

Abstract of Presentation

Presentation Title:

**Electronic Commerce Diffusion for Customs Clearance and Trade Facilitation:
Case of Port Klang Community System**

Abstract :

Risk and uncertainty on whether technology may contribute to competitive advantage and sustainable growth is an imperative issue. With reference to intelligent infrastructure, this presentation highlights the importance of enhancing dynamic intelligence while trying to obtain cumulative intelligence. In line with the discussion, the case of a port community system that implemented Electronic Data Interchange (EDI) as a form of electronic commerce is referred. EDI allows business transactions conducted over computer networks for both public and private organizations. It is an electronic interaction among businesses, governments and consumers for the purpose of information retrieval, trading, procurement, purchasing and delivery of digitalized goods and services.

Malaysian Cabinet Committee on Infrastructure and Investment decided to start implementing EDI in the country's main port; Port Klang, in 1993. The focuses of the EDI implementation in Malaysia are trade facilitation and non-trade facilitation activities by eliminating cost of paperwork and procedural red tape. The Port Klang Community System (PKCS) became the first EDI-based port community system in Malaysia that includes Port Klang Authority, Customs, exporters, forwarding agents, shipping agents, hauling agents, port operators and banks. Since its inception (of almost 20 years ago), the community system successfully expedited cargo clearance and increase inefficiency at the port. Evidence shows some positive feedback from main players such as the Malaysian Integrated Shipping Company (MISC) and Multinational Companies (MNCs) which are well benefited by the community system. However, some issues and challenges remain as the small and medium players of shipping industry and business partners is yet to be able to utilize the full potential of the technology.