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ELECTRONIC DATA INTERCHANGE

A MALAYSIAN EXPERIENCE

A TOOL OF TRADE AT PORT

KLANG COMMUNITY SYSTEM

- PKCS

By

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Dedicated to, my beloved family,

David, Chandini,

Suriakanth

and

Gayathri.

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ABSTRACT

The emergence of Electronic Data Interchange (EDI), as a standard method of international trade information interchange, has serious implications within the Malaysian context. EDI has not only become an instrument to create new opportunities or to gain a competitive edge, EDI has also become such a "mandatory" standard technology that those countries whose organisations do not soon adopt EDI, will gradually fall out from the mainstream of international trade competition. The adoption of EDI is recognised by the Government of Malaysia as one of the necessary prerequisites to achieve the nation's trade promotion goals and strategies identified in the Outline Perspective Plan Two (OPP2), and the Sixth Malaysia Plan (SMP).

This study will attempt to establish a profile of EDI usage at the Port Klang Authority, as a facilitator of trade, with special mention of the " Port Klang Community System", (PKCS). The paper will attempt to determine the cost-benefits of the implementation of the PKCS, by evaluating the costing involved, in relation to certain variables of the operations of this network. The variables that this study has elected are, the time-saving element, cost-effectiveness of reduced paper documentation in trade , and labour-cost effectiveness, with EDI and without EDI.

The overall results have indicated that there is a favourable perception and appreciation of the benefits of EDI application, especially in the areas of information

accuracy, substantially less paperwork, timeliness and completeness, and most of all a definite cost effectiveness in the regions of labour usage, overheads and materials.

LIST OF CONTENTS

PAGE

ACKNOWLEDGEMENT	1
ABSTRACT	2
LIST OF CONTENTS	4
LIST OF FIGURES	7
LIST OF TABLES	8
LIST OF ABBREVIATIONS	9

CHAPTER ONE

1.	INTRODUCTION	11
	1.1 EDI - The Electronic Commercial Frontier	11
	1.2 Creating awareness of EDIFACT	16
	1.3 EDI Development in Malaysia	17
	1.4 Need for trade facilitation in Malaysia	20
	1.5 One-Stop Non-Stop - EDI Gateway	24
	1.6 Port Klang Community System	24
	1.6.1 PKCS users	27
	1.7 Sistem Maklumat Kastam (SMK)	30
	1.8 Objectives of the Study	31
	1.9 Methodology	32
	1.10 Data collection	32
	1.11 Scope of study	33
	1.12 Literature Review	33
	1.13 Organisation of Study	34

CHAPTER TWO

2.	CONCEPTS RELATING TO EDI	35
2.1	Concept applications a global perspective	37
2.2	Literature Review - case studies	46
2.3	Benefits and opportunities with EDI	52
2.4	Challenges and Barriers to implementing EDI	55
2.4.1	A Business Issue, not a technological issue	57
2.4.2	Coping with Change	58
2.4.3	Challenges in EDI implementation at PKCS	58
2.4.4	Legal Issues	62
2.4.5	Security and Confidentiality in EDI	65

CHAPTER THREE

3.	EDI at Klang Port Authority - an evaluation	67
3.1	Decreased waiting time with EDI	68
3.2	Reduced costs	69
3.3	Improved Accuracy	73
3.4	PKCS cost benefit analysis - a user perspective	75
3.5	Benefits of implementing EDI, at Klang Port Authority	80

CHAPTER FOUR

4.	CONCLUSION AND RECOMMENDATIONS	82
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APPENDIXES

APPENDIX	I	Overview of PKCS.....	92
APPENDIX	II	Overview of PKCS - Declaration.....	93
APPENDIX	III	Overview of PKCS - Import.....	94
APPENDIX	IV	Overview of PKCS - Export.....	95
APPENDIX	V	Port Klang Community System- Identification of Users.....	96
APPENDIX	VI	High level overview of document -ation and information flow - Export.....	97
APPENDIX	VII	High level overview of document -ation and information flow - Import.....	98
BIBLIOGRAPHY		99

LIST OF FIGURES

	DESCRIPTION	PAGE
FIGURE 1.	Components of EDI	12
FIGURE 2.	Telecommunications night-mare	13
FIGURE 3.	Telecommunications Solution	14
CHART 1.	MEC Organisation Chart	19
FIGURE 4.	A world between Shipper and Consignee	22
FIGURE 5.	Projected Paperwork Cost	23
FIGURE 6.	The Port Klang Community System and Dagang Network	25
FIGURE 7.	The Port Klang Community System	26
FIGURE 8.	Parties Connecting to PKCS	29
FIGURE 9.	Growth in EDI Trading Partners, since June 1988	41
FIGURE 10.	Benefits obtained from using EDI	44
FIGURE 11.	Growth of U.S. Government EDI applications	51
FIGURE 12.	Projected number of shipments	72
FIGURE 13.	Percentage of data repetition in trade	74
FIGURE 14.	Factors recommended to consider in EDI implementation	87

TABLES

TABLE 1	Active members connected to PKCS	67
TABLE 2	A comparative analysis of manual and electronic processing	70
TABLE 3	Time usage and labour involved in the manual processing of one Declaration	75
TABLE 4	Time usage and labour involved in the electronic processing of one Declaration	76
TABLE 5	A comparative analysis of the Pre and Post operational costs, of implementing EDI at Port Klang Authority	77

LIST OF ABBREVIATIONS

ABM	-	Association of Banks Malaysia
ADS\EDI	-	Aligned Documant System/ Electronic Data Interchange
AFAPK	-	Association of Forwarding Agents Port Klang
AI	-	Atificial Intelligent
API	-	Application of Program Interface
BCIEC	-	Banking Credit Insurance & Exchange Control ,one of the sub-committees under the NTFC
BIG	-	Banking Industry Group of Malaysia
BNM	-	Bank Negara Malaysia, also the Central Bank of Malaysia
CEC	-	Commission for the European Community
CHAM	-	Container Hauliers Association of Malaysia
CMO	-	Container Movement Order
CTWG	-	Customs & Transport Working Group
EDI	-	Electronic Data Interchange
EDIICC	-	EDI Implementation Coordination Committee
EPC	-	Export Promotion Council
ETA	-	Expected Time of Arrival of Vessel
ETD	-	Expected Time of Departure
FCZ	-	Free commercial Zone
FZA	-	Free Zone Authority
ISOA	-	International Ship Owners Association
JKED	-	Jabatan Kastam & Eksais DiRaja Malaysia , (Royal Malaysian Customs & Excise Department)
KCT	-	Kelang Container Terminal BHD, one of the port operator
KPA	-	Kelang Port Authority

KPM	-	Kelang Port Management Sdn. Bhd., one of the port operators
KTM	-	Keretapi Malaysia Berhad
MAMPU	-	Unit Permodenan Tadbiran Malaysia(Malaysian Modernisation, Administration Manpower Planning Unit)
MASA	-	Malaysian Shipowners Association
MITI	-	Ministry of International Trade and Industry
NCCIM	-	National Chamber of Commerce & Industry of Malaysia
NTFC	-	National Trade Facilitation Committee
OPP2	-	Outline Perspective Plan 2
PCA	-	Principal Customs Area
PKCS	-	Port Klang Community System
PKDP	-	Port Klang Distribution Park Sdn. Bhd., one of the port operators
PKSAA	-	Port Klang Shipping Agents Association
SMK	-	Sistem Maklumat Kastam(Customs Information System)
TEDIS	-	Trade For EDI Data Interchange System
UN	-	United Nations
UN/EDIFACT	-	United Nations / EDI For Administration,Commerce & Transport
UNLK	-	United Nations Layout Key