Customs and Excise Department Controlling Officer's Environmental Report 2011

Preface

The Customs and Excise Department (the Department) is a progressive and forward-looking organization responsible for a wide range of law enforcement functions including anti-smuggling, detection/deterrence of drug trafficking, protection of intellectual property rights, trade facilitation and controls, safeguarding consumer interests as well as protection of public revenue on dutiable goods.

In discharging its statutory role, the Department stays vigilant of the need to promote sustainable development and is committed to making the best use of available resources. We also place due emphasis on projects that will help to enhance broader environmental quality beyond our shores.

Customs Enforcement and Operations for a Greener Planet

We deliver our services and conduct our operations in an environmentally friendly and responsible manner.

• Ozone Layer Protection

The United Nations Environment Programme and the World Customs Organization Regional Intelligence Liaison Office for Asia and the Pacific (RILO A/P) jointly launched Project Sky-Hole-Patching in 2006¹ to combat illegal trade of ozone depleting substances. Although this project was successfully concluded in 2007, the Department continued to perform checking on 117 licenses and relayed two seizure records to RILO A/P in 2011.

¹ Phase I of the Project was rolled out on 1 September 2006 to establish a monitoring and notification mechanism on suspicious shipments of ODS, followed by Phase II on 1 March 2007 with an expanded scope to cover hazardous waste.

Clean Air

The Department has sustained the impetus of Operation "Grand Rooster", a campaign launched since mid-June 2005 to deter use of illicit fuel by heavy vehicles. In 2011, a total of four joint operations were mounted with Hong Kong Police Force, Fire Services Department, Transport Department (TD) and Environmental Protection Department (EPD) that served to reduce emissions caused by illicit fuel.

• <u>Cracking Down on Illegal Transboundary Movements of Hazardous Wastes</u>

Since the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal is applicable to Hong Kong, the Department has joined EPD in running a "Strategic Control Scheme on Hazardous Waste" starting from 4 July 2007.

As a result, EPD intercepted 51 containers of hazardous waste in 2011 and returned them to the exporting countries. Moreover, 48 pieces of seizure information were relayed to RILO A/P and overseas counterparts for intelligence sharing and risk profiling.

• Combating Illegal Trade of Hazardous Chemicals

The Department has been working closely with EPD upon enactment of the Hazardous Chemicals Control Ordinance² to curb illegal import and export at control points as well as to conduct post-shipment investigation into suspected violation of licensing conditions under the Import and Export (General) Regulations. In 2011, six local entities were fined HK\$92,000 for unlicensed import of hazardous chemicals.

² The Hazardous Chemicals Control Ordinance (Cap. 595) was enacted in 2007 and implemented in full since July 2008, under which import and export of hazardous chemicals are subject to licensing control

under the Import and Export (General) Regulations, Cap. 60A.

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<u>Recycle of Rechargeable Battery</u>

To minimize damage to the environment caused by disposal of harmful materials and to conserve natural resources, the Department has taken an active part in the "Rechargeable Battery Recycling Programme" jointly organized by a working group comprising EPD, conservation groups and the battery trade. In 2011, 264 000 seized rechargeable batteries (about 5 500 kg) were sent abroad for recycling.

A Green Approach to Trade Facilitation

• Electronic System for Cargo Manifests (EMAN)

EMAN allows one-stop electronic submission of manifests by air, ocean and river mode carriers to Census and Statistics Department, Trade and Industry Department and C&ED, thereby reducing paper consumption.

Advent of the "EMAN Statement I Submission Scheme" already induced 43 carriers accountable for over 90% of in-bound ocean containerized cargo throughput to go paperless. Similarly, the "e-Sea Customs Clearance (e-SCC) Scheme" that paves way for filing of electronic bill of lading received promising support, with 53 renowned forwarding agents registered since its introduction.

The Ports and Maritime Command (PMC) has spared no effort in driving for higher penetration of the "EMAN Statement I Submission Scheme" and "e-SCC Scheme". As at the end of 2011, cargo manifests for some 60% of in-bound and transshipment traffic are being done electronically. Leading carriers are planning to extend electronic submission from long haul shipments originating or destined for America and Europe to other ports in the coming year.

In light of this trend, our IT systems have been upgraded to automate the processing of cargo manifests. In 2011, PMC actively participated in a technology revamping project entitled "Replacement of Customs & Excise Risk Assessment System (CERAS)" that aims to uplift the capability and capacity of electronic sea cargo data processing as well as

risk profiling and management. Moreover, the "Container Movement Reporting System (CMRS)" developed by PMC compiles consignment and container movement records captured from internet into electronic reports and workflow functionalities to speed up cargo selection based on a secured communication backbone.

• On-line First Registration Tax (FRT) System

In a bid to enhance efficiency and save paper, the Department launched an on-line system on 28 November 2011 for traders and individuals to submit FRT applications and request tax assessment of motor vehicles prior to registration by TD. Moreover, members of the general public may now access Published Retail Prices of motor vehicles for reference. The adoption of this system represents yet another means by which the Department seeks to contribute towards a green environment.

Green Customs

• Use of Plastic Waste Bags with Degradable/Recycled Materials

Contractors are reminded to minimize consumption of plastic waste bags for cleansing work at all our premises and are compelled by tender requirements to use only bags made of degradable/recycled materials. Specially designed biodegradable excrement-collecting bags in place of plastic bags are used by Customs detector dogs working outdoor.

• Training and Publicity amongst Staff and Green Housekeeping Measures

We embark on a host of initiatives to ensure that colleagues are fully aware of their environmental responsibilities. Apart from implementing and tracking the outcome of housekeeping measures aimed to minimize resource wastage, recycling and energy conservation, the Department updates and re-circulate guidelines on a regular basis to promote green management, coordinates participation in activities like "Community Chest Green Day" and "Earth Hour" organized by World Wide Fund for Nature, line up seminars to stimulate exchange of experience with other stakeholders and urges our staff to contribute ideas and suggestions.

• Rein in the Electricity Consumption

The Department has resolved to switch off decorative external lighting of our premises and appointed Electrical and Mechanical Services Department to carry out proactive maintenance and servicing of air-conditioning systems and chiller plants to ensure energy efficiency.

The sharp increase of 88% in electricity consumption recorded in 2011 was attributable almost entirely to commissioning of the new Customs Headquarters Building (CHB) housing 23 formations previously located in government buildings or rented premises without separate meters. After discounting this one-off event, consumption in other non-joint-user premises actually went down by about 6% in 2011.

• Carbon Audit on Buildings Scheme

On reduction of greenhouse gas emissions, the Department has joined the carbon audit on buildings scheme and picked Kwai Chung Customhouse as a pilot building, whose net emissions for 2011 was 1 508 (0.068 per square meter) in tonnes of carbon dioxide-equivalent, decreasing by 1% compared with 2010.

• Green New Headquarters

The CHB commissioned in December 2010 boasts an impressive array of environmentally-friendly and energy-efficient measures like zero ozone depleting refrigerant for chiller units, occupancy sensors that switch off lighting and air-conditioning automatically, photovoltaic panels and vehicle battery charging facilities. We have also installed water-cooled air conditioning system, high-efficacy illuminating devices and podium gardens to enhance heat dissipation. Finally, CHB was awarded with an Indoor Air Quality (Excellent Class) Certificate in 2011.

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Conclusion

We will sustain our efforts to identify pragmatic and innovative ways to achieve a green workplace and inculcate deeper awareness among our staff on the essence of green living. With concerted team efforts, we look forward to further improving our environmental performance.

Comments and Suggestions

This report is accessible on our homepage at www.customs.gov.hk, and we welcome your feedback conveyed either in writing to our Green Manager at Customs Headquarters Building, 222 Java Road, North Point, Hong Kong or via e-mail at customsenquiry@customs.gov.hk.

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