Radio Frequency Identification or RFID. Kim Hiap Lee Co (Pte) Ltd, a subsidiary company of LHT Holdings, one of the largest manufacturers of wooden pallets, crates and boxes in Singapore, plans to use RFID technology to tag the pallets that it leases out to customers like Calsberg and Fraser & Neave. With the mandate by major retailers like Wal-Mart for suppliers to RFID-tag their goods, it anticipate demand for its pallets to also be RFID-tagged. In view of that, it is looking into setting up an RFID command Centre in Singapore to track and manage the 1 million over pallets that are leased out in Singapore, Malaysia and Thailand.

3.4 Digital Exchange

The convergence of technology with moviemaking has given rise to a whole new breed of experiences and advantages that makes digital cinema compelling not only to cinema audiences, but also to the moviemaking industry at large. Since its introduction, global adoption of digital cinema from production to screen has seen phenomenal growth, on the back of an increasing number of digitally-mastered movies like Shrek 2, The Day After Tomorrow and other blockbusters.

But digital cinema goes beyond just great picture quality and sound, and is poised to transform the production, distribution, and more importantly, the protection of intellectual property within the movie industry.

From moviemakers and cinema operators, to post-production studios and distributors, digital cinema allows for the growth of a whole new subset of info-communications practice, where the inherent flexibilities of the digital format allow for cost savings, widespread delivery even to rural regions, and higher demand for digital intermediate services.

Globally, the deployment of digital cinema screens has seen progressive growth, from just 12 screens in 1999, to today's 243 screens in over 25 countries.

But it is in Asia, that digital cinema deployment has seen the strongest support, and fastest growth. From just 3 screens in 2000, today Asia leads the world in digital cinema deployment with 116 screens, and represents almost half of screen deployments globally. Singapore alone boasts one of the highest per capita screen counts - with some 21 digital cinema screens island wide, second only to China's 57 screens.

Singapore Best Positioned as Regional Digital Delivery Hub

Boasting some 21 digital screen deployments, or almost 15% of total cinema screens, Singapore not only has one of the highest per capita digital screen installations around, but as an established regional info-communications hub, is poised to play a larger role in digital cinema developments in Asia.

Singapore's digital cinema developments are part of the larger government effort to develop Singapore into a hub for managing, processing and distributing digital movies and other digital assets in the Asia Pacific region. Led by the IDA, the Digital Exchange effort aims to provide a host of capabilities in digital content hosting and management, as well as intellectual property protection, infrastructure connectivity, and distribution networks to digital content providers seeking to establish market footprints in the Asia Pacific region.

In positioning Singapore as a regional hub for digital movie distribution, the IDA is leveraging a number of key infrastructure and regulatory strengths.

It is the most connected city in Asia with more than 13 Gbps of extensive and direct Internet connectivity to over 20 countries. This comprises 5 Gbps to the USA and over 6 Gbps to key Asian cities such as Hong Kong, Japan, India, Korea, Taiwan and China.

Singapore's network infrastructure is also particularly well-suited for digital delivery of data centre space with its 21 Tbps of submarine cable capacity and international and regional telecoms connectivity to more than 100 countries.

3.5 Measurement Criteria For Nationwide Rollout of 3G Systems & Services in Singapore

The Infocomm Development Authority of Singapore (IDA) has issued to the mobile operators its measurement criteria for the nationwide rollout of 3G systems and services. The criteria will be used to measure whether the 3G licensees fulfil their licence obligations to complete the nationwide rollout of 3G systems and services by 31 December 2004. IDA has endeavoured to develop measurement criteria that are objective and technically realistic, with the policy objective of fostering the growth of 3G to the benefit of consumers in Singapore.

The measurement criteria for nationwide rollout are, "at least 95% of street-level 3G radio coverage on the island of Singapore, by 31 December 2004, using a signal strength that is greater or equals to minus 100dBm¹". This is a measure of what the

3G network can minimally provide on service launch. In terms of user experience, this measurable service outcome allows users in 95% of Singapore to obtain a signal on their 3G phones for voice and data services. These criteria are similar to IDA's current measurement of out-door radio coverage for 2G services.

The measurement criteria were developed based on IDA's assessment of 3G developments overseas, and taking into consideration inputs from the operators to ensure the measurement criteria are technically feasible. At the same time, end users' expectations of 3G, and experience with 2G services provided today, were taken into consideration.

IDA has endeavoured to ensure that the measurement criteria balance the interests of operators and consumers. In order to spur the successful development of 3G in Singapore, IDA's measurement criteria cannot be overly stringent. This is to allow the operators flexibility to plan future 3G enhancements, and time to make technical network adjustments for a new service. At the same time, IDA's measurement criteria are not overly lenient, so that operators will commit to invest in 3G infrastructure and provide quality service and nationwide coverage for end-users in different parts of Singapore.

IDA is confident that the measurement criteria will provide a sufficient kick-start to 3G rollout in Singapore. Consistent with its market-based allocation approach for 3G spectrum, IDA believes that the form and range of services should be left to competitive market forces. The operators have commercial incentive to define and expand the experience of its 3G customers, and ensure a good service outcome according to its own business strategy.

IDA's policy objective remains to foster the growth of 3G in Singapore. The measurement criteria for nationwide 3G rollout will ensure that consumers in Singapore will be able to benefit from the 3G experience come 31 December 2004.

**COUNTRY PROGRESS REPORT
THAILAND
TRADEGATE AUSTRALIA
MINISTRY OF INFORMATION AND COMMUNICATION TECHNOLOGY**



SECTION I - GENERAL CONDITION UPDATE

1.1 The Center for Logistics Hub on IT Technology

Thailand, as a center for logistics hub of Indo-China on IT Technology, especially for ICT development on Information Network, Trade Facilitation and Electronic Business needs to develop more concept and content of the IT2010 which supports Thailand National ICT Master Plan. The IT technology serves as the country development towards the "Knowledge-based and Sustainable Economy". (KBE)

Three key strategies of "IT 2010 for KBE" are identified as "building human capital", "strengthening information infrastructure and industry", and "promoting innovation". Five main flagships under IT 2010 policy are: e-Government, e-commerce, e-Industry, e-Education and e-Society. All operate upon the strong base of information infrastructure and industry.

After forming the Ministry of Information and Communication Technology of Thailand, the ICT Ministry has its functions to spearhead and co-ordinate all policies, strategies and work programs as declared within IT2010 policy framework and the National ICT Master Plan which identifies more specific strategies, work programs and clear targets to be carried out in five years (2002 - 2006). The current scopes of IT Technology in Thailand are as follows:

- 1.1.1 e- Commerce Policy Framework
- 1.1.2 Government and Business' Initiatives
- 1.1.3 Internet and EDI Infrastructure
- 1.1.4 e- Banking and e-Revenue
- 1.1.5 Commerce Projects for Export Promotion (Department of Export Promotion)
- 1.1.6 e-Commerce for the Insurance (Department of Insurance)
- 1.1.7 e-Department for business development
- 1.1.8 e-Government Procurement
- 1.1.9 e-Commerce facilitation for SMEs and Community Development

1.1.10 Electronic Data Interchange (EDI) related services:

- Issuing import and export certificates by using EDI-Department of Foreign Trade
- Message Implementation Guideline (EAN Thailand Institute)
- Electronic Data Interchange (EDI) in Retail Industry – EAN Thailand Institute.

- Global Location Number Implementation (EAN Thailand Institute)
- Thai Customs Department.

1.2 IT Related Laws

In addition, Thailand also has the IT related laws such as:

- Electronic Transactions Act 2001.
- IT related laws waiting for government approval.
- IT related laws in the drafting stage.

1.3 International Collaboration

Thailand plays the active roles in the International Collaboration on e-Commerce cooperation in ASEAN, APEC, UNESAP, UNCTAD-UNESCAP.

For the Association of Southeast Asian Nations or ASEAN, Thailand has not only been the chairman of e-ASEAN working group since 2001 but also Thailand has served as a focal point for e-society and capacity building, which is one in five components of the e-ASEAN working group; consists of e-society and capacity building, e-commerce, trade facilitation and e-trade, e-services and e-investment, e-government and ASEAN Information infrastructure.

This year (2004), Thailand has the honor of hosting the 5th ASEAN Telecommunications and IT Senior Officials Meeting (TELSOM) and the 4th ASEAN Telecommunications and IT Minister Meeting (TELMIN) including the Bangkok International ICT EXPO, the International Conference on e-Learning for knowledge-based society, and the e- Youth forum.

The 4th ASEAN Telecommunications and IT Minister Meeting (4th ASEAN TELMIN) on August 5, 2004 in Bangkok Thailand on the topic : "Building e-Learning Culture towards knowledge-based ASEAN, came to the conclusion and got the progress cooperation in ICT Development including the implementation of the e-ASEAN Framework Agreement and the promotion of e-Learning culture towards a knowledge-based ASEAN. Also, the establishment of an ASEAN ICT Fund, a quantum of USD 5 million with equal contributions by all ASEAN members and the fund will be used to accelerate the implementation of the ASEAN ICT work Programs.

From the statement of the 4th ASEAN TELMIN declared that each ASEAN country has committed to establishing a National Computer Emergency Response Team (CERT) and they have also developed a Standard Operating Procedure for information-sharing among ASEAN as well as minimum requirements for CERTs. These cooperative measures will ensure a coordinated ASEAN response to cyber threats.

Good progress has been made in the implementation of the ASEAN Telecommunications Regulators' council or ATRC Sectoral Mutual Recognition Arrangement (MRA) on Conformity Assessment for Telecommunications Equipment. There has been the commencement of the implementation of the bilateral MRAs between the ASEAN countries which will lead to the establishment of a network of MRAs within ASEAN and will benefit end-users by making telecommunications equipment more affordable and accessible.

This 4th ASEAN TELMIN gets the progress for the establishment of the e-ASEAN Business Council (e-ABC) including the ministerial consultation that further

contributed to better mutual understanding and closer partnership with ASEAN's Dialogue Partners, namely China, Japan, Korea and India. That meeting identified possible areas of collaboration including broadband deployment, cyber security capacity building, adoption ICT use for the disabled and elderly, Radio Frequency Identification (RFID), and virtual network of software multi-lingualization. The ASEAN member countries noted progress made in promoting education via the Internet and agreed to leverage and exploit e-learning to help meet ASEAN human capacity building policy goals.

SECTION II – EDIFACT/EBXML/XML BASED STANDARDS DEVELOPMENT

2.1 XML Awareness and Promotion

The XML initiative and XML-related projects in Thailand are at an early stage. Many XML-related implementation projects have been started, most of them are in the system requirements and pilot phases. XML awareness and promotion at the national level has been conducted by many organizations, both by public agencies and private sectors. However, a series of seminars and workshops related to web services, XML and ebXML has been conducted in Thailand throughout 2002 until now.

2.2 Organizations and Projects related to XML and ebXML

- 2.2.1 E-Commerce Resource Center (ECRC), under the National Electronics and Computer Technology Center (NECTEC) was set up with the approval of the Cabinet in 1988, as a center to promote e-commerce development in Thailand. One of the Center's missions is in promoting e-commerce standards and interoperability issues. ECRC provides seminars and information, and promote XML and ebXML for B2B e-commerce development through coordination and collaboration with other government agencies, academic institute and private sectors.
- 2.2.2 Institute for Innovative Information Technology (I3T) – Kasetsart University, a research and development center funded by NECTEC (officially since September 2002). The I3T mission is to promote and transfer e-commerce development technologies, i.e. Web Services, ebXML and modeling methodology with UML. E-Commerce open-source software development is promoted to the local software community.
- 2.2.3 EAN Thailand Institute is developing and implementing "National Electronic Catalogue for Retail Industry" Project, in which ebXML Registry and Repository is proposed.
- 2.2.4 Bank of Thailand (BOT), in co-operation with Thai Bankers' Association, NECTEC and several IT solution providers, have established a roadmap for Thai Payment Systems. One of the key drivers is to develop a common payment platform based on interoperable standards to reduce duplicative payment infrastructure investments and to support the growth of e-commerce. In order to develop a common infrastructure, two key factors would need to be discussed and agreed upon by the market. IFX and ebXML are concluded as candidates for interoperability of financial exchange. A system architecture, namely Interbank Transaction Management and Exchange (ITMX), with a list of general requirements, has been identified.

2.3 International Collaboration related to XML

Thailand has participated with the 5th and 6th ebXML Asia Committee held in Taipei (April 2002) and in Tokyo (July 2002) respectively. Several cooperative efforts have been identified and carried on including ebXML-based open source development, and interoperability test.

SECTION III – EBUSINESS/ECOMMERCE RELATED PROJECT UPDATES

3.1 Thailand takes part in the e-Business/e-Commerce related project updates. In this year (2004) Thailand hosted the APEC Symposium on ebXML for Internet Paperless Trading and Collaborative e-Business during July 21-23, 2004 at Bangkok Marriott Resort and Spa Riverside, Thailand with the title "Thailand Approach Towards Internet Paperless Trading" which comprised of:

- National Competitiveness
- e-Government Guiding Principles
- Applications & Goals
- Architecture & Building Blocks
- Implementation Plan
- Cost/Benefits Analysis
- Recommendation to APEC

and it showed the competitiveness of a nation and the logistics development roadmap of Thailand in the symposium. In addition, there are some recommendations to APEC in the symposium as follows:

- Encourage member economies to establish a single-window and web-based system that covers all import and export-related procedures.
 - Develop and maintain National Interoperability Framework.
 - Develop and maintain XML schema design rules and management guide.
 - Work with each industry to define common data elements and business processes.
 - Incrementally build the system with business objectives and IT architecture alignment.
- 3.2 For e-custom, Thailand by the Custom Department of the Royal Thai Government presented the limitations of the current system, as follows:
- Inadequate capacity of hardware.
 - Lack of flexibility for application development.
 - The systems are not fully automated resulting in redundant business processes.
 - The security system has not fully implemented.

The Custom Department also proposed an on-going future e-custom system, which has the following characteristics:

- A "Single Window Entry" concept is adopted for the application of an import/export license.
 - The issuing authority redesigns business processes.
 - Issuing an e-license.
 - The issuing authority and Customs are interfaced, hence, a status report can be viewed on-line.
- 3.3 Thailand also is the leading country in ASEAN Paperless Trading Project and the project is supported by the ASEAN countries and dialogue partners. The

background, objectives and the implementation methodology of the project in details is as follows.

It is generally recognized that EDI or Electronic Data Interchange has been implemented in the customs procedure for many years in order to improve the service efficiency and facilitate both exporters and importers. Presently, EDI system is expanded to the Internet-based system. The new system will provide more efficiency and offer opportunity to small and medium enterprises using the electronic transaction system.

Despite the advent of information and communication technology, cross-border trade among ASEAN countries is still paper-based, relying heavily on postal and courier services for the transfer of trade related documentation, and this traditional system could not be applied to new traceability issue.

In order to enhance the competitiveness of ASEAN and promote trade facilitation while enhancing appropriate border controls, the promotion of paperless trading will be the major priority that ASEAN countries should take the consideration. This system will enhance the capability of cross-border trade process and reduce both cost and time consuming.

The documents of Cross-border trade can be broadly categorized into 4 groups:

1. Trade Administration: Import/Export License, Certificate of Sanitary, Certificate of Origin, Certificate of Standard and etc.
2. Customs clearance: Customs documents, Packing List, Invoice, Payment of taxes and levies on traded goods and Dangerous goods reports.
3. International Transportation: Ports and airport documentation, Manifest document, Bills of Landing, Arrival notice advice and Insurance Certificate.
4. Financial Settlement: Purchase order, Payment order, Letter of Credit and Remittance advice.

Paperless trading in cross-border trade is the significant issue for many international forums. For example, Electronic Commerce Steering Group in APEC aims to perform paperless trading by reducing or eliminating the requirement for paper documents needed for customs and other cross-border trade administration and other documents and messages relevant to international sea, air and land transport, where possible, by 2005 for developed and 2010 for developing economies, or as soon as possible thereafter.

In case of Thailand, Customs Department already launched EDI system via 2 ways; Values Added Network (VAN) and Internet. They also implemented several electronic services such as e-Declaration, e-Payment, e-Manifest and e-License to facilitate exporters, importers, shipping lines, shipping agencies and customs officers by installing communication network system throughout the country. The objectives of this project can be summarized as follows:

- To enhance Free Trade Area (FTA) among ASEAN countries.
- To enhance the competitiveness of ASEAN and promote trade facilitation.
- To support new traceability issue and security.

- 3.4 For the e-citizen portal services, Thailand has implemented by the e-Government Development and Promotion Bureau under the Office of Permanent Secretary, Ministry of Information and Communication Technology. The first phase has been launched since the beginning of 2004 which comprises of the e-government

services such as restaurant license permission for selling alcohol drink and food. The service points are distributed in the Thai Post Office Company Limited. The second phase will be launched in the year 2005 under the budget 60 million baht.

The e-citizen portal services will cover to any services for each citizen from birth until death. The e-citizen portal services will also link with the citizen employment, education, social welfare and health insurance. So, people can be more convenience to use e-citizen portal services by the government virtual support and it will save office space, manpower and office cost.

2004 eASIA AWARD

BRIDGING DIGITAL DIVIDE

ELECTRONIC BUSINESS IN PRIVATE SECTOR

ELECTRONIC BUSINESS IN PUBLIC SECTOR

TRADE FACILITATION

Category: Bridging Digital Divide
Project title: Bridging The Digital Divide In An e-Era
Organization: Institute for Information Industry

SUMMARY

Bridging The Digital Divide In An e-Era is designed to provide IT education and assistance to people in remote areas in Taiwan and improve their education, society and financial capability.

In Taiwan, aboriginal people have only half as many households with computer ownership and only 1/3 of them have access to the Internet. Capital Taipei City has twice as many households with computer ownership than Nantou County in the south.

Due to the digital divide among ethnic groups and cities, IRI funded the "Bridging Digital Divide Project" (BDDP) in 2001 to bridge the gap. With efforts from both public and private sectors, IT education has been provided to people in remote areas and improved their financial capability.

METHODOLOGY / SCOPE

The project is divided into three stages:

- Promoting digital concepts and knowledge (2001)
To raise the awareness of digital divide, some NTD\$29 million was allocated for special exhibitions and seminars, computer donation, training teachers and the establishment of demonstration sites.
- Establishing experimental digital sites and providing guidance (2002)
People living in rural areas gained access to digital tools and were taught how to maintain and repair computers. Several demonstrative sites were built to provide a comprehensive digital-learning system.
- Emphasizing on integrative digital solutions (2003/2004)
Multiple resources are invested in these remote areas, including digital tools, digital-learning facilities and digital course materials. Major tasks included improving villagers' digital skills and assisting local schoolteachers to utilize digital tools in teaching.

ACHIEVEMENTS / CHALLENGES

This project has greatly enhanced local villagers' digital skills and assisted the sustainable development of villages. Integrated resources and other institutes have helped to bridge the digital divide in Taiwan.

In the past three years under this project, 11 counties have been benefited from 133 IT activities and 63,500 people have attended those activities. About 2,800 people and 660 computer volunteers were trained in computer and Internet courses held in remote areas. A total of 10 new and 304 used computers have been donated to 20 sites in need and 16 organizations have contributed to efforts for bridging digital divide.

Challenges the project faces include:

- Villagers must learn to maintain and operate the information and Internet facilities in their region.
- Create demand for the use of computer and Internet in remote areas
- Assist an integrated, sustainable development in remote areas

Category: Bridging Digital Divide

Project title: Personnel Training of Electronic Business

Organization: Department of Commerce, MOEA (National Chung Cheng University)

SUMMARY

The Personnel Training of Electronic Business project aims to provide manpower cultivation resources in central and southern Taiwan, where resources have been insufficient.

This project enables people with no IT background to acquire basic e-business knowledge through National Chung Cheng University's automation center, manufacturing integration center, library and digital learning center. Trainees learn about how e-business works, study examples of successful e-business cases and acquire other new skills.

In order to meet the needs in central, southern and eastern Taiwan, the project combines in-class instruction with distance learning. The manpower cultivation and knowledge extension have brought about a significant narrowing of the digital divide between enterprises and rural areas.

This project is expected to train over 500 individuals annually, with each undergoing at least 48 hours of training.

METHODOLOGY / SCOPE

Three training programs -- "Management of Operations in e-Business", "Project Management in e-Business" and "Strategy and Planning in e-Business" -- were launched to serve different targeted attendees among low, middle and high-ranking personnel from businesses such as retail, service and logistics.

Project implementing methods are explained based on course content planning, execution of program commencement, program implementation concept, and method of preparing teaching material, online structure of teaching platform, performance assessment and analysis

A program prototype is in place to arrange the schedule, recruitment and propagation of the program. This will provide suitable training programs to meet the needs of local industry and trainees.

ACHIEVEMENTS / CHALLENGES

Since the start of this project, a total of 9,000 disks of e-books on the three training programs were published between 2001 and 2003. In 2002, free e-books were downloaded 1,509 times, and the accumulated download count reached 3,866 times in 2003.

This project has enabled 73 percent of students to become e-proficient in central, southern and eastern Taiwan and also helped to reduce the digital divide between rural and urban areas.

The project's blueprint for the future:

- Training personnel for e-commerce as the basic foundation during 2001 to 2005.
- Encourage industries to adopt e-commerce widely in 2006 and develop fully digitized course contents.
- e-commerce training should be conducted across the country in 2007.
- In 2008, e-commerce training will be internationalized as successful overseas cases will be adopted as case studies and certified e-commerce personnel from abroad will be introduced for the training.

Category: Bridging Digital Divide

Project title: eSuvidha

Organization: National Informatics Centre, Department of Information Technology,
Government of India

SUMMARY

e-Suvidha is an e-governance package that provides a single window facility for citizens to submit requests for civil services and to monitor the status of their application. The web-based software is developed to automate such application process, which was long and tedious in the past.

The project aims to construct IT infrastructure in the North Eastern States of India by establishing Community Information Centers (CICs) in 487 blocks of eight States. These CICs are equipped with computer and communication infrastructure to connect the local population with the digital world.

METHODOLOGY / SCOPE

Windows 2000 has been chosen as the server platform. CICs use a visual-based client application which provides interface for application acceptance and upload data to the server at State Head Quarters. The Application Processing Centres are in charge of updating the status of application through a web-based interface.

The e-Suvidha Application has four modules: Administration, Processing, Application Status and AAC.

- **Administrative module:** used for administrative purposes and covers nature of the services, expected time for the application, details of required documents and the department that processes the application.
- **Processing module:** used by the Application Processing Centers to update status of an application.
- **AAC module:** a client-server application installed at the CICs to accept application forms. It is used to upload application data to State Head Quarters Server for processing.
- **Application Module:** enables the applicant to view the status of application submitted at AAC through the Internet.

ACHIEVEMENTS / CHALLENGES

eSuvidha has been implemented in about 50 CICs, mainly in the states of Arunachal Pradesh, Assam and Tripura. Government of Tripura has recently decided to implement eSuvidha across the state as a delivery point for all citizen-centric services.

Efforts are being made to implement eSuvidha in all 487 CICs of the North East and training and awareness programs have been conducted for CIC operators in order to accelerate the process.

Looking forward, the project needs to:

- develop a generic application that can accommodate diverse processing practices across States and Services;
- tackle different administrative structures in different states;
- provide a common interface that can allow different government departments in various levels to process the applications;
- identify an application for processing by an Application Processing Centre from applications received by Application Acceptance Centers all across the state and
- install and configure and maintain AACs module at about 500 CICs.

Category: Bridging Digital Divide

Project title: eBario: Providing Equal Access to ICTs for Rural Communities

Organization: Universiti Malaysia Sarawak

SUMMARY

eBario is a pilot project designed to provide Information and Communication Technologies (ICTs) to Bario in the Kelabit Highlands, close to the border between Kalimantan in Miri Division of Sarawak.

Today, schools and communities in Bario have access to telephones and the Internet. The community is also applying ICTs in their daily life. With access to ICTs, there has been increased computer literacy in Bario and the standard of living has been greatly improved.

The most obvious impact is an increase in the number of tourists. As of October 1, 2003, the number of flights to Bario has increased from one to two flights a day. The project also contributed in easing the migration problem, as an increasing number of young people stay in Bario with their families to run tourist accommodation and tourist activities. There are now six lodges and three homestays in Bario.

METHODOLOGY / SCOPE

The project employs the Participatory Action Research (PAR) model, where the community is involved in the process of generating knowledge about their own conditions and learning how ICTs can improve their community. The approach allows the community to identify problems, followed by guidance from the research team to find a solution to these problems. Under the PAR methodology:

- researchers learn about life in Bario from the community;
- the community learn about ICTs from the researchers;
- community members play a major role in the research by contributing ideas;
- researchers identify with the community and
- as a team, the community-researchers partnership achieves mutually beneficial outcomes from the project.

Plans are underway to initiate e-commerce to allow the community to sell their products such as handicrafts, and much sought-after fragrant Bario rice online.

ACHIEVEMENTS / CHALLENGES

The eBario project's achievements so far include:

- named as one of the Top Seven Intelligent Communities 2001 by World Teleport Association
- Industry Innovators Award for Systems Development & Applications by Society of Satellite Professionals International in 2002, Washington DC
- Special presentation on e-Bario at 2003 World Summit on Information Society (WSIS) by Strategy and Policy Unit of ITU (ITU-SPU)
- Winner of IT Premier Award Anugerah Perdana Teknologi Maklumat (socio-economic sector) (2003) – presented by the Prime Minister of Malaysia
- Special Mention: DAGs Demonstrator Application Grant Scheme (DAGS) Convention 15th January 2004
- One of the main challenges the eBario team faces is transport in the remote area of Bario. The team needs to fly computers, materials for the telecenter and even fuel to run the generator into Bario. As diesel-powered electricity is too costly, a hybrid design based on solar-power in addition to a diesel-powered generator has been implemented.

Category: Bridging Digital Divide
Project title: Rural Internet Program
Organization: Ministry of Energy, Water and Communications

SUMMARY

The Rural Internet Program (RIP) is designed to increase Information and Communications Technology (ICT) literacy and awareness in targeted rural areas.

The population census 2000 showed that 40 percent of Malaysia's population or nine million people live in rural areas. A Needs Survey also showed that 66.7 percent of people in the rural areas have not used Internet and 61.3 percent of those who have not used Internet are interested to use the Internet.

The RIP aims to serve approximately 2.8 million people in the rural population by 2008, primarily those above 17 years old.

METHODOLOGY / SCOPE

In this project, the government provided each Rural Internet Centre (RIC) with basic telecommunications infrastructure. Facilities provided include five or six personal computers, two laser printers, one colour printer, one scanner, one digital camera, one unit of air conditioner and broadband internet access (ADSL or ISDN).

The operating cost of the RICs is borne by the Government. A remote online monitoring system has been set up at each RIC for the Ministry to monitor and obtain statistics for RIP planning and development.

Two government-appointed supervisors at each centre are responsible for daily operations. They are required to submit reports fortnightly to the Ministry.

Women and the elderly are given priority in this project since the objective of the RIP is to improve the IT literacy of this specific group in the society. Students, though also allowed to use these facilities, are not given top priority in this programme since they are offered other opportunities such as computer labs in schools.

Due to the low level of computer literacy in these areas, users learn to know basic computer hardware such as keyboard and mouse in the initial stage. Later on they learn about basic computer skills including word processing and spreadsheets.

ACHIEVEMENTS / CHALLENGES

Since the commencement of the RIP in December 2003, RIC users and awareness about this programme have been increasing. On average about 60 to 70 people use the centre every week, with some 10 to 15 new users. Users are mainly housewives, pensioners, youngsters and the self-employed. To date, the number of users trained totalled 21,219 while the number of users stood at 29,032.

The introduction of e-mail application has also helped many elderly users to communicate with their children living in urban areas. A number of ASEAN visitors have visited this program and want to install similar systems in their country.

One of the challenges is people's perception of ICT, as many parents are still sceptical about the Internet, which they view as a venue of computer games or chat rooms. Therefore in addition to communicating with parents, a filtering system should be installed to ensure positive use of Internet.

If needed, a mini exhibition or virtual centre should be set-up at RICs to display current and future Internet technology and increase positive awareness in the rural areas.

Category: Bridging Digital Divide
Project title: Virtual Malaysia Project
Organization: Creative Advances Technology Sdn Bhd

SUMMARY

The Virtual Malaysia portal is an open e-business platform designed by Creative Advances Technology (CAT) to maximize the Information Communication Technology (ICT) for operators in the tourism industry.

Originally developed as an R&D project, the Virtual Malaysia portal has been upgraded and enhanced with GIS Map, Virtual Reality, e-brochure, e-commerce, e-packages, SMS and PDA download and acts as an e-commerce platform.

Operators in the tourism industry will be able to use the Virtual Malaysia portal to kick –start their e-business at a minimal cost. The project also offers other mediums including CDROM (multimedia and graphic) and Magazine (publication) as the tools for tourism promotions.

METHODOLOGY / SCOPE

Virtual Malaysia involves e-marketing, e-commerce and e-resource management.

The CAT Content Management System is designed to simplify the hassle and tedious scope in managing, updating and disseminating content. Through this Content Management System, activities such as publishing, deleting, updating and monitoring the content can be managed systematically.

The project includes:

- **Packages2Go:** a system designed for travel agents to have online presence; they can also sell their travel packages in a wider target market.
- **GIS Map:** it assists tourists to navigate through GPS (Geographic Positioning System) and can be downloaded into PDA.
- **E-Mall:** it offers online shopping for travel and tourism products such as crafts, crystal and publication.
- **E-ticketing:** an e-business solution that allows online business transaction.
- **'C-Flex':** the multitemplates and content management system enables users to conduct e-business with just one click.

ACHIEVEMENTS / CHALLENGES

Virtual Malaysia currently receives more than five million hits per month. In addition to promoting Malaysia as a tourist destination, Virtual Malaysia also provides the facility and infrastructure of e-commerce for Malaysian companies to sell their products and services online.

VirtualMalaysia.com has received prestigious awards including

- "Best Content Development" at the Asia Pacific MSC at the IT and Telecommunications Awards (APMITTA)
- "The Best Tourism Applications" award at the Asia Pacific Information Communications Technology Awards (APICTA)
- ICT Premiere Award 2003

The latest development in this project is Malaysia Diving and Snorkelling Guide CD/DVD ROM that features more than 200 dive sites and underwater footage as well as videos.

One of the challenges is how to manage the balance between cultural and technical changes. As the tourism industry is most sensitive towards changes in economy, tourism-based organizations need to be proactive in order to capture the ever-changing streams of economies.

Category: Electronic Business in Private Sector

Project title: "On Demand", A Revolutionary Step in the Paper Manufacturing Industry for the New Century

Organization: Yuen Foong Yu Paper Mfg. Co, Ltd.

SUMMARY

The On Demand project is an e-service platform through which e-business processes are established to provide customers a new range of services featuring rapid response, one-stop shopping and rapid problem solving.

The project meets the need for a system to bring customers closer to Yuen Foong Yu. There are two divisions of this project are Fine Paper & Paper Board Division and Container Board & Packaging Division.

The new business model helped Yuen Foong Yu and other companies in the paper manufacturing industry to reduce inventory levels, improve operational performance and achieve the industry's "On Demand" objectives. All the 116 participating downstream customers were able to achieve significant reduction in inventory levels, with total savings at more than NT\$2 million a year.

The On Demand project offers an example of how a traditional industry can use information technology to improve the overall operational performance and at the same time encourage downstream customers to raise their level of e-business adoption.

METHODOLOGY / SCOPE

The first step of the project was to conduct a survey on customers' needs. Both Divisions then followed by internal SWOT analysis. The project then developed a new business strategy with changes in operational models and processing procedures.

The electronic service platform was designed and implemented to carry out the new procedures and functions. To promote the use of the new system, top managers have personally visited all major customers. A series of demonstration and seminars were conducted in different geographical areas. The benefit to the customers from the use of the system is the true key factor to convince the customers and to the success of the Project.

ACHIEVEMENTS / CHALLENGES

Through this e-business platform, customers have achieved additional cost savings in packaging material inventory and purchasing due to the shortening of the transaction process and delivery periods.

In terms of business results, the Container Board & Packaging Division is electronically connected with 279 customers. The revenue from strategic customers has gone up from 150 million NT dollars in 2001 to 650 million NT dollars in 2003. The cost savings associated with human resources at the design center is now 6.9 NT million dollars per year.

Challenges include:

- When deliveries are due to the customers, the distributor usually informs the company before a delivery is made, causing deficiency.
- Deficient in-between systems caused overstocking for the paper mills, distributors, and printing plants.
- Emergency problems caused by papers or printing are not solved instantly, increasing production costs for customers

Category: Electronic Business in Private Sector

Project title: Pioneering Semiconductor Value Chain Integration: TSMC/ASE
e-Supply Chain Project

Organization: Taiwan Semiconductor Manufacturing Company (TSMC)
Advanced Semiconductor Engineering Inc. (ASE)

SUMMARY

The TSMC/ASE e-Supply Chain project is an industry-shaping, paradigm-shifting force to upgrade the entire semiconductor industry competitiveness through process and data standardization.

The project is designed to integrate key operational activities and data between TSMC and ASE, resulting in a seamless information and transaction interface to their joint customers, as if manufacturing took place in the customers' own backyard.

This project led to the standardization of the entire semiconductor supply chain processes and protocols, thus elevating the industry's efficiency and value creation to the next level.

METHODOLOGY / SCOPE

Substantial resources have been deployed to implement the project over a six-year period. An iterative, phased approach in project management was adopted to ensure solid delivery of milestones without significantly disrupting current operations.

The core element in the project is data sharing, aiming to achieve integrated utilization of data between upstream, midstream and downstream enterprises.

The strategy focuses on the adoption of innovative standards, simplified procedures and has an emphasis on cost-down. A comprehensive e-business supply chain platform has been established to enable customers and strategic partners to exchange data with TSMC and ASE in an efficient and convenient manner.

In building this logistics system, the two companies are able to leverage the advantages that they enjoy as a result of being leading players in their respective fields - IC foundry operation and IC assembly and testing.

ACHIEVEMENTS / CHALLENGES

The project's process integration and data exchange experiences has formed the foundation of RosettaNet standards. Other leading companies in the semiconductor industry have followed suit, drawing up supply chain standards for the IC industry as a whole that will facilitate the growth of Taiwan's IC companies.

The most difficult challenges encountered over the six-year period of project implementation related to business process re-engineering, process integration, process and data exchange standardization and change management.

Going forward, the project will focus on the following:

- Extending the e-Supply Chain to more partners both up and down the value chain
- Continuing to shape industry standards through RosettaNet

Category: Electronic Business in Private Sector

Project title: Web based Enterprise-wide Integrated Application System (EIAS)

Organization: Gujarat Co-operative Milk Marketing Federation

SUMMARY

The Enterprise-wide Integrated Application System (EIAS) project is designed to integrate information of the supply chain in the milk industry.

The system speeds up the delivery of information in India, where a national-wide telecommunication infrastructure is still not in place. In short, it brings under one umbrella procurement information from 2.2 million farmers on one side and 3000 distributors on the other.

Information delivery has been greatly improved by EIAS. Under this system, information on milk procurement reaches the decision-making level (the Federation) from the collection point in about 12 hours. Production and dispatch details from production centers reach the Federation within two to three hours.

Sales and stock data from remote sales locations can also reach the Federation every two hours with the help of EIAS.

METHODOLOGY / SCOPE

EIAS, a customised ERP (Enterprise resource planning), adopts the client-server technology so EIAS can be plugged into various points in the supply chain.

The project's Zonal offices and major members of the Federation are connected through a secure IP-based VPN. All sales offices, C&F points and wholesale distributors are also connected through TCP/IP Internet Mail Account for timely exchanging of information.

The Geographical Information System(GIS) is installed at the project's head office and key marketing offices. With the help of GIS, it is easy to locate members and update their information on a regular basis.

GIS is also used for business planning and review activities. It enables the system to obtain information in the milk society such as farmer member census and animal census data. As a result farmers are able to monitor milk production, animal productivity and the health condition of animals and conduct industry analysis.

ACHIEVEMENTS / CHALLENGES

Achievements under EIAS include:

- Significant inventory reduction of up to 25 percent at all levels of supply points
- Improved forecast accuracy and optimisation of resources
- Greater distribution penetration and more efficiency in the supply chain
- Strong alignment of people, processes and technology
- Improved service and distribution of stocks in the market

This project has won recognition in the industry, including:

- Selected for the IMC Ramkrishna Bajaj National Quality Certificate of Merit, 2003 in the Service Category
- Award for Brand Excellence - for creating an identity of an Indian Brand
- GCMMF ranked the 6th in the Business world survey ranking of India's most respected companies Awards (2003), and was the 3rd of FMCG sectoral winners.

Category: Electronic Business in Private Sector

Project title: Internet EDI Security System

Organization: Meteora-System Co., Ltd

SUMMARY

This Internet EDI Security System features a 'Trust Model' to provide a legally binding contract between two business parties across borders. It follows UN/CEFACT Recommendation No.26 and enables businesses involved to build cross-border relationships without relying on a third party such as CA.

(UN/CEFACT is the United Nations Centre for Trade Facilitation and Electronic Business. It is open to participation from Member States, intergovernmental organizations, and sector and industry associations recognized by the Economic and Social Council of the United Nations (ECOSOC). The Centre's objective is to be "inclusive" and it actively encourages organizations to contribute and help develop its recommendations and standards.)

The contract can only be addressed by UN/CEFACT and is supported by an Internet encryption and logging system, known as the "Silk Road".

The Internet EDI Security System followed the project of "Silk Road" and succeeded in standardising the technology as one-time cipher for the net. The core of the technology is a system of changing keys. More practically, this software has been applied to IP telephone, which makes eavesdropping impossible by any means over the net.

METHODOLOGY / SCOPE

The Internet EDI Security System followed a decryption technology of Silk Road and succeeds in standardising the technology for the net. The core of one input for the net is the changing keys, and is referred to as "one-time keying".

It aims to provide electronic messages with a "legally binding effect" across different national legal systems and intend to overcome the problems across borders. In this case, "national" is synonymous with the corporation. Key issues include differences in national legal systems, authentication across borders and security.

ACHIEVEMENTS / CHALLENGES

This goal is to create a legally binding contract based on an agreement between two parties conducting business across borders.

One-time pad cipher, standard encryption lists recommended by such as NIST, NESSI, CRYPTOREC are only temporary solutions since with the same keys and text, the transformed message always produces the same cipher-texts.

This is the main reason the one-time pad cipher is quite different.

Further out the idea is to spread the usage of this 'Silk Road' technology as it does not conflict with current technology.

Category: Electronic Business in Private Sector

Project title: Automate@hsbc

Organization: HSBC Bank Malaysia Berhad

SUMMARY

The Automate@hsbc project is designed by HSBC Bank Malaysia to help Small-Medium Enterprises (SMEs) to achieve greater efficiency and competitiveness by using HSBC's IT infrastructure and facilities.

Instead of investing heavily on their own technology infrastructure, SMEs can use HSBC's facilities to conduct e-commerce e-banking.

This project creates the driving theme of allowing small businesses to utilize facilities of their business partners that operate in a large scale. This system is applicable to all smaller enterprises especially in developing countries.

METHODOLOGY / SCOPE

Automate@hsbc offers SMEs primarily free of charge services, or a small nominal fee if any, to enhance the value proposition for their customers. SMEs can enjoy a powerful suite of e-facilities. They also receive benefits including critical event alerts, online information, e-collaborative workflow operation, e-trade facilitation and tracking, electronic filing/retrieval, cheque outsourcing, financial control and other cost-saving advantages.

In short, the project means implementation of a wide range of electronic facilities, including internet, wireless, self-service and other technologies, to offer a complete set of value-added services and business benefits to SMEs. It offers:

- 24hrs Electronic Banking Centres for online bulk cash deposits, cheque payments/deposits
- Electronic cheque writing & receivable outsourcing
- SMS & Secured Email Smart Alert services
- Internet banking
- E-collaborative workflow processing & e-trade facilitation
- 24hrs Telebanking service and Call Centre support

ACHIEVEMENTS / CHALLENGES

About 3,000 SMEs have signed up in different degree of automation and e-collaborative operation. When fully used, there are over 20,000 online users. This project has helped banks to have over 90 percent customer transactions and 70 percent of TT (Telegraphic Transfers) done via internet banking.

Automate@ hsbc has been awarded with the following in the past:

- "Best of E-Commerce Applications" by Asia Pacific ICT Awards 2003
- "Best of E-Commerce Applications" by MSC-APICTA Awards 2003
- "Best Consumer Internet Bank 2003" by Global Finance
- CIO Asia Awards 2004
- Malaysian PM's IT Award 2002 for Bulk Cheque Scanning Deposit Machine & end-to-end processing solution

Category: Electronic Business in Private Sector

Project title: FlexiClaims

Organization: CrimsonLogic

SUMMARY

FlexiClaims is a web-based end-to-end automated claim processing system for healthcare management organizations (HMOs) and/or insurance companies to manage operational processes with more flexibility.

From medical benefits management, membership administration and claims processing, to billing and generating specialized management reports for reference and analysis, FlexiClaims combines them at one stop for customers' convenience.

Customers will not have to manually submitting multiple claim forms as FlexiClaims automates all these so that the processes between the parties involved – HMOs and/or insurance companies, clinics, hospitals, and corporations – blend seamlessly into only one procedure. As a result, HMO and insurers are able to maximise efficiency, delivery quality and operational transparency, with reduced claims turnaround and real-time utilization performance.

METHODOLOGY / SCOPE

FlexiClaims replaces the manual task of submitting claims to HMOs and claim processes by HMOs. The application is a multi-tier web application, designed based on the object-oriented concept and developed using the Java 2 Enterprise Edition platform (J2EE) technology. The system:

- allows user manage service provider, membership account, plan scheme creation and claim processing
- allows user to submit and approve claim online
- enables claims processing fully integrated with service provider, membership and plan
- provides information
- generates statistical reports for analysis
- helps companies manage employee account

ACHIEVEMENTS / CHALLENGES

FlexiClaims allows HMOS and service providers to submit claims online. HMOs are able to access the claim submission for evaluation and go through the claims approval process immediately. The claims process is fully integrated with service provider, membership and scheme module to access information that is needed during the end-to-end claims cycle.

With FlexiClaims, HMOs can now manage claim 24x7 online and easily integrate with new service provider. The claim process is shorter with minimal error by integrating with service provider, membership and scheme information. The integrated information also reduces the manual tasks of submitting and crossing reference to numerous documents, hence reducing and controlling claim fraud.

CrimsonLogic, the developer of FlexiClaims, is currently marketing the service to overseas HMOs. Marketing efforts are also being made to promote the service to overseas authorities. Through presentations and demonstrations in conferences and exhibitions.

Category: Electronic Business in Public Sector

Project title: eBAS – A Successful Government EIP

Organization: Directorate-general of Budget ,Accounting and Statistics (DGBAS),
The Executive Yuan

SUMMARY

eBAS (electronic Budget, Accounting and Statistics) is a portal and knowledge management platform designed to improve the inter-governmental communication.

It rebuilds business digitalization processes and increases administrative efficiency. As a result, eBAS reduces both time and cost of data transfer and to increase administrative efficiency.

All DGBAS (Directorate-general of Budget, Accounting and Statistics) subordinate agencies and personnel have linked up to the new network, which has its own dedicated website to provide various e-business application, data exchange and communication functions.

METHODOLOGY / SCOPE

eBAS is constructed as a G2G (Government to Government) network for rapid data transmission and exchange. It is a portal that integrates BAS application services, including information systems such as Government Budget, Government Accounting, Official Statistics Management, Census Investigation and BAS Personnel.

There are four strategies in this project:

- **Innovative Service:** provide an environment in the BAS e-community for stimulating creativity and establishing appropriate behavior.
- **Common Consensus:** form information promotion taskforces to build up common consensus within the organization.
- **Effective Reengineering:** convert existing paper-based processes into digital data exchange mechanism and set up an assessment procedure for the BAS system.
- **Electronic Infrastructure:** set up a mode of communications to overcome the limitations of distance among the BAS members across the country. Complete the knowledge bank to provide an intelligent platform for national BAS staffs.

ACHIEVEMENTS / CHALLENGES

eBAS has improved G2G, G2C (Government to Citizen) and C2C (Citizen to Citizen) administration and service efficiency. The achievements include:

- Significantly reduces time and cost of data transfer and increases efficiency.
- Reduces the quantity of documents and repeated data input to save costs and shorten processes.
- Standardizes procedures to reduce overall operating cost.
- Strengthens the BAS personnel's knowledge management and communication ability.
- Establishes a nation-wide family of BAS members to bolster their morale.

Looking forward eBAS will integrate all BAS-related management information systems into the eBAS intelligent platform to strengthen a digitalized workflow and operation environment.

The eBAS system's successful experiences should also be promoted to other governmental organizations to improve inter-government communication and administrative efficiency.

Category: Electronic Business in Public Sector

Project title: Vitamin C (Cash) — Supply Chain e-Financing Project

Organization: Department of Industrial Technology, Ministry of Economic Affairs

SUMMARY

Project C focuses on e-financing operations in a supply chain between manufacturers and suppliers in the IT sector. It seeks to align cash flow services with the existing e-business supply chain to provide a range of financial services including global payment and collection, offset, account aggregation and an online financing system.

This project brings together players in the banking industry and assists them in solving payment issues between lead manufacturers and their suppliers.

It also creates an enabling environment for Taiwan's industries to keep orders, financing and cash within Taiwan and to construct a global financial services network for domestic banks.

METHODOLOGY / SCOPE

This project integrates e-supply chain systems with e-payment services provided by financial institutions to replace paper checks, providing electronic banking services for enterprises. The online e-finance service for suppliers is free of a guarantee requirement and uses the transaction information at any given step in the order process.

Methodology:

- Setting application qualifications, principles for approval and calling for qualified players through an openly announcement.
- Using the mechanism of the DoIT/MOEA's IT Application and Promotion (ITAP) Program for Enterprise to guide, audit and promote the execution of each participant in Project C.
- The Bank Working Group (BWG) is organized to set common electronic banking requirements and coordinate business processes between banks, lead manufacturers and suppliers.
- Coordinating the BAROC (The Bankers Association of ROC) to take responsibility for developing and disseminating FXML standard messages for Project C
- Seeking common ground, setting unified inspection and acceptance regulations.

ACHIEVEMENTS / CHALLENGES

This project has helped to strengthen the competitiveness of Taiwanese banks, giving Taiwan's financial sector an edge in terms of capabilities and innovative services. It also enables Taiwanese financial institutions to build a global financial services network.

By the first quarter of 2004, Project C had included eight banks and over 4,500 suppliers. The amount of e-finance had reached NT\$23 billion, and this figure is projected to grow to NT\$60 billion at the end of 2004. Suppliers obtained favorable loan rates, with reductions of approximately 50 percent. The increased transparency of transaction information made it possible for banks to simplify their credit procedures, saving them around NT\$30 million.

Thorny issues in this project include accounts receivable and accounts payable issues as the integration with e-payment tools has not finished at that moment. The majority of payments are still done via paper means by writing a check, or through other complex manual processes. Another challenge is supplier's financing issues.

Looking forward, Project C e-finance services aim to reach Taiwanese firms abroad via overseas bank branches.

Category: Electronic Business in Public Sector

Project title: e-Panchayat

Organization: National Informatics Centre, Department of Information Technology, Ministry of Communications and Information Technology, Government of India

SUMMARY

The e-Panchayat project is designed to introduce IT services to the village level.

The services provided by e-Panchayat range from simple birth and death certificates, trade licences to works monitoring and financial accounting.

Under this project, a website has been set up for each Panchayat, which is the village-level government.

The project aims to bring a customized information system and IT infrastructure to the village level. In addition to introducing the digital culture to villagers, the project will also minimize the recurring expenditure on operation and maintenance.

METHODOLOGY / SCOPE

As desktops are now available at affordable prices, the e-Panchayat software can be easily loaded into the computer system in the village. The system will eventually be available across the state and some strategies have been mapped out to achieve this goal.

Due to budget concerns, the Commissioner Panchayat Raj & Rural Employment will only be responsible for expenses of the servers. On a Build Own and Operate (BOO) basis, the systems will be facilitated by a self-employment generation scheme.

Under this scheme, one or two families in each village will make a living by providing services to the entrepreneur who runs the e-Panchayat. As the entrepreneur receives payments to input data and reports, he/she will be responsible for system maintenance, procurement, internet connection and associated logistic issues.

The software in this project is developed by National Informatics Centre (NIC) and the central server infrastructure by the State Government. The field level resources are facilitated in line with the BOO model.

ACHIEVEMENTS / CHALLENGES

Some selected panchayats, including Ramachandrapuram and Edida , have started deployment and implementation of this electronic system. Over 200 RSDP (Remote Sensing Data Policy) operators have been trained by NIC to be the major stake holders in providing and maintaining resources to villages lack of financial resources.

Major challenges in this project include:

- Lack of resources
- Lack of infrastructure
- Lack of awareness among various stake holders
- Misconceptions about the proposed systems
- Lack of commitment
- Resistance to Change
- Lack of change management strategy at State level

The next step is to sign a MOU between NIC and the GP Department and start the implementation by organizing training and awareness programmes.

Category: Electronic Business in Public Sector
Project title: Electronic Bidding Core System
Organization: Japan Construction Information Center

SUMMARY

The Electronic Bidding Core System allows bidders to use the internet rather than have to be present at the venue. They simply file the bids from their office.

It aims to consolidate current Electronic Bidding Systems and reduce costs for bidders.

A bidder may build their own Electronic Bidding System based on the Core System and this is designed to reduce costs and prevents multiple interface and authentication, which has been confusing in the past.

The Japan Construction Information Center (JACIC) and the Service Center of Port Engineering (SCOPE) have jointly set up the "e-Bidding Core System Development Consortium" to introduce the Core System to the public as well as local government offices. The Core System is highly flexible and can be applied to different users.

It supports registration, application, bidding and re-bidding and also shows the results of tenders on the system. But companies without Internet can still use the traditional paper bidding system.

METHODOLOGY / SCOPE

The Electronic Bidding Core System provides a simple screen layout so users can understand the bidding progress at a glance. They can also customize their screen layouts through this user-friendly system. The layout is in accordance with GUI Guidelines, which details how to use other Electronic Bidding Systems along with the core system.

The Core System is in two parts, a customisable area and a core area. In the former, users can design their own screen and account books. In the latter, bidding-specific program components and a public key infrastructure are included. As the Core System is developed with Java, program codes can be unified to improve efficiency in development and maintenance management.

ACHIEVEMENTS / CHALLENGES

Results of an opinion survey on bidding-related businesses have shown that the Core System is highly reliable and flexible. So far 25 ministries and public corporations, including MLIT and MAFF, all prefectures and government-designated cities are using this system as special members. MLIT has been operating an Electronic Bidding System based on the Core System since 2002, and has implemented about 30,000 electronic bidding as of March 2003.

The system has significantly simplified the bidding process and attracted more bidders. Standard electronic authentication has been adopted for implementing transactions to prevent Internet forgery and alteration.

The Core System V3.1 has been released, greatly enhanced the system's performance particularly in its multiprocessing capability.

Category: Electronic Business in Public Sector
Project title: e-management for education (IMSeducation)
Organization: University College of Engineering & Technology Malaysia

SUMMARY

The Integrated Management System Education (IMS education) project is designed to help universities in managing resources and decision-making with an integrated system. This total campus management system is a combination of software engineering, network engineering, electrical engineering, management and psychology.

The project aims to:

- Improve efficiency and productivity;
- Deliver culture values;
- Reduce operation cost and increase profit;
- Integrate organizations through the Integrated Information System and
- Provide effective Decision Support and Strategic Planning Tools

METHODOLOGY / SCOPE

IMS education adopts a strategic approach that manages an organization through a technology-based system. It focuses on Integration, Automation, Artificial Intelligence, Dynamic and Paperless.

- **Integration:** all data is stored in a single Integrated Database to avoid duplication and all applications are fully connected as one integrated process.
- **Automation:** it avoids manual transferring of information between all related entities in the organization. All the processes are done by the Integrated System.
- **Intelligence:** the Intelligent Timetable Engine enables all slots in the time table to be done in a fair, optimum and efficient manner.
- **Paperless:** all application, approval, meetings or reporting mechanism have been adjusted to ensure the use of online information instead of hard copy.
- **Dynamic:** the system in the e-management's environment has been designed to cater any change at any time as required.

Achievements / Challenges

The achievements of the projects include:

- The Premier Award 2003 from MAMPU in Public Sector Category
- MSC APICTA 2003 Merit Award (MSC Asia Pacific ICT Award) in education category
- Finalists PIKOM 2003 (Malaysian Computer Association) in private sector category

The IMSeducation project should be extended to datawarehousing and data mining activities to produce analytical reports to support the strategic planning of the organization. It should also be expended to other sectors such as IMShealthcare, IMSmanufacturing, IMSbanking, IMSrestaurant, IMSconstruction, IMSfinancing and IMStrading.

One of the major challenges in this project is to convince the top management about benefits of e-management and the implications to the university. The short dateline, fast deliverables, high expectations from the users, zero error, zero downtime, no alternative and no turning-back strategy require a very strong and tough team and project leader .

Category: Electronic Business in Public Sector

Project title: Tax Agent Portal

Organization: Australian Taxation Office

SUMMARY

The Tax Agent Portal project aims to deliver a convenient and secure website, within which tax agents can access a range of online products, services, tools and information relating to the tax system.

The Portal was designed with direct input from tax professionals at all stages. It provides convenient access to view client information, update certain client details in real time, download reports, submit online forms and send messages to the Tax Office - all within a secure environment. The Portal is available to all registered tax agents via a secure link.

One of the early deliverables of this program was a secure online environment within which tax agents could access information regarding their clients and submit transactions to the Tax Office. The ultimate aim of the Tax Agent Portal is to become a fully integrated, electronic hub for accessing information from, and transacting business with, the Tax Office. The project has been progressing well and is on track to deliver future improvements to reach the stage where tax agents have a high fidelity portal environment where eBusiness transactions will satisfy nearly all of their tax interactions.

METHODOLOGY / SCOPE

- Taking a user-centred approach, creating products and services that are Easier, cheaper and more personalised.
- Making the emerging design visible through early documentation and Prototypes that focus on dialogue, sustain energy and facilitate co-design.
- Working collaboratively in interdisciplinary teams, helping ensure that, When change is implemented, the user experience reflects that intent.
- Building a shared understanding of intent and ensuring that, when Change is implemented, the user experience reflects that intent.
- Following a disciplined yet flexible process that stays true to our design Principles and achieves higher quality in less time.
- Mapping the user pathway and other layers of design upfront to create a Coherent blueprint for change.
- Looking for innovative solutions that align with corporate directions and Achieve a balance between tax system integrity and user expectations.

ACHIEVEMENTS / CHALLENGES

The Tax Agent Portal has been highly successful and is used by a large proportion of tax agents on a daily basis, with usage increasing each month. It currently has around 100,000 logons every week by an average of 11,000 different agents. During April 2004, there were more than 3.5 million page hits on the Tax Agent Portal. In 2003, the Tax Agent Portal was nominated for, and won, the CPA Australia – Queensland Public Sector Award that recognises significant contributions and innovations to the fields of finance, accounting and business within the public sector.

Security is the biggest challenge for this project. The Portal offers two levels of authentication - User ID/Password and Public Key Infrastructure (PKI) digital

certificate security. This accreditation provides assurance that the certificate issuing process and the technology and practices that underlie it are robust and are in line with published standards. As part of the assurance processes relating to security, independent bodies have undertaken a Threat Risk Assessment and conducted penetration testing for each portal release.

Category: Trade Facilitation

Project title: eTrade (Facilitating international trade in India)

Organization: Department of Commerce, Ministry of Commerce & Industry,
Government of India

SUMMARY

The eTrade project is a solution based on e-commerce (EC) and electronic data interchange (EDI). The unified portal allows the trading community access to all trade regulating agencies that deliver their services through electronic means.

The eTrade project aims to:

- Simplify procedures.
- Provide 24 hour access to users with their business partners.
- Increase procedure transparency.
- Reduce costs and time in transaction.
- Introduce international standards and practices to the domestic industry.

METHODOLOGY / SCOPE

Under the project, departments involved in international trade need to offer their services via EC/EDI with an objective to bring the overall transaction time to international level.

Problems in EC/EDI implementation have been identified and a study was conducted on the framework for implementation of EC/EDI in India. Important strategies include:

- Mapping and re-engineering of the core regulatory trade processes.
- Defining clear success criteria for EC/EDI implementation and connecting all agencies to the system.
- Assigning an agency to monitor and assess the implementation.
- Setting up a task force to process re-engineering.
- Planning National Message Development project;
- Internetworking of VANs.
- Seeking legal amendments to facilitate the project.
- Organizing training programmes.

ACHIEVEMENTS / CHALLENGES

Achievements of the eTrade project include:

- Integration of all international trade regulatory / facilitating agencies eTrade through a portal (<http://etrade.nic.in>) has been provided this year.
- The project has empowered the trade & industry to have a transparent system for international trade, wherein they would be in-command to have anywhere anytime access to all the trade regulatory/facilitating agencies.
- Significant reduction in transaction time of services is achieved e.g. license application now disposed in 6 hours instead of earlier 45 days.
- Reduction and early detection of frauds
- Digital Signature/PKI integration
- Electronic Payment integration
- Uniformity and simplification of processes across different locations

Looking forward, the project is working on a web-based system to computerize shipping documents so operators can exchange information in a secured electronic environment.

Category: eBusiness on Public Sector

Project title: Using Smart Card in Customs Procedure

Organization: ASYCUDA project - Islamic Republic Of Iran Customs Administration

SUMMARY

The Smart Cards project is designed to replace paper-based permits with electronic means. These electronic permits are much more configurable and manageable than paper-based permits.

As one of the most common customs offences in Iran is documents forgery, Smart Cards will reduce document forgery and are ideal substitutes to paper-based documents. With a layered security mechanism of storage and retrieval, Smart Cards are the most secured permits in circulation.

METHODOLOGY / SCOPE

The following procedures are adopted in the Smart Cards project:

- **Import procedure:** all the permits issued by the Customs will be encoded in the Smart card format by the Smart Card machine. All the cards are subjected to configuration before encoding.
- **Transit procedure:** data/information of transit documents will be encoded into the Smart Cards. The data will be tracked en route to destinations and controlled by relevant controlling agencies. All transit data will be written-off down the road.
- **Export procedure:** controlling agencies in this case act as port offices or warehouses.
- **Miscellaneous procedure:** as all Customs procedures have been addressed in the automated ASYCUDA system, Smart Cards can be applied for other purposes.

ACHIEVEMENTS / CHALLENGES

Smart Cards achievements include:

Increase the government's revenues by reimbursement of taxes that were not levied before.

Replace all paper-based documents by electronics means.

Speed up the issuance of permits by removing the manual method.

Reduce related costs.

A lack of robust and reliable telecommunication infrastructure in Iran has been the biggest issue for Smart Cards as not all parties involved are equipped with the Internet.

Looking ahead the project needs to seek closer co-operation among organizations in the trade chains and active users of this facility. It is also crucial to build a culture of data exchange.

Category: Trade Facilitation
Project title: PTP Community Systems
Organization: Port of Tanjung Pelepas

SUMMARY

PTP is one of Malaysia's latest and most modern container terminals. The PTP Community Systems were developed to provide tools for its community to carry out business transactions via electronic means. They consist of various application systems to serve distinct functions of port business or authority requirements.

The project offers the community all necessary functions in conducting business transactions related to the seaport. With the ability to handle remote and self-service database transactions, the community can perform their functions anytime and anywhere.

The systems have transformed PTP to an efficient port through flexibility, a comprehensive network and simplified process. Many approaches in this project are completely new to Malaysian ports and the success of PTP means a model has been set up for other ports to follow.

METHODOLOGY / SCOPE

PTP Community Systems consist of the following:

- **Navis** - container operation system
- **FZIPS** - Free Zone information processing system
- **VCS** - Vessel clearance system
- **GCAMS** - Gate control and monitoring system
- **SCM** - Simplified container movement

The systems aim to create a one-stop-access point for operators to deal with PTP and reduce any duplicated data entry in the process.

The systems operate on a 24-hour basis and data facilitation is made possible via usage of UNEDIFACT messages, direct entry via the Internet, or uploading of simple data format.

ACHIEVEMENTS / CHALLENGES

Benefits brought in by the systems include time and cost saving, minimum duplication of data, self-service flexibility, simplified process and efficiency.

As the systems are now in place and most of the process has been defined, the next step will be to transform sporadic interfaces to a structured manner. A service platform where interfacing can be done in service layers rather than from system to system should be built. The portal approach will be used to reflect single market place.

One of the main challenges is to transform the paper-based exercise to completely paperless, especially when it involves different parties. As some approaches required high-level policy reviews, delays are inevitable and such delays have become an obstacle in system development.

Category: Trade Facilitation
Project title: Green Light Partnership for Trade Development
Organization: Mongolian National Chamber of Commerce & Industry

SUMMARY

The Green Light Partnership for Trade Development is designed to promote and support trade and investment. This project acts as a bridge between public and private sectors for a constructive dialogue on trade facilitation.

As the project organiser, Mongolian National Chamber of Commerce & Industry (MNCCI) gives priority to issues related to trade facilitation and business environment. One of the MNCCI's main tasks in 2003-2004 is to promote trade facilitation throughout the country, by building a structure consisting of representatives from the government and non-governmental organizations.

METHODOLOGY / SCOPE

An IT Committee, organized by MNCCI, was established in 2003 consisting of IT companies, non-governmental organizations and IT specialists from MNCCI. The Committee has jointly conducted a yearly study on E-Assessment of Mongolia with Development Gateway of Mongolia, an NGO.

MNCCI and Mongolian Custom General Administration have also moved to simplify paper-based procedures at the customs. An e-application system for Certificate of Origin has been introduced at the beginning of 2004.

The "Co-operation Declaration of Business Representing NGOs of Mongolia" project has been established to facilitate trade and develop the private sector.

Priorities are:

- To reach business communities and the private sector and form a framework for business related laws and regulations
- To promote IT and e-commerce in Mongolia; transfer foreign trade documents into the e-form under the drive for e-customs
- To play a strong advocacy role and create more opportunities for the Mongolian business community
- To simplify trade procedures and promote e-commerce

ACHIEVEMENTS / CHALLENGES

Currently over 30 associations representing the business community have joined "Co-operation Declaration of Business Representing NGOs of Mongolia" and they have set up a Council of Business Supporting Associations.

In 2004 MNCCI will set up the National PRO Committee to increase awareness and acceptance of trade facilitation. The first Business to Business, B-to-B, electronic offer network, which will allow domestic businesses to exchange offers in E-form, will also be established for the development of e-commerce in Mongolia.

Category: Trade Facilitation
Project title: Transport Code Repository
Organization: Tradegate Australia Ltd

SUMMARY

The Transport Code Repository is a single point of reference for codes needed for e-commerce. This online reference acts as a central location linking all the codes.

As it is critical in e-commerce to have a commonly accepted list of codes that all parties can agree on, the Transport Code Repository automates the distribution of code tables whenever they are changed.

Premier users receive automatic updates of code tables through this system daily so they are always up to date. Tradegate, a non-profit association, acts as a neutral, independent manager of the repository, with codes maintained by the "owners" of the codes.

METHODOLOGY / SCOPE

- Conduct a review of existing code sets to remove inaccurate and redundant codes and to make provision for new codes where required
- Create a repository of code accessible – via the internet – and usable by all organisations irrespective of size or industry sector
- Provide links to code sets maintained by international agencies such as ISO, UN, WCO, WTO, IMO, SMDG, EAN-UCC, etc., to enable quick and ready access to the relevant codes
- Provide a mechanism for update of both national and international code sets to ensure their relevance to industry requirements

ACHIEVEMENTS / CHALLENGES

The Code Repository simplifies the maintenance of codes that are hosted on it, by allowing anyone with internet access to search for a code and request a new code if they cannot find what they are looking for. This request is sent to the code maintainers, the "owners" of the codes who create the appropriate code if necessary.

The main challenge is to gain more acceptance of the system within the community and to get more code tables hosted on the repository. The final method of cost recovery of the service on an ongoing basis has not been determined as it may ultimately be determined by usage. The options are to charge an annual fee to access the service or a transaction based fee for each access or to seek combined government/industry grant funding to provide the service on an ongoing basis. The latter would certainly be less demanding and costly in terms of administration.

Category: Trade Facilitation
Project title: CertOfOrigin
Organization: CrimsonLogic Pte Ltd

SUMMARY

CertOfOrigin is the world's first end-to-end web-based COO application and certification system, providing a single interface for exporters and their agents to apply for a COO conveniently.

CertOfOrigin is developed to simplify the workflow of COO, which is one of the documents required by some banks, or authorities to complete cross-border trade between buyers and sellers.

The system enables the Authorised Organisations (AO) to approve COO applications, as well as the documents required to authenticate the origin of the goods traded online securely and conveniently. The entire process, from COO application by exporters and their agents to receipt of approved COO by the Customs officers and other trading partners in the importing country, can be completed in an electronic environment, bringing multiple benefits to the trading community.

METHODOLOGY / SCOPE

CertOfOrigin allows exporters to submit an application electronically from the comfort of their office or anywhere else. It also enables chamber officers to approve and certify COO applications online with easy retrieval of supporting documents through data integration capability built within CertOfOrigin. Immediate transmission of approved COO to designated recipients such as the banks, overseas buyers, and customs officers has also been enabled in a secure electronic environment.

This system:

- allows the exporters and agents to apply CO online
- allows AO to certify CO online
- allows the specify CO recipients to take a hard-copy printout of the CO
- transmits the CO to the destinations like banks or overseas buyer electronically.

ACHIEVEMENTS / CHALLENGES

In Singapore, the four chambers of commerce has accepted and implemented CertOfOrigin as an electronic COO application and certification system. CertOfOrigin was officially launched with the full support of the chambers. The Singapore Business Federation and Singapore Customs have also endorsed the project.

CrimsonLogic, the developer of CertOfOrigin, is currently marketing the service to overseas customs and embassies in countries such as North America and the Middle East to develop a truly global eTrade environment.

Challenges it faces include the promotion of new technology acceptance by the trading community and electronic COO acceptance by overseas authorities, such as the Customs.

MEETING HISTORY



MEETING HISTORY

	Date	Place	Remark
1st	1990. Nov. 5~6	Tokyo, Japan	AFACT Plenary
2nd	1991. Jun. 25~26	Singapore	AFACT Plenary & EDICOM '91
3rd	1991. Oct. 28~29	Tokyo, Japan	AFACT Plenary
4th	1992. Jun. 11~12	Tokyo, Japan	AFACT Plenary & EDICOM '92
5th	1992. Oct. 29~30	Seoul, Korea	AFACT Plenary
6th	1993. May. 20~21	Beijing, China	AFACT Plenary
7th	1993. Oct. 25~27	Seoul, Korea	AFACT Plenary & EDICOM '93
8th	1994. Jun. 6~8	Kuala Lumpur, Malaysia	AFACT Plenary
9th	1994. Nov. 28~30	Chinese Taipei	AFACT Plenary & EDICOM '94
10th	1995. Jun. 5~7	Bangkok, Thailand	AFACT Plenary
11th	1995. Nov. 1~3	Kuala Lumpur, Malaysia	AFACT Plenary & EDICOM '95
12th	1996. Jun. 4~7	'96.06.04. - 07.	AFACT Plenary
13th	1996. Oct. 28~30	New Delhi, India	AFACT Plenary & EDICOM '96
14th	1997. Apr. 30~May. 2	Singapore	AFACT Plenary & EDICOM '97
15th	1997. Nov. 2~6	Colombo, Sri Lanka	AFACT Plenary
16th	1998. Jul. 4~10	Tehran, Iran	AFACT Plenary
Management Team Meeting	1999. Apr. 22~23	Singapore	
17th	1999. Sep. 5~10	Seoul, Korea	AFACT Plenary & EDICOM '99
18th	2000. Sep. 11~15	Chinese Taipei	AFACT Plenary & EDICOM '00
19th	2001. Oct. 1~3	Jakarta, Indonesia	AFACT Plenary & EDICOM '01
20th	2002. Oct. 28~Nov. 1	Kuala Lumpur, Malaysia	AFACT Plenary & EDICOM '02
21st	2003. Oct. 12	Chinese Taipei	AFACT StC Meeting
21st	2004. Jan. 11~14	Karachi, Pakistan	AFACT Plenary & EDICOM '03
22nd	2004. Sep. 19~22	Singapore	AFACT Plenary & EDICOM '04 Mid-Term Meeting

CONTACT INFORMATION



CONTACT INFORMATION

2004 AFACT Steering Committee Board Members

Title	Organizations	Name (Member/Economy)	Tel / E-mail
Chairman	CrimsonLogic Pte Ltd	<i>Kenneth Lim</i> (Singapore)	Tel: 65-6887 7888 kennethlim@crimsonlogic.com
Vice-Chairman	Pakistan E-Commerce Resource Centre	<i>Javed Naushahi</i> (Pakistan)	Tel: 92-21-4539701/ 2-21-4538837 jnaushahi@yahoo.com
Vice-Chairman	Ministry of Trade, Department of E-Commerce and Information Technology	<i>Tran Thanh Hai</i> (Vietnam)	Tel: 84-4-8262 538 ext.0137 thanhhai@mot.gov.vn
Elected Head of Delegation	Korea Institute for Electronic Commerce	<i>Jong-Hee Kim</i> (Korea)	Tel: 82-2-528 5800 jhk@kiec.or.kr
Elected Head of Delegation	Singapore EDI Committee	<i>Kamarudin Bin Tambi</i> (Singapore)	Tel: 65-6887 7888 kama@crimsonlogic.com
UN/CEFACT Rapporteur for Asia	Korea Institute for Electronic Commerce	<i>Sang-Won Lim</i> (Korea)	Tel: 82-2-528 5020 swlim@kiec.or.kr
UN/CEFACT Vice-Chair	NIC, Ministry of Commerce and Industry	<i>T.A. Khan</i> (India)	Tel: 91-11-2301 5299/ 24676 898 jastpro@jastpro.or.jp
AFACT Secretariat	Institute for Information Industry (III)	<i>Jyh-Sheng Ke</i> (Chinese Taipei)	Tel: 886-2-2737 7128 jske@iii.org.tw

2004 AFACT Head of Delegation

Members/ Economy	Organizations	Heads of Delegation	Tel / E-mail
Australia	Tradegate	<i>Barry Keogh</i>	bjkeogh@tradegate.org.au
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India	Ministry of Commerce	<i>T. A. Khan</i>	Tel: 91-11-23015299 91-11-24676898 takhan@ub.nic.in
Indonesia	EDI Indonesia		Tel: 62-21-650 5829 62-21-650 1010
Iran	EAN Iran	<i>Farhad Djpasand</i>	Tel: 98-21-643 27 44~6 DeJPASAND@irtp.com
Japan	JEC (NEC Corp)	<i>Shumpei Nakagaki</i>	Tel: 81-03-3555 6031 nakagaki@mvd.biglobe.ne.jp
Korea	KIEC	<i>Jong-Hee Kim</i>	Tel: 82-2-528 5800 jhk@kiec.or.kr
Malaysia	MAMPU	<i>Madam Nazariah Mohd.. Khalid</i>	Tel: 03-8888 3200 03-8888 2480 03-8888 3163 naza@mampu.gov.my

Members/ Economy	Organizations	Heads of Delegation	Tel / E-mail
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P.R.C.	CESI	Zhigang Wu	Tel: 86-10-6400 8390 wuzg@cesi.ac.cn
Pakistan	Pakistan ECRC	S. Khurshed Shah	Tel: 92-21-779 0839 92-21-779 0840 shah@cyberaccess.com.pk itec@cyber.net.pk
Philippines	PEC		
Singapore	CrimsonLogic	Kamarudin Bin Tambi	kama@crimsonlogic.com
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Chinese Taipei	BSMI	Neng-Jong Lin	Tel: 886-2-3343 5100 #171 nj.lin@bsmi.gov.tw
Thailand	MICT	Ajin Jirachiefpattana	Tel: 66-02-505 7339 ajin@mict.go.th
Vietnam	MOSTE	Nguyen Thi Thu Huong	Tel: 84-4-826 2538 #1040 hungnt@gov.tw

2004 Working Groups and Chairs

Joint Working Groups	Organizations	Chairman (Member/Economy)	Tel / E-mail
Finance Working Group (FWG)	Information Technology Pakistan Standard Chartered Bank	Arif Siddiqui (Pakistan)	Tel: 21-241 2671 ext.2436 arif.siddiqui@pk.standardchartered.com
Transport Working Group (TWG)		S. Anbalagan (Malaysia)	anba@pka.gov.my
Customs Working Group (CWG)		Naseer Qureshi (Pakistan)	naseer@pral.gov.pk
Air-Transport Working Group (ATG)	Airports Authority of India	S.P. Ray (India)	Tel: 91-11-2565 1774 gmcaropciad@airportsindia.org.in
Environmental Protection Working Group (EPWG)	Environmental Protection Administration	Ruey-Ching Chen (Chinese Taipei)	Tel: 886-7-776 1190/ 776 1192 rcchen@sun.epa.gov.tw
Purchase Working Group (PWG)	Information Technology Engineering Company	Syed Khurshed Shah (Pakistan)	Tel: 92-21-778 5160-77 shah@cyberaccess.com.pk
Electronic Commerce Working Group (ECWG)	Kyonggi Institute of Technology	Yong Jae Kim (Korea)	Tel: 82-31-4964 765 yjkim@kinst.ac.kr
XML Working Group (XMLWG)	Institute for Information Industry (III)	Chung Ping Liang (Chinese Taipei)	Tel: 886-2-8732 6222 ext.194 cpliang@iii.org.tw
Technical Assessment Working Group (TAG)	GCOM Information Service Co., Ltd.	Frank Lin (Chinese Taipei)	Tel: 886-2-8792 3355ext.168 frank.lin@global-com.com.tw
Security Working Group (SWG)	Institute for Information Industry (III)	Perry Liu (Chinese Taipei)	Tel: 886-2-2739-1000 ext.103 pwl@iii.org.tw

Joint Working Groups	Organizations	Chairman (Member/Economy)	Tel / E-mail
Business Collaboration Framework Working Group (BCFWG)	Info Spec Sdn Bhd	<i>Simon Seow</i> (Malaysia)	Tel: 603-7957 1806 simonseow@infospec.com.my
Legal Working Group (LWG)	LL.B (Hons.) UCL., (LON.) Barrister-at-Law	<i>Zahid Usman Jamil</i> (Pakistan)	Tel: 92-21-568 0760/ 268 5276 zahid@jamilandjamil.com
Awareness and Education Working Group (AEG)	National Chamber of Commerce and Industry of Malaysia	<i>Zaid Ismail</i> (Malaysia)	Tel: 603-2141 9600/ 2141 2601 izaid@pd.jaring.my
Inter-networking Implementation Committee (IIC)		<i>Siti Abdullah</i> (Malaysia)	tpknsel@tm.net.my

Ms. Wan Ju Weng
Administrator to AFACT Secretariat

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PREFACE I

AFACT STEERING COMMITTEE CHAIRMAN, MR. KENNETH LIM



In 1973 the Asia Pacific region accounted for just 15% of the world's output. Three decades later, the region's economic output nearly doubled to 27% and accounts for approximately 47% of the world's trade. It is perhaps the world's most economically dynamic region having generated nearly 70% of global economic growth in its first 10 years.

The economies of Asia Pacific have been successful to date primarily due to its tariffs reductions and free trade agreements which have created more efficient domestic economies, dramatically increasing overall exports.

However, these implementations are unable to sufficiently guarantee continued growth in world trade. Sustainable growth is only possible through increasing the participation of most if not all enterprises in international trade. To encourage greater cross border trade, the formalities, procedures and processes must be made more transparent, easier and simpler. This is the goal of the Asia Pacific Council for Trade Facilitation and Electronic Business (AFACT).

AFACT members have for over 14 years, worked closely to improve the trade facilitation process to further enhance economic growth and prosperity in the region. By reducing bureaucracy and increasing accessibility through the implementation of standards and policies, AFACT continues to work towards improving business and administrative processes, procedures and information flow for more efficient information exchange. I am confident that its drive and spirit of cooperation will see it through achieving its goal of facilitating administration, commerce and transport through electronic commerce.

I would like to express my heartfelt appreciation to all who have made this yearbook a realization. More importantly, I hope all who read this year AFACT book will be inspired and continue to strive for better and more efficient trade processes among each economies.

**Chair of AFACT &
Vice President, Technology Development
CrimsonLogic Pte Ltd**

Kenneth Lim

PREFACE II

UN/CEFACT VICE CHAIR, MR. T.A. KHAN



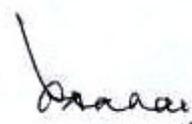
We are just at the beginning of a revolution, which is made possible by technology, offering a tremendous variety of new business opportunities. The challenge is using the technology effectively to achieve the business goals. Trade process standardisation has reshaped competitive landscapes, and has radically changed the way international trade is conducted.

The Asia Pacific Council for Trade Facilitation and eBusiness (AFACT) has a rich history with about two decade of eventful existence. It has now become a 16 member group and is still growing. The issue of trade facilitation is of key concern to the Trade and Industry in Asia Pacific region as to the rest of the world. Modern tools of electronic mode of business has become a prerequisite with special emphasis on Internet especially for small and medium enterprises (SMEs) to become competitive. Since these SMEs have strong base in this region and there is a greater potential and thrust on intra AFACT trade, this forum has greater relevance. AFACT is also pursuing the policies of United Nations Centre for Trade Facilitation and eBusiness (UN/CEFACT) to improve the ability of business, trade and administrative organizations from members as well as to exchange products and services globally.

The AFACT has a focused perspective. We fully recognise that progress on this important, extensive and involved issue will require close co-operation and partnership between all parties involved in international transactions. It is our firm belief that the AFACT is the most suitable organisation to ensure co-ordination of activities related to trade facilitation, eBusiness and implementation of any agreed work programme in this region.

The AFACT Secretariat has organised this year book to focus on making electronic commerce happen and making it successful over the long term. The book explores issues and critical points required for planning of any e-business system. I hope that AFACT year book would provide the participants an insight into trade facilitation and eBusiness issues and solutions. I appreciate the excellent work done by the AFACT Secretariat and hope that the book will serve as an important reference material.

UN/CEFACT Vice Chair &
Deputy Director General, NIC



T.A. Khan

PREFACE III

AFACT SECRETARIAT, DR. JYH-SHENG KE



In 2001, the AFACT Plenary has decided to establish a secretariat under AFACT in principle; whereby the Steering Committee was given the task to look for a secretariat with AFACT members, and Chinese Taipei was elected. The purpose of establishing AFACT Secretariat is to explore, review and identify the most practical approach for managing and operating AFACT tasks on Trade Facilitation and Electronic Business in Asia Pacific region. In March 2002, the AFACT Secretariat was officially launched into operation by Chinese Taipei for the term of four years from 2002 to 2005.

In 2003, the AFACT Secretariat organized the "eASIA Week" to enforce the promotion of e-commerce in Asia Pacific Region. This year, the AFACT Secretariat has the plan to publish a "2004 AFACT Year Book" with an aim to coordinate with UN/EFACT Rapporteur and the member community to achieve the responsibility of AFACT Secretariat

In addition to its intent to document the progress and development of AFACT, the goals of the Year Book further include the creation of a platform for all AFACT members to share their experiences in e-commerce deployment. This may serve as references for non-members who seek to join the AFACT community.

Certainly, the creation of the annual yearbook would not be able to accomplish without heartfelt support from the AFACT members. In hopes of accomplishing the mission of AFACT secretariat and improving subsequent annual publications, we invite and welcome comprehensive and constructive suggestions relating to all fields of e-commerce.

Finally, we anticipate that members of the AFACT community will cooperate with each other in promoting the continual development of e-commerce in Asia, for making Asian e-commerce a beacon of success, and facilitating progress and innovations in the highly competitive global e-commerce arena.

AFACT Secretariat &
President, Institute for Information Industry (III)

A handwritten signature in black ink, appearing to read "Jyh-Sheng Ke". The signature is fluid and cursive.

Dr. Jyh-Sheng Ke

PREFACE IV

UN/CEFACT RAPPORTEUR FOR ASIA, MR. SANGWON LIM



This year, AFACT holds its 22nd meeting in Singapore. AFACT, as the biggest regional trade facilitation and eBusiness body, has greatly contributed to joint progress and cooperation among the members in the Asia Pacific region. And, the importance of AFACT in the region is increasing ever more year by year. Its membership growth continues with current membership of 16 member economies and 2 associate members. Its effort to facilitate trade and eBusiness comes into fruit with tangible outcome. And, its agenda expands into more critical issues such as digital divide.

AFACT started with the effort to disseminate UNEDIFACT in the region. However, AFACT has continued its effort beyond mere dissemination of UNEDIFACT. To meet the regional demand, AFACT has evolved into the most important regional trade facilitation and eBusiness body by catching up global development of ICT and eBusiness through close coordination with UN/CEFACT. The agenda and capacity of AFACT has significantly grown with its development. The steady growth of membership demonstrates the leadership of AFACT in the region. Currently, there are 16 member economies and 2 associate members. The membership is expected to show the pattern of steady growth also in the future. The effort of AFACT to facilitate trade and eBusiness in the region resulted in significant outcomes; ebXML Asia Committee, regional ebXML promotion body, joined AFACT as an associate member already and PAA (Pan Asian e-Commerce Alliance), regional cooperation body among VAN services providers for the realization of regional cross border trade, joins AFACT as an associate member this year. In addition, AFACT has 11 joint working groups to deal with specific trade and eBusiness issues. In the case of BCF(Business Collaboration Framework) working group, it even started real application of BCF to a regional business case. The agenda of AFACT started to go beyond technical issues and deal with such social issues as digital divide with the support of eAsia Award. eAsia Award includes digital divide as a new area for award competition this year.

With all the exemplary cases and current status of AFACT, AFACT can be safely said to be in mature stage as a critical trade facilitation and eBusiness body in the region. On the other hand, it is also true that the potential for its further development is limitless. To realize its full potential, AFACT should closely cooperate with UN/CEFACT and continue its mandate through cooperative partnership among the members.

UN/CEFACT Rapporteur for Asia &
Head of International Relations Unit
Korea Institute for Electronic Commerce


Sangwon Lim