

CONTROLLING OFFICER'S REPLY**SB256****(Question Serial No. 2378)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (000) Operational expensesProgramme: Not specifiedControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security/ Secretary for Financial Services and the Treasury/ Secretary for Commerce and Economic DevelopmentQuestion:

According to the Programme, the Customs and Excise Department (C&ED) will have an estimated 6 077 non-directorate posts as at 31 March 2015 rising by 61 posts to 6 138 posts as at 31 March 2016. What are the types and nature of work of the relevant newly-recruited posts? Meanwhile, C&ED has nine directorate posts. Will the Administration advise this Committee of the types, salaries, allowances and nature of work of these nine directorate posts as well as the types, numbers, salaries, allowances and nature of work of the 6 138 non-directorate permanent posts?

Asked by: Hon CHAN Chi-chuen (Member Question No. 34)Reply:

In 2015-16, the Customs and Excise Department (C&ED) will have a net increase of 61 posts, involving an expenditure of \$23.57 million. They are mainly created to handle the cargo and passenger flow generated by the midfield expansion project of the airport. Details are as follows:

Rank	Number	
	Posts to be created	Posts to be deleted
Inspector of Customs and Excise	5	-
Chief Customs Officer	9	-
Senior Customs Officer	41	-
Customs Officer	21	-14
Executive Officer I	1	-
Accounting Officer II	1	-
Workman II	-	-3
	Total	
Posts to be created	78	
Posts to be deleted	-17	
Net increase of posts	61	

In 2015-16, C&ED has an estimated establishment of 6 147 posts, involving an expenditure of \$2.42 billion. They are mainly deployed for the duties of anti-smuggling operations, protection and collection of revenue, narcotics detection, protection of intellectual property rights, protection of consumer interests, regulation of money service operators, trade controls and business facilitation. Since the estimated expenditure is drawn from the Treasury's computer records, no breakdown of salaries and allowances is available. Details of the establishment are hereby given below:

Rank	Establishment
<i>Directorate</i>	
Commissioner of Customs and Excise	1
Deputy Commissioner of Customs and Excise	1
Assistant Commissioner of Customs and Excise	3
Administrative Officer Staff Grade C	1
Senior Principal Trade Controls Officer	1
Chief Superintendent of Customs and Excise	2
Sub-total	9
<i>Non-directorate</i>	
Senior Superintendent of Customs and Excise	17
Superintendent of Customs and Excise	33
Assistant Superintendent of Customs and Excise	71
Senior Inspector of Customs and Excise	321
Inspector of Customs and Excise	456
Chief Customs Officer	367
Senior Customs Officer	1,120
Customs Officer	2,585
Principal Trade Controls Officer	7
Chief Trade Controls Officer	26
Senior Trade Controls Officer	81
Trade Controls Officer	212
Assistant Trade Controls Officer	197
Chief Executive Officer	1
Senior Executive Officer	4
Executive Officer I	19
Executive Officer II	4
Senior Treasury Accountant	1

Rank	Establishment
Treasury Accountant	4
Senior Accounting Officer	1
Accounting Officer I	6
Accounting Officer II	2
Senior Training Officer	1
Training Officer I	1
Senior Official Languages Officer	1
Official Languages Officer I	3
Official Languages Officer II	14
Calligraphist	1
Senior Personal Secretary	1
Personal Secretary I	6
Personal Secretary II	16
Senior Typist	3
Typist	8
Senior Divisional Occupational Safety Officer	1
Transport Services Officer I	1
Statistician	1
Statistical Officer I	2
Statistical Officer II	2
Armourer I	1
Armourer III	1
Senior Systems Manager	1
Systems Manager	6
Analyst / Programmer I	16
Analyst / Programmer II	6
Assistant Computer Operation Manager	1
Senior Computer Operator	1
Computer Operator I	9
Computer Operator II	9
Assistant Data Preparation Supervisor	1
Senior Confidential Assistant	1
Confidential Assistant	7

Rank	Establishment
Senior Clerical Officer	7
Clerical Officer	31
Assistant Clerical Officer	125
Clerical Assistant	99
Office Assistant	23
Chief Supplies Officer	1
Senior Supplies Officer	1
Supplies Officer	3
Assistant Supplies Officer	3
Senior Supplies Supervisor	1
Supplies Supervisor I	11
Supplies Supervisor II	24
Supplies Assistant	11
Special Driver	22
Motor Driver	61
Workman II	35
Cook	1
Leisure Services Manager	1
Assistant Leisure Services Manager II	1
Management Services Officer I	1
Senior Launch Master	6
Launch Assistant	9
Special Photographer I	1
Special Photographer II	3
Sub-total	6,138
Total	6,147

- End -

CONTROLLING OFFICER'S REPLY

SB257

(Question Serial No. 1394)

Head: (31) Customs and Excise Department

Subhead (No. & title): (292) Seizure management

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Commerce and Economic Development / Secretary for Financial Services and the Treasury

Question:

There was an upward trend in the estimated expenditure for seizure management by the Customs and Excise Department in recent years. Would the Administration inform this Committee of:

- a. the reasons for the increase in expenditure;
- b. the reasons why the revised estimate fell below the approved estimate for 2014-15; and
- c. the quantities of different types of seizures and the expenditure involved for 2014-15 in table form?

Seizure	Quantity	Expenditure involved

Asked by: Hon FAN Kwok-wai, Gary (Member Question No. 15)

Reply:

- a. The estimated expenditure for seizure management in 2015-16 is 7.2% higher than the revised estimate for 2014-15, mainly due to a rise in freight charges and storage fees.
- b. As the freight and storage services actually required in 2014-15 were less than expected, the revised estimate was lower than the approved estimate for the year.

c. Since the articles seized are of various types involving different measurement units, the relevant figures could not be provided. As the financial resources involved have already been subsumed under the general operating expenditure, the Customs and Excise Department does not have any breakdown of the expenditure. The categories of articles seized by the Customs and Excise Department and the number of cases in 2014 are given below:

Articles seized	No. of cases
Tobacco	17 939
Liquors	5 531
Foodstuff & drinks	4 942
Pets, animals & plants	465
Meat (excluding endangered species)	334
Electrical & electronic goods (including game hardware)	133
Arms & weapons	132
Chemicals, antibiotics & pharmaceutical products	100
Computer & accessories	66
Clothing, footwear, leather goods & glasses	48
Hydrocarbon oil	24
Watches, parts & accessories	15
Cosmetic & beauty	13
Conveyance	12
Stationery, toys & sports equipment	11
Machinery & equipment	9
Children products	9
Household products	6
Valuable substance/document	5
Optical discs	4

Strategic commodities	3
Medium & Equipment	1
Others	150
Total	**29 952

**A case may involve multiple categories of articles.

- End -

CONTROLLING OFFICER'S REPLY

SB258

(Question Serial No.: 2264)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

Would the Administration advise this Committee on the number of cases relating to “parallel trade” and that of successful prosecutions in the past year?

Asked by: Hon KWOK Dennis (Member Question No. 26)

Reply:

Both Hong Kong and Shenzhen Customs have taken great effort to suppress cross-boundary parallel trade activities since September 2012 and the work in this area has been made routine. In 2014, the two sides conducted a total of 99 joint operations.

In the above operations, the Shenzhen Customs detected 167 cases based on notifications from Hong Kong, involving 167 outbound persons and goods with a total value of \$3.85 million. The goods were mainly mobile phones, tablet computers and electronic equipment. Meanwhile, Hong Kong Customs detected 84 cases based on notifications from Shenzhen, involving 84 inbound persons and dutiable commodities, namely cigarettes and liquors, with a total value of \$260,000.

- End -

CONTROLLING OFFICER'S REPLY

SB259

(Question Serial No.: 0754)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

Please list the details of the joint operations mounted by the Mainland and Hong Kong authorities in combatting parallel trade activities as well as the expenditure and manpower involved in the past 3 years. Please also list the types of smuggled goods seized, their values and the number of persons arrested in each of these joint operations.

Asked by: Hon KWOK Wai-keung (Member Question No. 31)

Reply:

Both Hong Kong and Shenzhen Customs have taken great effort to suppress cross-boundary parallel trade activities since September 2012 and the work in this area has been made routine. As at December 2014, the two sides had conducted a total of 622 joint operations.

In the above operations, the Shenzhen Customs detected 835 cases based on notifications from Hong Kong, involving 841 outbound persons and goods with a total value of \$8.99 million. The goods were mainly mobile phones, tablet computers and electronic equipment. Meanwhile, Hong Kong Customs detected 177 cases based on notifications from Shenzhen, involving 177 inbound persons and dutiable commodities, namely cigarettes and liquors, with a total value of \$420,000. As the resources involved in the above work have been subsumed under the general operating expenditure, the Customs and Excise Department does not have any breakdown.

- End -

CONTROLLING OFFICER'S REPLY

SB260

(Question Serial No. 0757)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

How many cases of “parallel trade activities” were cracked down by the Customs and Excise Department at various boundary control points in the past three years? How many outgoing and incoming cases of goods were there? How many cases and persons were successfully prosecuted? What were the types of goods involved? What are the estimated manpower and expenditure in this aspect for the coming year?

Asked by: Hon KWOK Wai-keung (Member Question No. 32)

Reply:

Both Hong Kong and Shenzhen Customs have taken great effort to suppress cross-boundary parallel trade activities since September 2012 and the work in this area has been made routine. As at December 2014, the two sides had conducted a total of 622 joint operations.

In the above operations, the Shenzhen Customs detected 835 cases based on notifications from Hong Kong, involving 841 outbound persons and goods with a total value of \$8.99 million. The goods were mainly mobile phones, tablet computers and electronic equipment. Meanwhile, Hong Kong Customs detected 177 cases based on notifications from Shenzhen, involving 177 inbound persons and dutiable commodities, namely cigarettes and liquors, with a total value of \$420,000. As the resources involved in the above work have been subsumed under the general operating expenditure, the Customs and Excise Department does not have any breakdown.

- End -

CONTROLLING OFFICER'S REPLY**SB261****(Question Serial No. 0758)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security/ Secretary for Financial Services and the Treasury/ Secretary for Commerce and Economic DevelopmentQuestion:

In respect of the values of seizures in the past 3 years, please list the quantities of dutiable and non-dutiable commodities confiscated, as well as the top 5 types of seized goods in the said two categories respectively.

Asked by: Hon KWOK Wai-keung (Member Question No. 34)Reply:

According to the Dutiable Commodities Ordinance (Cap.109), dutiable commodities are mainly comprised of four categories of goods, namely tobacco, liquors, hydrocarbon oil and methyl alcohol. Between 2012 and 2014, no methyl alcohol was seized by the Customs and Excise Department. As for non-dutiable commodities, the top 5 types of seizures in terms of value are electrical and electronic goods, animals and plants, computers and accessories, clothing and footwear as well as foodstuff and drinks. Since the articles seized are of various types involving different measurement units, they cannot be compared by quantity. The number of relevant cases are given below:

Number of cases involving dutiable commodities

Category of articles	2012	2013	2014
Tobacco	20 369	17 208	17 939
Liquors	5 909	4 468	5 531
Hydrocarbon oil	27	20	24
Total	**26 305	**21 696	**23 494

Number of cases involving non-dutiable commodities

Category of articles	2012	2013	2014
Foodstuff & drinks	27	4 366	4 942
Pets, animals & plants	178	387	465
Meat (excluding endangered species)	611	390	334
Electrical & electronic goods (including game hardware)	95	113	133
Arms & weapons	45	50	132
Chemicals, antibiotics & pharmaceutical products	56	92	100
Computer & accessories	50	70	66
Clothing, footwear, leather goods & glasses	57	75	48
Watches, parts & accessories	15	18	15
Cosmetic & beauty	6	19	13
Conveyance	13	13	12
Stationery, toys & sports equipment	10	9	11
Machinery & equipment	9	8	9
Children products	0	4	9
Household products	12	11	6
Valuable substance/document	8	11	5
Optical disc	1	6	4
Strategic commodities	0	1	3
Medium & Equipment	2	3	1
Others	145	176	150
Total	**1 340	**5 822	**6 458

**A case may involve multiple categories of articles.

- End -

CONTROLLING OFFICER'S REPLY

SB262

(Question Serial No.: 1516)

Head: (31) Customs and Excise Department

Subhead: (0)

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

Would the Government advise this Committee on the numbers of illegal cases relating to “parallel trade” detected by the Customs and Excise Department at boundary control points in the past year? How many cases were successfully prosecuted? What are the Administration’s plans to combat “parallel trade” activities at the boundaries in the future? How much manpower and estimated provision will be required?

Asked by: Hon LAM Kin-fung, Jeffrey (Member Question No. 3)

Reply:

Both Hong Kong and Shenzhen Customs have taken great effort to suppress cross-boundary parallel trade activities since September 2012 and the work in this area has been made routine. In 2014, the two sides conducted a total of 99 joint operations.

In the above operations, the Shenzhen Customs detected 167 cases based on notifications from Hong Kong, involving 167 outbound persons and goods with a total value of \$3.85 million. The goods were mainly mobile phones, tablet computers and electronic equipment. Meanwhile, Hong Kong Customs detected 84 cases based on notifications from Shenzhen, involving 84 inbound persons and dutiable commodities, namely cigarettes and liquors, with a total value of \$260,000.

As the resources involved in the above work have been subsumed under the general operating expenditure, the Customs and Excise Department does not have any breakdown.

The Government of the Special Administrative Region has been pressing ahead with enforcement action against parallel goods by implementing multi-pronged measures and through inter-departmental co-operation. The relevant government departments will continue to closely monitor the situation and enhance communication, co-operation and enforcement.

- End -

CONTROLLING OFFICER'S REPLY**SB263****(Question Serial No. 3109)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

During 2015–16, the Customs and Excise Department will continue to take proactive action against smuggling activities through intelligence-based operations and closer co-operation with the Mainland and overseas authorities. Would the Administration inform this Committee of the figures, number of arrests and the expenditure involved in respect of anti-smuggling activities in the past five years?

Asked by: Hon LAM Tai-fai (Member Question No. 8)Reply:

The number of smuggling cases detected and persons arrested by the Customs and Excise Department in the past 5 years were as follows:

	2010	2011	2012	2013	2014
No. of cases	258	201	199	284	255
No. of persons arrested	226	215	190	237	274

As the financial resources involved have been subsumed under the general operating expenditure, the Customs and Excise Department does not have any breakdown of the expenditure.

- End -

CONTROLLING OFFICER'S REPLY

SB264

(Question Serial No. 0470)

Head: (31) Customs and Excise Department

Subhead (No. & title): (603) Plant, vehicles and equipment

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

Please provide the justifications for the replacement of high speed pursuit crafts under items 833, 834 and 835 of Subhead 603 and the estimated expenditure for 2015-16.

Asked by: Hon LEE Cheuk-yan (Member Question No. 1)

Reply:

Three high speed pursuit crafts in the Customs and Excise Department (C&ED)'s fleet have been in use for over 12 years. The Marine Department confirmed in last July that their overall performances had fallen and continuing their maintenance period would be uneconomical. It is necessary for C&ED to initiate a replacement plan as soon as possible to ensure that the crafts could be replaced in a timely manner and thus the capability of the Department in combating marine smuggling could be maintained. The estimated expenditure in this respect for 2015-16 is \$2.49 million.

- End -

CONTROLLING OFFICER'S REPLY

(Question Serial No.: 0364)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security/ Secretary for Financial Services and the Treasury/ Secretary for Commerce and Economic Development

Question:

Would the Administration please state in detail as to how the estimated provision of \$2,442.2 million will be spent on carrying out the following work this year, and specify the expenditure involved in each area of work:

1. take proactive action against smuggling activities through intelligence-based operations and closer co-operation with the Mainland and overseas authorities;
2. improve clearance services to facilitate efficient passenger and cargo flows across the boundary;
3. closely monitor the operation of the electronic Road Cargo System to ensure efficient and effective clearance of cross-boundary goods vehicles; and
4. ensure smooth operation of the Inter-modal Transshipment Facilitation Scheme, whereby cargoes involving inter-modal transfer (e.g. from land to air and sea) will only be subject to customs inspection at either the point of exit or entry.

Asked by: Hon LEUNG Kwan-yuen, Andrew (Member Question No.: 1)

Reply:

In relation to the work mentioned in the question, the Customs and Excise Department (C&ED) has the following key initiatives for this year:

1. C&ED will continue to maintain close liaison with law enforcement agencies of other regions to combat smuggling through strengthened intelligence exchange and joint operations.

2. In respect of passenger clearance, C&ED will continue to adopt a risk-based approach and actively bring in advanced technology to assist in contraband detection; with regard to cargo clearance, C&ED will optimise the mode of clearance to enhance overall efficiency, for example, by making use of large scanning systems.
3. The Road Cargo System has been operating smoothly since its introduction. C&ED has a dedicated team to monitor and maintain the System, including updating its hardware and software in a timely manner, to cope with the ever increasing flows.
4. In 2010, C&ED launched the Intermodal Transshipment Facilitation Scheme so that cargoes need not be subject to repeated inspections at different control points. C&ED is actively working on a seamless harmonisation with the Mainland's Cross-boundary Express Clearance System through the use of a single electronic lock.

As the financial resources involved in the above work have already been subsumed under the general operating expenditure, C&ED does not have any breakdown of the expenditure.

- End -

CONTROLLING OFFICER'S REPLY

SB266

(Question Serial No. 0571)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: Not specified

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

The Customs and Excise Department estimates that there will be an increase of 61 non-directorate posts in 2015-16. In this regard, would the Administration please provide the following information:

- a) the number of posts to be deleted and created by the Department by programme, rank and function;
- b) the establishment and strength of each rank by programme in 2014-15 and the estimated figures of such in 2015-16.

Asked by: Hon POON Siu-ping (Member Question No. 1)

Reply:

- a) In 2015-16, the Customs and Excise Department will have a net increase of 61 posts. They are mainly created to handle the cargo and passenger flow generated by the midfield expansion project of the airport. The details are as follows:

Rank	Number	
	Posts to be created	Posts to be deleted
Programme (1)		
Inspector of Customs and Excise	5	
Chief Customs Officer	9	
Senior Customs Officer	41	
Customs Officer	21	-14
Executive Officer I	1	
Accounting Officer II	1	
Workman II		-3
Sub-total:	78	-17

Programme (2)		
No creation or deletion of posts	-	-
Sub-total:	-	-
Programme (3)		
No creation or deletion of posts	-	-
Sub-total:	-	-
Programme (4)		
No creation or deletion of posts	-	-
Sub-total:	-	-
Programme (5)		
No creation or deletion of posts	-	-
Sub-total:	-	-
Posts to be created		78
Posts to be deleted		-17
Net increase of posts		61

b) The establishment in 2014-15 and the estimated establishment in 2015-16 are as follows:-

Financial year	Programme (1)	Programme (2)	Programme (3)	Programme (4)	Programme (5)	Total
2014-15	4,484	386	604	292	320	6,086
2015-16	4,545	386	604	292	320	6,147

The establishment and the strength of each rank in 2014-15 are as follows:

Rank	Establishment (Strength*)	Rank	Establishment (Strength*)
Commissioner of Customs and Excise	1 (1)	Statistician	1 (1)
		Statistical Officer I	2 (1)
Deputy Commissioner of Customs and Excise	1 (2)	Statistical Officer II	2 (3)
		Armourer I	1 (1)
Assistant Commissioner of Customs and Excise	3 (2)	Armourer III	1 (1)
Administrative Officer Staff Grade C	1 (0)	Senior Systems Manager	1 (2)
Senior Principal Trade	1 (1)		

<i>Rank</i>	<i>Establishment (Strength*)</i>	<i>Rank</i>	<i>Establishment (Strength*)</i>
Controls Officer		Systems Manager	6 (4)
Chief Superintendent of Customs and Excise	2 (4)	Analyst / Programmer I	16 (15)
Senior Superintendent of Customs and Excise	17 (12)	Analyst / Programmer II	6 (5)
Superintendent of Customs and Excise	33 (34)	Assistant Computer Operation Manager	1 (1)
Assistant Superintendent of Customs and Excise	71 (75)	Senior Computer Operator	1 (1)
Senior Inspector of Customs and Excise	321 (305)	Computer Operator I	9 (9)
Inspector of Customs and Excise	451 (517)	Computer Operator II	9 (9)
Chief Customs Officer	358 (310)	Assistant Data Preparation Supervisor	1 (1)
Senior Customs Officer	1,079 (987)	Senior Confidential Assistant	1 (1)
Customs Officer	2,578 (2,450)	Confidential Assistant	7 (7)
Principal Trade Controls Officer	7 (7)	Senior Clerical Officer	7 (7)
Chief Trade Controls Officer	26 (26)	Clerical Officer	31 (29)
Senior Trade Controls Officer	81 (79)	Assistant Clerical Officer	125 (130)
Trade Controls Officer	212 (196)	Clerical Assistant	99 (88)
Assistant Trade Controls Officer	197 (178)	Office Assistant	23 (21)
Chief Executive Officer	1 (1)	Chief Supplies Officer	1 (1)
Senior Executive Officer	4 (2)	Senior Supplies Officer	1 (0)
Executive Officer I	18 (16)	Supplies Officer	3 (4)
Executive Officer II	4 (8)	Assistant Supplies Officer	3 (2)
Senior Treasury Accountant	1 (0)	Senior Supplies Supervisor	1 (1)
Treasury Accountant	4 (5)	Supplies Supervisor I	11 (9)
Senior Accounting Officer	1 (1)	Supplies Supervisor II	24 (26)

<i>Rank</i>	<i>Establishment (Strength*)</i>	<i>Rank</i>	<i>Establishment (Strength*)</i>
Accounting Officer I	6 (4)	Supplies Assistant	11 (11)
Accounting Officer II	1 (3)	Special Driver	22 (19)
Senior Training Officer	1 (1)	Motor Driver	61 (63)
Training Officer I	1 (1)	Workman II	38 (26)
Senior Official Languages Officer	1 (1)	Cook	1 (1)
Official Languages Officer I	3 (2)	Leisure Services Manager	1 (1)
Official Languages Officer II	14 (15)	Assistant Leisure Services Manager II	1 (1)
Calligraphist	1 (1)	Management Services Officer I	1 (1)
Senior Personal Secretary	1 (1)	Senior Launch Master	6 (4)
Personal Secretary I	6 (6)	Launch Assistant	9 (6)
Personal Secretary II	16 (15)	Special Photographer I	1 (0)
Senior Typist	3 (3)	Special Photographer II	3 (0)
Typist	8 (9)		
Senior Divisional Occupational Safety Officer	1 (1)	Total	6,086 (5,796)
Transport Services Officer I	1 (1)		

*The strength as at 31 January 2015, including officers on pre-retirement leave.

The estimated establishment of each rank in 2015-16 is given below. Figures on strength cannot be ascertained due to various factors like resignation and early retirement:

<i>Rank</i>	<i>Establishment</i>	<i>Rank</i>	<i>Establishment</i>
Commissioner of Customs and Excise	1	Statistician	1
Deputy Commissioner of Customs and Excise	1	Statistical Officer I	2
Assistant Commissioner of Customs and Excise	3	Statistical Officer II	2
Administrative Officer Staff Grade C	1	Armourer I	1
		Armourer III	1

<i>Rank</i>	<i>Establishment</i>
Senior Principal Trade Controls Officer	1
Chief Superintendent of Customs and Excise	2
Senior Superintendent of Customs and Excise	17
Superintendent of Customs and Excise	33
Assistant Superintendent of Customs and Excise	71
Senior Inspector of Customs and Excise	321
Inspector of Customs and Excise	456
Chief Customs Officer	367
Senior Customs Officer	1,120
Customs Officer	2,585
Principal Trade Controls Officer	7
Chief Trade Controls Officer	26
Senior Trade Controls Officer	81
Trade Controls Officer	212
Assistant Trade Controls Officer	197
Chief Executive Officer	1
Senior Executive Officer	4
Executive Officer I	19
Executive Officer II	4
Senior Treasury Accountant	1
Treasury Accountant	4
Senior Accounting Officer	1

<i>Rank</i>	<i>Establishment</i>
Senior Systems Manager	1
Systems Manager	6
Analyst / Programmer I	16
Analyst / Programmer II	6
Assistant Computer Operation Manager	1
Senior Computer Operator	1
Computer Operator I	9
Computer Operator II	9
Assistant Data Preparation Supervisor	1
Senior Confidential Assistant	1
Confidential Assistant	7
Senior Clerical Officer	7
Clerical Officer	31
Assistant Clerical Officer	125
Clerical Assistant	99
Office Assistant	23
Chief Supplies Officer	1
Senior Supplies Officer	1
Supplies Officer	3
Assistant Supplies Officer	3
Senior Supplies Supervisor	1
Supplies Supervisor I	11
Supplies Supervisor II	24

<i>Rank</i>	<i>Establishment</i>	<i>Rank</i>	<i>Establishment</i>
Accounting Officer I	6	Supplies Assistant	11
Accounting Officer II	2	Special Driver	22
Senior Training Officer	1	Motor Driver	61
Training Officer I	1	Workman II	35
Senior Official Languages Officer	1	Cook	1
Official Languages Officer I	3	Leisure Services Manager	1
Official Languages Officer II	14	Assistant Leisure Services Manager II	1
Calligraphist	1	Management Services Officer I	1
Senior Personal Secretary	1	Senior Launch Master	6
Personal Secretary I	6	Launch Assistant	9
Personal Secretary II	16	Special Photographer I	1
Senior Typist	3	Special Photographer II	3
Typist	8		
Senior Divisional Occupational Safety Officer	1		
Transport Services Officer I	1		
		Total	6,147

- End -

CONTROLLING OFFICER'S REPLY**SB267****(Question Serial No.: 2705)**Head: (31) Customs and Excise DepartmentSubhead: ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security / Secretary for the EnvironmentQuestion:

How many enforcement operations regarding endangered species were taken by the Customs and Excise Department in 2014? Please state in detail the types and quantities of endangered species as well as the expenditure involved.

Asked by: Hon QUAT Elizabeth (Member Question No. 5)Reply:

The Customs and Excise Department detected a total of 462 cases involving smuggling of endangered species in 2014, the details of which are as follows:

Endangered Species	Weight / Quantity
Wood Log and Its Products	124 600 kg and 451 pieces
Elephant Tusk and Its Products	2 200 kg and 35 pieces
Pangolin and Its Scales	6 700 kg and 1 piece
Rhino Horn / Sea Turtle / Dried Sea-horse / Orchid / Reptile Leather Products etc	4 800 kg and 6 209 pieces

As the financial resources involved in the above work have been subsumed under the general operating expenditure, the Customs and Excise Department does not have any breakdown of the expenditure.

- End -

CONTROLLING OFFICER'S REPLY**SB268****(Question Serial No. 0098)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (000) Operational expensesProgramme: Not specifiedControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security/ Secretary for Financial Services and the Treasury/ Secretary for Commerce and Economic DevelopmentQuestion:

The Customs and Excise Department stated that the number of non-directorate posts will be increased by 61 to 6138 posts as at 31 March 2016. Please inform this Council of the nature of work, ranks and salaries of these new posts.

Asked by: Hon. SHEK Lai-him, Abraham (Member Question No. 25)Reply:

In 2015-16, the Customs and Excise Department will have a net increase of 61 posts. They are mainly created to handle the cargo and passenger flow generated by the midfield expansion project of the airport. The details are as follows:

Rank	Number		Monthly salary range (HK\$) (since 1 April 2014)
	Posts to be created	Posts to be deleted	
Inspector of Customs and Excise	5	-	29,560-61,145
Chief Customs Officer	9	-	33,025-39,020
Senior Customs Officer	41	-	25,725-33,025
Customs Officer	21	-14	17,045-25,000
Executive Officer I	1	-	47,280-59,485
Accounting Officer II	1	-	24,380-45,150
Workman II	-	-3	11,055-13,035

	Total
Posts to be created	78
Posts to be deleted	-17
Net increase of posts	61

- End -

CONTROLLING OFFICER'S REPLY

SB718

(Question Serial No. 4877)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

The Customs and Excise Department (C&ED) is the primary agency responsible for the suppression of smuggling activities. It also monitors both the import and export of goods and the licensing of the movement of prohibited and prescribed articles as stipulated in the Import and Export Ordinance (Cap. 60), and detects contraband, controlled items and other violations of the law. Would the Administration inform this Committee:

In the past 3 years, how many persons were prosecuted for conveying prohibited articles or controlled items exceeding the specified quantity?

Asked by: Hon CHAN Chi-chuen (Member Question No. 129)

Reply:

Between January 2012 and December 2014, the Customs and Excise Department prosecuted a total of 8 856 persons for illegal conveyance of controlled items under the Import and Export Ordinance.

- End -

CONTROLLING OFFICER'S REPLY

SB719

(Question Serial No. 4881)

Head: (31) Customs and Excise Department

Subhead (No. & title): (103) Rewards and special services

Programme: Not specified

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security

Question:

A provision of \$11,000,000 under Subhead 103 Rewards and special services is allocated to the Customs and Excise Department. Please list the details of expenditure for the rewards and services to be paid in table form.

Asked by: Hon CHAN Chi-chuen (Member Question No. 133)

Reply:

It is not appropriate to disclose the details of expenditure under this subhead because it would compromise enforcement effectiveness.

- End -

CONTROLLING OFFICER'S REPLY**SB720****(Question Serial No.4926)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security/ Secretary for Commerce and Economic Development/ Secretary for Financial Services and the TreasuryQuestion:

Could the Administration list in the table below the numbers of cases involving Mainland and foreign visitors who violated import or export restrictions of prohibited/controlled items in the past 3 years? In the coming year, what are the estimated manpower and expenditure for handling cases involving Mainland and foreign visitors who violated import or export restrictions of prohibited/controlled items? In addressing an increasing number of visitors violating import or export restrictions of prohibited/controlled items, what arrangements and measures will be implemented to strengthen enforcement actions?

	2014	2013	2012
Number of Mainland visitors violating import or export restrictions of prohibited/controlled items			
Number of foreign visitors violating import or export restrictions of prohibited/controlled items			
Number of visitors violating import or export restrictions of prohibited/controlled items in Hong Kong			
Total number			

Asked by: Hon CHAN Chi-chuen (Member Question No. 178)

Reply:

The number of cases involving Mainland and other visitors who violated import or export restrictions of prohibited/controlled items for the past 3 years are as follows:

	2014	2013	2012
Mainland visitors	4 927	3 253	842
Other visitors	405	207	110
Total number of cases	5 332	3 460	952

The significant increase in the number of cases in the past 2 years was mainly a result of the commencement in 2013 of the Import and Export (General) (Amendment) Regulation 2013 which restricts the export of powdered formula for infants under 36 months from Hong Kong. The Customs and Excise Department (C&ED) will continue to enhance enforcement effectiveness through strengthened intelligence collection and on-scene notification. As the resources involved in the above work have already been subsumed under the general operating expenditure, C&ED does not have a breakdown of the expenditure involved.

- End -

CONTROLLING OFFICER'S REPLY

SB721

(Question Serial No.: 6047)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (2) Anti-narcotics Investigation

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security

Question:

Regarding the anti-narcotics work carried out by the Customs and Excise Department (C&ED):

a) What are the reasons and details of the increase in the average purity of heroin and the decrease in its average retail price? How does the Administration interpret the changes of these indicators and what action will the Administration take in response to them? What are the details and timetable for such action? How much manpower and expenditure are involved?

b) What are the reasons for the increase in the number of seizure cases of dangerous drugs? How does the Administration interpret the change of this indicator and what action will the Administration take in response to it? What are the details and timetable for such action? How much manpower and expenditure are involved?

c) The numbers of cannabis, methylamphetamine (ice) and ketamine seized in 2014 are all higher than those in 2013. What are the reasons and details? How does the Administration interpret the changes of these indicators and what action will the Administration take in response to them? What are the details and timetable for such action? How much manpower and expenditure are involved?

d) Both the numbers of dangerous drugs seized and persons arrested outside Hong Kong in 2014 are higher than those in 2013. What are the reasons, details and locations? How does the Administration interpret the changes of these indicators and what action will the Administration take in response to them? What are the details and timetable for such action? How much manpower and expenditure are involved?

Asked by: Hon CHAN Ka-lok, Kenneth (Member Question No.: 190)

Reply:

a) Both the average purity and price of drugs fluctuate under the influence of various factors, and therefore conclusions cannot be drawn based solely on data changes within a certain period of time. The Customs and Excise Department (C&ED) is now closely monitoring various risk indicators, and will suitably adjust its strategy where appropriate to maintain enforcement effectiveness.

b) In 2014, C&ED strengthened cooperation with Hongkong Post and the logistics industry to proactively combat drug trafficking activities exploiting the channel of courier services. A total of 432 cases were detected, which is 3 times over the number of similar cases detected in 2013. C&ED will carry on with the work in this area.

c) In 2014, C&ED detected 3 large-scale drug trafficking cases, which involved a total seizure of 28 kilograms of cannabis and 52 kilograms of ketamine, and intercepted 324 kilograms of methylamphetamine smuggled through courier services. All these contribute to the increase in relevant figures over the previous year.

d) In 2014, C&ED strived to reinforce liaison and cooperation with Mainland and overseas law enforcement agencies for greater synergy and to tackle criminal activities at source. The work in this area has contributed to the increases in both the numbers of drugs seized and persons arrested outside Hong Kong.

As the manpower and expenses involved in the above work have been subsumed under the general operating expenditure, no breakdown could be provided.

- End -

CONTROLLING OFFICER'S REPLY

SB722

(Question Serial No. 6094)

Head: (31) Customs and Excise Department

Subhead (No. & title): (603) Plant, vehicles and equipment

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security/ Secretary for Financial Services and the Treasury/ Secretary for Commerce and Economic Development

Question:

Regarding the capital account of the Customs and Excise Department (C&ED) for 2015-16, there is an increase in the estimated expenditure on plant, vehicles and equipment. What are the reasons? What are the details, timetables, additional manpower and expenditure involved?

Asked by: Hon CHAN Ka-lok, Kenneth (Member Question No. 704)

Reply:

The increase in C&ED's estimated expenditure on procurement for 2015-16 is mainly due to the provision reserved for the consignment of the following plant, vehicles and equipment:

Item Code	Item Details
847	Replacement of 2 mobile X-ray vehicle scanning systems
865, 868, 871 and 874	Replacement of 4 mobile X-ray checker vans
872 and 873	Replacement of 2 shallow water launches

No additional manpower is required for the replacement of the above plant, vehicles and equipment.

- End -

CONTROLLING OFFICER'S REPLY

SB723

(Question Serial No. 7087)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security

Question:

In respect of the control and enforcement work of the Customs and Excise Department:

In 2014, the actual number of conveyances used for smuggling was higher than that in 2013. What were the reasons, the Administration's follow up as well as the expenditure and manpower involved? Regarding the conveyances, please list out the figures for each type of conveyances and their respective percentages.

Asked by: Hon CHAN Ka-lok, Kenneth (Member Question No. 189)

Reply:

The Customs and Excise Department (C&ED) adopted a holistic approach in 2014 in combating smuggling activities. A number of cases were detected at land boundary control points and several illegal warehouses were smashed, leading to an increase in the number of conveyances confiscated in 2014 as compared to the previous year. The total value of conveyances seized was approximately \$9.4 million, among which 60% were trucks, 30% were light goods vehicles and private cars, and the remaining were crafts.

Since the resources involved in the above work have been subsumed under the general operating expenditure, C&ED does not have the relevant breakdown figures.

- End -

CONTROLLING OFFICER'S REPLY**SB724****(Question Serial No. 4734)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security/ Secretary for Financial Services and the Treasury/ Secretary for Commerce and Economic DevelopmentQuestion:

The Administration has stated that there will be an increase of 61 posts under this programme in 2015-16. Would the Administration inform this Committee of the titles, functions and estimated annual payroll costs in regard to these 61 posts?

Asked by: Hon CHAN Wai-yip, Albert (Member Question No. 134)Reply:

In 2015-16, the Customs and Excise Department will have a net increase of 61 posts, involving an expenditure of \$23.57 million. They are mainly created to handle the cargo and passenger flow generated by the midfield expansion project of the airport. The details are as follows:

Rank	Number	
	Posts to be created	Posts to be deleted
Inspector of Customs and Excise	5	-
Chief Customs Officer	9	-
Senior Customs Officer	41	-
Customs Officer	21	-14
Executive Officer I	1	-
Accounting Officer II	1	-
Workman II	-	-3

	Total
Posts to be created	78
Posts to be deleted	-17
Net increase of posts	61

- End -

CONTROLLING OFFICER'S REPLY

SB725

(Question Serial No.: 7082)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

Would the Administration inform this Committee of:

The operational expenses, staff establishment and annual salary provision for the enforcement of the Import and Export (General) (Amendment) Regulation 2013 in 2015-16?

Asked by: Hon CHAN Wai-yip, Albert (Member Question No.: 118)

Reply:

In 2015-16, the Customs and Excise Department will deploy 218 civil servants and non-civil service contract staff to assist in the enforcement of the Import and Export (General) (Amendment) Regulation 2013 at control points, involving an expenditure of \$72.15 million.

- End -

CONTROLLING OFFICER'S REPLY**SB726****(Question Serial No.: 6572)**Head: (31) Customs and Excise DepartmentSubhead: ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

Would the Administration provide the number of cases prosecuted for parallel trade activities by districts of occurrence in the past 5 years?

District	Year				
	2010	2011	2012	2013	2014
Yuen Long					
Tuen Mun					
North					
Tsuen Wan					
Kwai Tsing					
Tai Po					
Sha Tin					
Sai Kung					
Sham Shui Po					
Kowloon City					
Wong Tai Sin					
Kwun Tong					
Central & Western					
Southern					
Wan Chai					
Eastern					
Southern					
Islands					

Asked by: Hon CHEUNG Chiu-hung, Fernando (Member Question No.: 676)

Reply:

One of the primary duties of the Customs and Excise Department (C&ED) is to inspect passengers and their baggage at control points in order to prevent the inflow of prohibited articles into Hong Kong and protect government revenue. Both the Shenzhen and Hong Kong Customs have taken great effort to combat cross-boundary smuggling by parallel traders since September 2012. Up to December 2014, the two sides conducted a total of 622 joint operations, in which C&ED and the Shenzhen Customs detected 177 and 835 cases respectively. A breakdown of the cases by control point is given below:

Control Point	Year Customs Authorities	September to December 2012		2013		2014	
		C&ED	Shenzhen Customs	C&ED	Shenzhen Customs	C&ED	Shenzhen Customs
Lok Ma Chau Spur Line		8	99	8	43	19	93
Lo Wu		8	162	68	207	65	70
Lok Ma Chau		0	10	0	17	0	0
Man Kam To		0	0	0	1	0	0
Sha Tau Kok		0	11	0	11	0	0
Shenzhen Bay		1	40	0	67	0	4
Total No. of Cases		17	322	76	346	84	167

- End -

CONTROLLING OFFICER'S REPLY

SB727

(Question Serial No. 5288)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

1. What are the number of officers to be deployed by the Customs and Excise Department (C&ED) at various control points to intercept dutiable goods and the estimated provision involved in 2015-2016?
2. Please provide the figures on the arrests made by C&ED in enforcing the Import and Export Ordinance at various control points in the past 5 years. What was the estimated provision earmarked by the Department for enforcing the Ordinance in 2014-2015?
3. Please list out in a table the amount of the following items seized by C&ED within Hong Kong and the number of persons involved in the past 5 years.

		Narcotics	Firearms	Strategic goods	Dutiable commodities	Infringement of copyright	Infringement of trade descriptions
2010	Amount						
	Number of persons involved						
2011	Amount						
	Number of persons involved						
2012	Amount						
	Number of persons						

	involved						
2013	Amount						
	Number of persons involved						
2014	Amount						
	Number of persons involved						

4. What were the actual amounts of illicit cigarettes seized by C&ED at various control points, the number of staff and the actual expenditure involved in the past 5 years? What will be the number of staff to be deployed for combating illicit cigarette activities by the Department and the actual expenditure in 2015-2016?

5. What were the number of staff deployed by C&ED and the actual expenditure involved in combating parallel traders in the past 5 years? Will the Department allocate additional resources in the fight against parallel trade activities in 2015-2016? If yes, what are the details and the estimated expenditure?

Asked by: Hon KWOK Ka-ki (Member Question No. 112)

Reply:

1. As the resources involved in the interception of dutiable goods have been subsumed under the general operating expenditure, Customs and Excise Department (C&ED) does not have the breakdown figures.

2. In the past 5 years, a total of 10 179 persons were arrested by C&ED for contravention of the Import and Export Ordinance. As the resources involved have been subsumed under the general operating expenditure, C&ED does not have the breakdown figures.

3. Since the items seized are of various types involving different measurement units, the details of the cases detected in the past 5 years are given below instead:

		Narcotics	Firearms	Strategic goods	Dutiable commodities	Infringing goods	Goods infringing trade descriptions
2010	Number of cases	427	20	12	19 458	610	947
	Number of persons arrested	369	14	0	6 449	532	832

2011	Number of cases	447	19	14	19 799	323	647
	Number of persons arrested	416	11	2	9 670	436	543
2012	Number of cases	473	20	4	22 026	116	533
	Number of persons arrested	430	14	0	11 549	166	506
2013	Number of cases	516	28	2	18 675	99	752
	Number of persons arrested	439	20	0	11 712	143	663
2014	Number of cases	808	81	8	19 387	60	1 069
	Number of persons arrested	445	21	0	12 004	87	750

4. The amount of illicit cigarettes seized by C&ED at various control points in the past 5 years are as follows:

	2010	2011	2012	2013	2014
Amount of illicit cigarettes	30 million sticks	24.7 million sticks	33.1 million sticks	47.2 million sticks	38.2 million sticks

In 2015-16, 61 Customs officers will be deployed to combat illicit cigarette activities, involving an expenditure of \$21.31 million.

5. In 2015-16, C&ED will continue its cooperation with Shenzhen Customs in combating parallel goods smuggling activities, which includes monitoring hotspots of parallel trade activities in order to gather intelligence to facilitate interception and targeted actions by officers at boundary control points and other law enforcement agencies. Since the resources involved in the above work have been subsumed under the general operating expenditure, C&ED does not have the relevant breakdown figures.

- End -

CONTROLLING OFFICER'S REPLY**SB728****(Question Serial No. 5294)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (2) Anti-narcotics InvestigationControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for SecurityQuestion:

1. In the past 5 years, how many cases relating to organised drugs syndicates and individual drug offenders were detected by the Customs and Excise Department (C&ED)? How many persons were arrested?

2. Please provide the number of drug manufacturing workshops and distribution centres cracked down by C&ED within Hong Kong in the past 5 years.

Asked by: Hon KWOK Ka-ki (Member Question No. 120)Reply:

1. In the past 5 years, the numbers of drug trafficking cases detected and persons arrested by the Customs and Excise Department (C&ED) were as follows:

	2010	2011	2012	2013	2014
Number of cases detected	170	185	214	231	275
Number of persons arrested	177	205	211	258	276

2. In the past 5 years, the numbers of drug manufacturing workshops and distribution centres cracked down by the C&ED within Hong Kong were as follows:

	2010	2011	2012	2013	2014
Drug Manufacturing Workshops	2	-	-	1	-
Distribution Centres	15	11	3	10	11

- End -

CONTROLLING OFFICER'S REPLY

SB729

(Question Serial No. 4151)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

Please list the information on the following for the past 3 years:

1. the number of parallel traders prosecuted;
2. the establishment and manpower deployed for prosecution against parallel traders.

Asked by: Hon POON Siu-ping (Member Question No. 123)

Reply:

Both Hong Kong and Shenzhen Customs have taken great effort to suppress cross-boundary parallel trade activities since September 2012 and the work in this area has been made routine. As at December 2014, the two sides had conducted a total of 622 joint operations.

In the above operations, the Shenzhen Customs detected 835 cases based on notifications from Hong Kong, involving 841 outbound persons and goods with a total value of \$8.99 million. The goods were mainly mobile phones, tablet computers and electronic equipment. Meanwhile, Hong Kong Customs detected 177 cases based on notifications from Shenzhen, involving 177 inbound persons and dutiable commodities, namely cigarettes and liquors, with a total value of \$420,000. As the resources involved in the above work have been subsumed under the general operating expenditure, the Customs and Excise Department does not have any breakdown.

- End -

CONTROLLING OFFICER'S REPLY**SB730****(Question Serial No. 3406)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (000) Operational expensesProgramme: Not specifiedControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security/ Secretary for Financial Services and the Treasury/ Secretary for Commerce and Economic DevelopmentQuestion:

Regarding the engagement of “outsourced workers”, please provide the following information:

Asked by: Hon WONG Kwok-hing (Member Question No. 51)Reply:

The details of engaging outsourced workers by the Customs and Excise Department (C&ED) are as follows:

	2014-15 (Position as at 31.12.2014)
Number of outsourced service contracts	18 (-14.3%)
Total payments to outsourced service providers	\$51,847,048 (+1.2%)
Duration of service of each outsourced service provider	1 to 3 years (Not applicable)
Number of outsourced workers engaged through outsourced service providers	278 (+1.5%)
Details of the positions held by outsourced workers (e.g. customer service, property management, security, cleansing, information technology, etc.)	Property management, security, cleansing and moving service

	2014-15 (Position as at 31.12.2014)
<p>Monthly salary range of outsourced workers</p> <ul style="list-style-type: none"> • \$30,001 or above • \$16,001 to \$30,000 • 8,001 to \$16,000 • \$6,501 to \$8,000 • \$6,240 to \$6,500 • under \$6,240 	<p>Outsourced service providers are required to undertake to pay the level of wage of non-technical employees with reference to the data of related industries/occupations published by the Census and Statistics Department or by adopting the statutory minimum wage and including one paid rest per week (whichever is higher).</p>
<p>Length of service of outsourced workers</p> <ul style="list-style-type: none"> • over 15 years • 10 to 15 years • 5 to 10 years • 3 to 5 years • 1 to 3 years • under 1 year 	<p>The contracts by which government departments procure outsourcing services do not set out the length of employment of the employees.</p>
<p>Percentage of outsourced workers against the total number of staff of C&ED</p>	<p>4.5% (0%)</p>
<p>Percentage of payments to outsourced service providers against the total staff costs of C&ED</p>	<p>2.1% (-4.5%)</p>
<p>Number of workers who received severance payment/long service payment/contract gratuity</p>	<p>The contracts by which government departments procure outsourcing services do not require the outsourced service providers to provide the related information, but it is stipulated in the contracts that the outsourced service providers must pay severance/long service payment/contract gratuity to the workers concerned in accordance with the relevant Employment Ordinance.</p>
<p>Amount of severance payment/ long service payment/contract gratuity paid</p>	<p>-please see the above-</p>
<p>Number of workers with severance payment/long service payment offset by or contract gratuity calculated from the accrued benefits attributable to employer's contributions to MPF</p>	<p>-please see the above-</p>
<p>Amount of severance payment/long service payment offset by or contract gratuity calculated from the accrued benefits attributable to employer's contributions to MPF</p>	<p>-please see the above-</p>

	2014-15 (Position as at 31.12.2014)
Number of workers with paid meal break Number of employees without paid meal break	Outsourced service providers are required to undertake to pay the level of wage of non-technical employees with reference to the data of related industries/occupations published by the Census and Statistics Department or by adopting the statutory minimum wage and including one paid rest per week (whichever is higher), but there is no obligatory requirement of whether the meal breaks are remunerated.
Number of workers working 5 days per week Number of workers working 6 days per week	The contracts by which the government departments procure outsourcing services do not stipulate obligatorily the number of working days per week of the employees.

() denotes percentage of change compared with the same period in 2013-14

- End -

CONTROLLING OFFICER'S REPLY

SB731

(Question Serial No. 3407)

Head: (31) Customs and Excise Department

Subhead (No. & title): (000) Operational expenses

Programme: Not specified

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security/ Secretary for Financial Services and the Treasury/ Secretary for Commerce and Economic Development

Question:

Regarding the engagement of “agency workers”, please provide the following information:

Asked by: Hon WONG Kwok-hing (Member Question No. 52)

Reply:

The details of agency workers engaged by the Customs and Excise Department (C&ED) under T-contract (Note 1) are as follows:

	2014-15 (Position as at 31.12.2014)
Number of contracts with employment agencies	109 (+3.8%)
Contract sum paid to each employment agency	\$1,375,000 to \$23,245,000 (Not applicable)
Duration of service of each employment agency	3 to 12 months (Not applicable)
Number of agency workers	4 to 47 (Not applicable)
Details of the positions held by agency workers	Information technology support and system development
Monthly salary range of agency workers <ul style="list-style-type: none"> • \$30,001 or above • \$16,001 to \$30,000 • \$8,001 to \$16,000 • \$6,501 to \$8,000 • \$6,240 to \$6,500 • under \$6,240 	A T-contract only stipulates charges involved in the provision of services by an agency, and does not include a more detailed breakdown.

	2014-15 (Position as at 31.12.2014)
Length of service of agency workers <ul style="list-style-type: none"> • over 15 years • 10 to 15 years • 5 to 10 years • 3 to 5 years • 1 to 3 years • under 1 year 	A T-contract only stipulates the length of services undertaken by an agency and does not stipulate obligatorily the length of services of the employees.
Percentage of agency workers against the total number of staff of C&ED	1.8% (+5.9 %)
Percentage of payments to employment agencies against total staff costs of C&ED	2.2% (+10.0%)
Number of workers who received severance payment/long service payment/contract gratuity	Since the agencies provide services under contract provisions, the severance payment/long service payment/contract gratuity depend on the terms of employment made between the agencies and their employees.
Amount of severance payment/ long service payment/contract gratuity paid	
Number of workers with severance payment/long service payment offset by or contract gratuity calculated from the accrued benefits attributable to employer's contributions to MPF	Since the agencies provide services under contract provisions, whether the severance payment/long service payment are offset by or contract gratuity calculated from the accrued benefits attributable to employer's contributions to MPF depend on the terms of employment made between the agencies and their employees.
Amount of severance payment/long service payment offset by or contract gratuity calculated from the accrued benefits attributable to employer's contributions to MPF	
Number of workers with paid meal break Number of workers without paid meal break	Intermediary organisations are required to undertake to pay the minimum level of wage to the employees with reference to the data of related industries/occupations published by the Census and Statistics Department, but the contracts do not stipulate obligatorily whether the employees have remunerated meal breaks.
Number of workers working 5 days per week Number of workers working 6 days per week	Since intermediary organisations provide services under contract provisions, the number of working days per week depend on the terms of employment made between the agencies and their employees.

() denotes percentage of change compared with the same period in 2013-14

(Note 1) T-contracts refer to the term contracts centrally administered by the Office of the Government Chief Information Officer. Apart from T-contract, the Department did not engage employees provided by other agencies in 2014-15.

- End -

CONTROLLING OFFICER'S REPLY**SB732****(Question Serial No. 3408)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (000) Operational expensesProgramme: Not specifiedControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security/ Secretary for Financial Services and the Treasury/ Secretary for Commerce and Economic DevelopmentQuestion:

Regarding the engagement of “non-civil service contract (NCSC) staff”, please provide the following information:

Asked by: Hon WONG Kwok-hing (Member Question No. 53)Reply:

The details of NCSC staff engaged by the Customs and Excise Department (C&ED) are as follows:

	2014-15 (Position as at 31.12.2014)
Number of NCSC staff	118 (-18.06%)*
Details of the positions held by NCSC staff	11 Executive Assistants, 2 Vessel Assistants, 105 Customs Assistants
Payroll costs of NCSC staff	\$35.28 m (+37.4%)*
Monthly salary range of NCSC staff	
• \$30,001 or above	0
• \$16,001 to \$30,000	116 (-15.94%)*
• \$8,001 to \$16,000	2 (-66.67%)*
• \$6,501 to \$8,000	0
• \$6,240 to \$6,500	0
• below \$6,240	0

	2014-15 (Position as at 31.12.2014)
Length of service of NCSC staff	
• over 15 years	0
• 10 to 15 years	0
• 5 to 10 years	0
• 3 to 5 years	1 (0%)*
• 1 to 3 years	88 (+1,157.14%)*
• under 1 year	29 (-78.68%)*
Number of NCSC staff successfully appointed as civil servants	(Note 1)
Percentage of NCSC staff against the total number of staff of C&ED	1.90% (-19.49%)*
Percentage of staff costs for NCSC staff against the total staff costs of C&ED	1.52% (+33.3%)*
Number of NCSC staff who received severance payment/long service payment/contract gratuity	154 (+27.3%)*
Amount of severance payment/long service payment/contract gratuity paid	\$1,605,000 (+118.4%)*
Number of NCSC staff with severance payment/long service payment offset by or contract gratuity calculated from the accrued benefits attributable to employer's contributions to MPF	0 (-100%)*
Amount of severance payment/long service payment offset by or contract gratuity calculated from the accrued benefits attributable to employer's contributions to MPF	0 (-100%)*
Number of NCSC staff with paid meal break	118 (-18.06%)*
Number of NCSC staff without paid meal break	-
Number of NCSC staff working 5 days per week	11 (-50%)*
Number of NCSC staff adopting other working patterns (Note 2)	107 (-12.30%)*

() denotes percentage of change compared with the same period in 2013-14

Note 1 C&ED does not have the related information and NCSC staff are not required to declare the related information to C&ED.

Note 2 The weekly working hours of Vessel Assistant and Customs Assistant do not exceed 48 hours but they have to work on shift or irregular working hours in accordance with actual needs.

- End -

CONTROLLING OFFICER'S REPLY**S-SB19****(Question Serial No. S0065)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (000) Operational expensesProgramme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

Would the Customs and Excise Department please provide, in the following table, the statistics on various categories of searches conducted on arrested persons or detainees in the past 5 years:

Year	Level I: Non-removal of clothing	Level II: Removal of clothing	Level III(a): Removal of underwear – looking into underwear	Level III(b): Removal of underwear – partial removal of underwear	Level III(c): Removal of underwear – full removal of underwear
2010-11					
2011-12					
2012-13					
2013-14					
2014-15					

Asked by: Hon LEUNG Kenneth (Member Question No.)Reply:

The details of the searches conducted on arrested persons or detainees by the Customs and Excise Department in the past 5 years¹ are as follows:

Year ²	Removal of clothing not required	Removal of some clothing	Removal of all clothing ³
2010	567	1 476	336
2011	501	1 358	149
2012	427	1 179	222
2013	476	1 179	207
2014	514	1 228	239

Remarks:

- ¹ Information in relation to control points is not available.
- ² Statistics is collected on a calendar year basis.
- ³ A breakdown of figures by the categories specified in the question is not available.

- End -

CONTROLLING OFFICER'S REPLY

S-SB20

(Question Serial No.: S0048)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic Development

Question:

1. The numbers of seizure cases in respect of foodstuff and drinks, as well as pets, animals and plants have increased substantially in recent years. What are the reasons? What are the new policies formulated to combat the related activities?

Asked by: Hon TANG Ka-piu (Member Question No.:)

Reply:

The number of seizure cases in respect of foodstuff and drinks has increased significantly since the Import and Export (General) (Amendment) Regulation 2013 came into effect on 1 March 2013 restricting the export of powdered formula for infants under 36 months from Hong Kong. The number of seizure cases in respect of animals and plants has also gone up as a result of a series of operations against smuggling of endangered species.

The Customs and Excise Department will continue to conduct random checks on passengers, cargoes and postal packets at boundary control points with the help of risk assessment and intelligence analysis, and proactively collaborate with other law enforcement agencies to combat various criminal activities.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)235

(Question Serial No. 6070)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (3) Intellectual Property Rights and Consumer Protection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the number of spot checks on optical disc factories as well as that of verifications on import/export of optical disc mastering and replication equipment carried out by the Customs and Excise Department (C&ED), please inform this Committee of the following:

- a) The estimated numbers of both spot checks and verifications are lower than those in 2013 and 2014. What are the reasons?
- b) What were the respective expenditure and manpower resources involved in each of the past 3 years? Please list the respective information by year and indicator; and
- c) Will C&ED consider adjusting the estimated numbers for 2015? If yes, what are the changes in the expenditure and manpower resources involved?

Asked by: Hon CHAN Ka-lok, Kenneth (Member Question No. 198)

Reply:

- a) The number of registered local optical disc factories has dropped from 20 in early 2014 to 9 at present and the demand for the import/export of relevant equipment has decreased as a result. We have adjusted the performance indicators in 2015-16 accordingly.
- b) The details of the staff establishment and operational expenses involved in the relevant work as well as the performance indicators in the past 3 years are as follows:

	2012	2013	2014
Staff establishment	10	7	7
Operational expenses	\$4.51 million	\$3.31 million	\$3.48 million
Number of inspections on factories	300	100	100
Number of verifications on equipment	180	150	150

- c) Having reviewed the actual operational needs, C&ED redeployed 3 out of 10 officers to carry out work against internet piracy and on promotion of intellectual property rights in 2013. No further adjustment will be made in 2015-16.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)236

(Question Serial No. 0459)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (3) Intellectual Property Rights and Consumer Protection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

What were the expenditure, manpower provision and number of operations involved in preventing and detecting infringing articles in 2014-15? How many of these involved online sale of infringing goods? What were the values of articles seized in the operations? How many cases were successfully prosecuted and what were the penalties imposed? Has there been an increasing trend of copyright and trade mark infringement in recent years, especially for online sale of infringing goods? Regarding the matters requiring special attention in 2015-16, the Customs and Excise Department will continue to strengthen the co-operative alliance with the industries and enforcement agencies in detecting online sale of infringing goods. What is the amount of financial provision involved? Is it necessary to increase manpower for conducting online surveillance?

Asked by: Hon CHUNG Kwok-pan (Member Question No. 27)

Reply:

In 2014-15, a total of 201 officers in the Customs and Excise Department (C&ED) who were specialised in preventing and detecting crimes of intellectual property rights infringement, involving an expenditure on salary provision of \$77.53 million. In 2014, C&ED carried out 9 special operations every week on average. Details of the cases detected are as follows:

Number of cases (Internet crimes)	792 cases (185 cases)
Total value of articles seized (Internet crimes)	\$69.87 million (\$2.55 million)
Number of successful prosecutions (Internet crimes) ¹	491 cases (158 cases)
Penalties imposed by the Court	Fine: \$500 – \$60,000; Community service order: 60 hours – 220 hours; Imprisonment: 7 days – 10 months

¹ Concluded in 2014

As a result of continuous and vigorous enforcement actions, infringing activities in the market have reduced significantly, but online selling has spread from auction sites to social media platforms. Through flexible deployment of resources and manpower, C&ED will continue to tackle the situation with “Anti-Internet Piracy Teams”, with the aid of the “Electronic Crime Investigation Centre” and the “SocNet Monitoring System” which is under development. C&ED will also continue to work with other enforcement agencies and intellectual property owners to combat infringement offences.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)237

(Question Serial No. 3587)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (3) Intellectual Property Rights and Consumer Protection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

The Customs and Excise Department (C&ED) will continue to strengthen enforcement of the amended Trade Descriptions Ordinance during this year to combat false trade descriptions and unfair trade practices in respect of both goods and services. Regarding this, would the Administration advise the Committee on the following:

1. What is the number of complaints received by C&ED since the implementation of the amended Trade Descriptions Ordinance? Please list out the breakdown figures by nature;
2. What are the investigation procedures adopted by C&ED? What are the manpower resources deployed?

Asked by: Hon IP LAU Suk-ye, Regina (Member Question No. 62)

Reply:

1. Since the implementation of the amended Trade Descriptions Ordinance (the Ordinance) on 19 July 2013, the Customs and Excise Department (C&ED) received a total of 9 174 complaints up to 28 February 2015. Among them, 7 009 were related to goods while the other 2 165 were related to services. A breakdown of the figures is as follows:

Nature of Complaint	Goods	Services	Total
False trade descriptions	4 175	1 021	5 196
Misleading omissions	948	399	1 347
Aggressive commercial practices	30	225	255
Bait advertising	106	57	163
Bait and switch	22	18	40

Wrongly accepting payment	1 656	395	2 051
Others#	72	50	122
Total	7 009	2 165	9 174

Including complaints referred to other departments / organisations for follow-up actions or those outside the scope of the Ordinance

2. Upon receiving a complaint, C&ED will make a preliminary evaluation based on the information and evidence collected. The Department will then decide whether an in-depth investigation is necessary and its priority. In 2015-16, 190 officers will be responsible for the work in this aspect, involving an expenditure of \$90.87 million.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)238

(Question Serial No. 5296)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (3) Intellectual Property Rights and Consumer Protection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

1. In the past 5 years, how many cases relating to online selling of infringing goods were detected by the Customs and Excise Department (C&ED)? What were the values and types of the goods? How many persons were involved?
2. How many cases of intellectual property right (IPR) infringement were reported in each of the past 5 years? What were the numbers of cases with investigation completed in each of the past 5 years? What are the estimated number of staff and expenditure involved in the investigation of IPR infringement cases in 2015-2016?
3. What are the estimates of C&ED for upgrading its capability in the investigation of Internet and electronic crimes relating to IPR infringement in 2015-2016?
4. What are the estimates of C&ED for promoting public and traders' awareness of IPR and consumer protection legislation through publicity programmes in 2015-2016?
5. What were the expenditures and numbers of staff involved in the implementation of the Trade Descriptions (Unfair Trade Practices) (Amendment) Ordinance 2012 by C&ED, the Commerce and Economic Development Bureau (CEDB) and other parties concerned in 2014? What are the estimated expenditures and numbers of staff involved in the implementation of the Trade Descriptions (Unfair Trade Practices) (Amendment) Ordinance 2012 by C&ED, CEDB and other parties concerned in 2015-2016?
6. In the past 5 years, what were the actual expenditures, numbers of staff and numbers of prosecution involved in the investigation of false statement of health products by C&ED? In 2015-16, what will be the actual expenditure and number of staff involved in the investigation of false statement of health products by the Department?

Asked by: Hon KWOK Ka-ki (Member Question No. 125)

Reply:

1. Details of the cases of infringement on the Internet detected by the Customs and Excise Department (C&ED) in the past 5 years are as follows:

	2010	2011	2012	2013	2014
Number of cases	63	65	64	162	185
Number of persons arrested	67	74	79	190	203
Total value of seizures (the goods involved were mostly clothes, watches and accessories)	\$1.05 million	\$1.17 million	\$1 million	\$2.48 million	\$2.55 million

2. In 2015-16, 201 Customs officers will be deployed to the prevention and detection of intellectual property right (IPR) infringement, involving an expenditure of \$77.53 million. The numbers of cases investigated by C&ED in the past 5 years are as follows:

	2010	2011	2012	2013	2014
Number of cases reported	1 594	1 460	1 399	1 625	1 954
Number of cases completed*	1 660	1 121	3 244	8 309	1 913

*Some of the cases were reported in the past years. As such, the number of cases completed in a year may be larger than that of received.

3. Through flexible deployment of existing resources and with the aid of the “Electronic Crime Investigation Centre” and the “SocNet Monitoring System” under development, C&ED will deploy dedicated “Anti-Internet Piracy Teams” to combat online IPR infringement offences in earnest. C&ED will also continue to work with other enforcement agencies and the industries to underline the efforts.
4. To enhance the community’s awareness of IPR and consumer protection, C&ED will continue to organise seminars and talks in collaboration with the Intellectual Property Department, the Consumer Council and the industries etc as well as to disseminate information through various channels. As the expenditure involved has been subsumed within the department’s provisions, it is difficult to quantify the expenditure separately.
5. In 2014-15, C&ED deployed 187 officers to enforce the amended Trade Descriptions Ordinance, involving an expenditure of \$87.6 million. In 2015-16, 190 officers will be deployed to the work, involving an expenditure of \$90.87 million.
6. In the past 5 years, a total of 23 cases relating to false statement of health products were detected by C&ED, with 16 companies and 7 persons prosecuted. The C&ED

officers taking up work in this regard are also responsible for other duties, and a breakdown of the expenditure involved in these particular cases is not available.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)239

(Question Serial No. 0365)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (5) Trade Controls

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the Estimates for 2015-16, would the Administration please advise how much would be spent on each of the following areas of enforcement:

1. costing checks on goods covered by Certificates of Hong Kong Origin – Closer Economic Partnership Arrangement (CO(CEPA));
2. measures taken to help ensure that only goods that pass a value-added percentage threshold can benefit from the tariff preference under CEPA;
3. blitz checks on consignments subject to licensing control or covered by CO(CEPA) at entry and exit points and public cargo working areas;
4. consignment inspections to ensure compliance with legislation governing the import and export of strategic commodities and other licensable items;
5. collection of import and export declaration charges and clothing levies under the respective legislation; and
6. verification and assessment of the values of import and export consignments to recover under-paid import and export declaration charges and clothing levies.

Asked by: Hon LEUNG Kwan-yuen, Andrew (Member Question No. 2)

Reply:

(1)-(3) Currently there are 12 Customs officers responsible for monitoring the goods covered by Certificates of Hong Kong Origin – Closer Economic Partnership Arrangement. Their duties include performing costing checks to ensure compliance with the value-added percentage threshold regulation as well as blitz checks at entry and exit points and public cargo working areas, involving an expenditure of \$5.22 million. Since these officers take

up other trade controls duties at the same time, a breakdown of the expenditure involved is not available.

(4) Currently there are 35 Customs officers responsible for the regulation of the import and export of strategic commodities and other licensable items, involving an expenditure of \$15.36 million. Since these officers take up other trade controls duties at the same time, a breakdown of the expenditure involved is not available.

(5) Currently there are 30 Customs officers responsible for collecting “declaration charges” and “Clothing Industry Training Levy”, involving an expenditure of \$11.63 million.

(6) Currently there are 16 Customs officers responsible for verifying and assessing the values of import and export consignments as well as recovering under-paid “declaration charges” and “Clothing Industry Training Levy”, involving an expenditure of \$5 million.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)240

(Question Serial No. 0377)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (3) Intellectual Property Rights and Consumer Protection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

The estimated provision for Programme (3) Intellectual Property Rights and Consumer Protection in 2015-16 is \$324.5 million. Please advise how would the Administration:

- (1) step up the publicity of the Trade Descriptions Ordinance to the industrial and commercial sectors to prevent contravention of provisions in relation to false trade descriptions and unfair trade practices of both goods and services; and
- (2) promote the protection and management of intellectual property rights (IPR) to small-and-medium enterprises?

Asked by: Hon LEUNG Kwan-yuen, Andrew (Member Question No. 14)

Reply:

- (1) The Customs and Excise Department (C&ED) has been conducting briefings for and proactive visits to different business sectors to provide traders with advice and guidance regarding the Trade Descriptions Ordinance. C&ED will continue with such promotion efforts.
- (2) To promote the awareness of intellectual property rights (IPR) among the public and the business sector including small-and-medium enterprises, C&ED will continue its promotion efforts through publicity and education. For example, C&ED will organise various kinds of thematic talks and exchange programmes. The Department will also distribute information leaflets about IPR protection to participants of major exhibitions.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)241

(Question Serial No. 1323)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the work to improve clearance services to facilitate efficient cargo flow across the boundary, please advise this Committee on the following:

1. The latest update on the promotion of the Road Cargo System and the number of registered system users;
2. The latest progress of achieving seamless clearance of cross-boundary cargo with the Mainland;
3. The latest progress of the implementation of the Hong Kong Authorized Economic Operator (AEO) Programme, the number of participating companies and the current situation of signing mutual recognition arrangements (MRAs) with overseas countries/cities;
4. The latest progress of the study carried out together with the Mainland on the establishment of a third-party platform to facilitate cargo flow across the boundary; and
5. The details and estimates in respect of the work to facilitate cargo flow across the boundary in 2015-16 and whether new measures will be introduced.

Asked by: Hon YICK Chi-ming, Frankie (Member Question No. 39)

Reply:

1. The Road Cargo System has been operating smoothly since its full implementation. The Customs and Excise Department (C&ED) has been liaising with industry users to ensure the provision of efficient and reliable services for the trading and logistics industries. As at the end of February 2015, a total of 31 305 users were registered for the system.

2. The testing of the harmonisation of the Hong Kong Intermodal Transshipment Facilitation Scheme (ITFS) and the Mainland's Cross-boundary Express Clearance System (CECS) has been smooth. C&ED will continue to seek the long-term implementation of such arrangements as it may help enable seamless cross-boundary clearance.
3. C&ED is promoting the AEO Programme proactively. 25 companies have been accredited as AEOs so far, and C&ED is handling a number of applications. Besides, the MRAs signed by C&ED with the Mainland, India, Korea and Singapore Customs respectively are becoming operational. C&ED will endeavour to negotiate similar arrangements with other countries.
4. The Hong Kong and Mainland Customs have already adopted the same data model developed by the World Customs Organisation to facilitate synchronised submission of cargo data by the industries, the use of which has been smooth. As for the need for a new "third-party platform", both sides will continue to monitor the actual demand of the industries.
5. C&ED will continue to upgrade the functions of ROCARS in order to provide stable and reliable services for shippers and truck drivers; continue to seek the long-term implementation of the harmonisation of the ITFS and CECS; and further promote the HK AEO Programme, encouraging companies' participation and seeking MRAs with different overseas economies. As these duties are part of the overall work of C&ED, it is difficult to quantify such expenditure separately.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)242

(Question Serial No. 1324)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the Hong Kong Facilitation Scheme for Cross-Straits Transshipment Cargoes launched by Customs and Excise Department for Economic Cooperation Framework Agreement since 1 January 2011, please inform this Committee of the amounts of cargoes shipped between the Mainland and Taiwan under the Scheme over the past 4 years (2011, 2012, 2013 and 2014). In 2015, what are the work plans and the estimated expenditure involved for promoting greater use of the Hong Kong Facilitation Scheme for Cross-Straits Transshipment Cargoes?

Asked by: Hon YICK Chi-ming, Frankie (Member Question No. 40)

Reply:

The cargo volume shipped between the Mainland and Taiwan under the Hong Kong Facilitation Scheme for Cross-Straits Transshipment Cargoes over the past 4 years is as follows:

Year	Number of Consignments
2014	11 239
2013	10 106
2012	7 687
2011	3 449

In 2015, the Customs and Excise Department will further promote the Scheme and examine how to optimise the workflow. As the expenditure involved has been subsumed under the general operating expenditure, no breakdown could be provided.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)004

(Question Serial No.: 0387)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding anti-illicit-cigarette enforcement:

In 2014, 47 million sticks of cigarettes were seized, which is less than the number of 83.296 million sticks in 2013:

1. What are the reasons?
2. How much manpower and resources were allocated for anti-illicit-cigarette enforcement in each of these two years?

Asked by: Hon WONG Kwok-hing (Member Question No.: 7)

Reply:

1. The Customs and Excise Department (C&ED) continued to combat illicit cigarette activities in 2014. While both the number of seizure cases and persons prosecuted for offences relating to illicit cigarettes increased when compared to 2013, the number of cigarettes seized in the enforcement operations has dropped as a result of the holistic approach adopted by C&ED against smuggling of illicit cigarettes, which has forced crime syndicates to scale down the cross-boundary illegal activities and reduce the quantity of each consignment.

2. The establishment and expenditure for combating illicit cigarette activities in the past two financial years are as follows -

	2013-14	2014-15
Establishment	61	61
Expenditure (\$ million)	20.31	21.31

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)005

(Question Serial No.: 1271)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The number of cases of re-assessment of provisional taxable value on imported vehicles increased by 9 731, or 60%, in 2014 when compared with 2013, which accounted for over 30% of the total number of cases of assessment of provisional taxable value on imported vehicles. What are the reasons for such a considerable increase? Likewise, the Administration estimated that in 2015, the number of cases of re-assessment of provisional taxable value on imported vehicles will amount to about 30% of the total number of cases of assessment of provisional taxable value on imported vehicles. What are the reasons?

Asked by: Hon WONG Ting-kwong (Member Question No.: 57)

Reply:

According to the legislation, the Customs and Excise Department (C&ED) will assess the provisional taxable value on different types of imported vehicles. When there is a need to change the accessories of a specific vehicle or when the market price has changed, which may affect the taxable value of the vehicle concerned, the motor vehicle distributor is required to apply to C&ED for re-assessment of the taxable value. The increase in the number of cases of re-assessment of the taxable value on imported vehicles conducted by C&ED in 2014 is mainly due to the increase in the number of new vehicles applying for first registration, and the increase in the ratio of cases requiring re-assessment due to the above-mentioned reasons. C&ED expects that the ratio of cases of re-assessment of the taxable value on imported vehicles in 2015 would be more or less the same as that in 2014.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)006

(Question Serial No. 1325)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In respect of anti-illicit-fuel enforcement, both the numbers of seizure cases and illicit fuel filling stations neutralized dropped significantly in the past 3 years. The number of seizure cases decreased from 150 in 2012 to 48 and 25 in 2013 and 2014 respectively, whereas the number of illicit fuel filling stations neutralized dropped from 148 in 2012 to 43 and 22 in 2013 and 2014 respectively. What are the reasons for such decreases? What measures will the Customs and Excise Department (C&ED) take to combat illicit fuel activities in a greater effort in 2015? What will be the estimated expenditures involved?

Asked by: Hon YICK Chi-ming, Frankie (Member Question No. 41)

Reply:

The decrease in the number of seizure cases and illicit fuel filling stations neutralized is due to C&ED's continuous enforcement actions against illicit fuel activities in the past three years. In 2015-16, C&ED will continue to combat illicit fuel activities by taking proactive and vigorous actions, including strengthening intelligence collection and intercepting illicit motor spirit at source. For 2015-16, there is an establishment of 23 posts for the relevant work, involving an expenditure of \$8.4 million.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)007

(Question Serial No.: 1326)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Regarding Motor Vehicle First Registration Tax, the number of cases of assessment of provisional taxable value on imported vehicles in 2014 was 77 690, representing an increase of 14.8% when compared with the number of 67 652 cases in 2013. Meanwhile, the number of cases of re-assessment of provisional taxable value on imported vehicles in 2014 was 25 944, representing an increase of 60% when compared with the number of 16 213 cases in 2013. Please advise this Committee of the reasons for the substantial increase in the number of cases of re-assessment of provisional taxable value on imported vehicles and whether the Customs and Excise Department (C&ED) needs to allocate additional resources for the increased assessment work.

Asked by: Hon YICK Chi-ming, Frankie (Member Question No.: 42)

Reply:

According to the legislation, C&ED will assess the provisional taxable value on different types of imported vehicles. When there is a need to change the accessories of a specific vehicle or when the market price has changed, which may affect the taxable value of the vehicle concerned, the motor vehicle distributor is required to apply to C&ED for re-assessment of the taxable value. The increase in the number of cases of re-assessment of the taxable value on imported vehicles conducted by C&ED in 2014 is mainly due to the increase on the number of new vehicles applying for first registration, and the increase in the ratio of cases requiring re-assessment due to the above-mentioned reasons. C&ED expects that the ratio of cases of re-assessment of the taxable value on imported vehicles in 2015 would be more or less the same as that in 2014. C&ED will closely monitor the situation and deploy manpower based on the operational needs.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)081

(Question Serial No. 6046)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

In respect of the control and enforcement work of the Customs and Excise Department (C&ED):

a) The actual number of persons compounded for offences relating to illicit cigarettes in 2014 was higher than that in 2013. What were the reasons, the amount of illicit cigarettes involved and their value, the Administration's way of handling, the expenditure and manpower involved as well as the effectiveness of the enforcement respectively? What were the reasons for compounding offences and what were the amount of illicit cigarettes involved and their value respectively?

b) What were the amount of illicit cigarettes seized by the Administration and their value in each of the past 3 years respectively? What were the Administration's way of handling as well as the manpower and expenditure involved? And

c) What measures will the Administration take in the coming year to tackle offences and smuggling activities relating to illicit cigarettes? What are the detailed action plan, timetable, expenditure and manpower involved as well as review work respectively?

Asked by: Hon CHAN Ka-lok, Kenneth (Member Question No. 189)

Reply:

a) The Customs and Excise Department (C&ED) has all along been committed to combating illicit cigarette activities. We adopt a holistic enforcement approach, especially through stepping up enforcement actions at source. As a result of our interception at border, coupled with raids at warehouses and suppression of sales at retail level, the number of cases handled by way of "compound the offence" in respect of excess possession of duty-not-paid cigarettes by travellers at border control points has increased. Under the Dutiable Commodities Ordinance (the Ordinance), a person who enters the territory at an entry point and fails to declare or makes a false or incomplete declaration to a Customs

officer on the quantity of cigarettes in his/her possession which are in excess of the duty free concession commits an offence. C&ED may, in accordance with the Ordinance, “compound the offence” by imposing a fine on the offender instead of taking prosecution action. Since import and export control is part of C&ED’s general duties, we are unable to give a breakdown of the expenditure involved. The number of compounding cases, number of persons involved, amount of illicit cigarettes involved and their market value in 2013 and 2014 are as follows -

	2013	2014
Number of Cases	9 136	9 512
Number of Persons Involved	9 136	9 513
Amount of Illicit Cigarettes (million sticks)	3.3	3.1
Market Value of Illicit Cigarettes (\$ million)	8.3	8.2

b) All illicit cigarettes ordered by court to be forfeited will be destroyed. Since the work involved is taken up by the relevant officers amongst their other duties, we cannot provide a breakdown of the establishment and expenditure involved. Details of the amount and market value of illicit cigarettes involved in local illegal activities in the past three years are as follows -

	2012	2013	2014
Amount of Illicit Cigarettes (million sticks)	67	79	52
Market Value of Illicit Cigarettes (\$ million)	160	190	130

c) In order to combat illicit cigarette activities, C&ED will continue its holistic enforcement approach and strengthen cooperation with stakeholders including community organisations, building management companies and the logistics sector. In 2015-16, an establishment of 61 officers is deployed for the work concerned, involving an expenditure of approximately \$21.31 million.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)082

(Question Serial No.: 4718)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Would the Administration please advise this Committee on the following:

- (1) Has the Administration assessed the amount of illicit cigarettes sold in Hong Kong at present? If yes, what are the details? If no, what are the reasons?
- (2) In 2014-15, what was the expenditure on investigation of illicit cigarettes? What were the operational expenses of the Anti-Illicit-Cigarette Investigation Division?
- (3) In 2015-16, what are the operational expenses, staff establishment and estimated annual payroll costs of the Anti-Illicit-Cigarette Investigation Division?

Asked by: Hon CHAN Wai-yip, Albert (Member Question No.: 119)

Reply:

(1) The Customs and Excise Department has all along been committed to combating illicit cigarette activities. We adopt a holistic enforcement approach, especially through stepping up enforcement actions at source. As a result of our interception at border, coupled with raids at warehouses and suppression of sales at retail level, illicit cigarette peddling activities have decreased gradually, and criminal syndicates have also reduced the amount of illicit cigarettes smuggled each time. In 2014, the number of significant cross-boundary cigarette smuggling cases dropped by 24%, and the number of illicit cigarettes seized also dropped by 42% to 52 million sticks. There was also a decrease in the number of public complaints regarding illicit cigarettes received by C&ED.

(2) & (3) In both 2014-15 and 2015-16, an establishment of 61 officers is deployed for combating illicit cigarettes, involving an expenditure of approximately \$21.31 million.

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)083

(Question Serial No. 5297)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

What were the respective number of cases of selling illicit cigarettes through telephone ordering detected, amount of illicit cigarettes seized and number of persons arrested by the Customs and Excise Department in the past five years? What are the estimated provision and the number of staff deployed for combating telephone ordering of illicit cigarettes by the Department in 2015-2016?

Asked by: Hon KWOK Ka-ki (Member Question No. 126)

Reply:

Details of the cases of telephone ordering of illicit cigarettes detected by the Customs and Excise Department (C&ED) in the past five years are as follows -

	2010	2011	2012	2013	2014
Number of cases	69	40	134	195	318
Number of illicit cigarettes seized (million sticks)	0.47	0.21	3.4	2	3
Number of persons arrested	80	42	167	225	329

In 2015-16, C&ED will continue its targeted action against telephone ordering of illicit cigarettes through its two Telephone Order Task Units comprising 26 officers in total. The expenditure involved is approximately \$9.09 million.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)068

(Question Serial No. 0976)

Head: (31) Customs and Excise Department

Subhead (No. & title): (-) Not Specified

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

It is shown under "Indicators" that the number of "MSO licences issued or renewed" increased by 299 (106.79%) in 2014 when compared with 2013, and it is estimated that there will be 45 (7.8%) more in 2015 over 2014.

However, as the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance is strictly enforced by the Administration and banks in recent years, some MSOs are unable to maintain trading accounts with banks. In this regard, among the 45 licences estimated to increase this year, how many are expected to be new operators? And how many are expected to close their businesses this year?

Asked by: Hon NG Leung-sing (Member Question No. 12)

Reply:

The estimated number of licences to be issued or renewed this year is projected on the basis of the actual situation in 2014. However, since business structures are unique to each MSO and their financial backgrounds vary, the Customs and Excise Department is unable to estimate the number of new operators or predict whether any current operators would close their businesses.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(FS)129

(Question Serial No. 7085)

Head: (31) Customs and Excise Department

Subhead (No. & title): (-) Not Specified

Programme: (2) Anti-narcotics Investigation

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide the number of money laundering cases detected by the Customs and Excise Department and the number of persons involved in the past 5 years.

Asked by: Hon KWOK Ka-ki (Member Question No. 120)

Reply:

The number of money laundering cases detected by the Customs and Excise Department and the number of persons involved in the past 5 years were as follows:

	2010	2011	2012	2013	2014
No. of cases	8	2	2	1	2
No. of persons involved	23	1	25	6	5

- End -

CONTROLLING OFFICER'S REPLY

FHB(FE)170

(Question Serial No. 1393)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (5) Trade Controls

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Food and Health

Question:

There was a decrease in the amount of administrative penalties imposed by the Customs and Excise Department in relation to import and export declarations in 2014 as compared to 2013. Please inform this Committee of the following:

- a. The number of cases in which a fine was imposed for contravention of the Import and Export (General) (Amendment) Regulation 2013 (commonly known as the “export control on powdered formula”) broken down by month in 2014 as well as the total amount of fines involved;
- b. Regarding the cases in which a fine was imposed, how many of them ended up in default of fine payment in 2014? What was the total amount of fines in default?
- c. Regarding the cases of fines in default, which types of document of identity (e.g. Hong Kong Permanent Identity Card, multiple-entry endorsements, etc.) did the defendants hold?
- d. Normally, how does the Government handle cases of default of fine payment? What is the expenditure involved?

Asked by: Hon FAN Kwok-wai, Gary (Member Question No. 13)

Reply:

a) In 2014, there were 5 035 cases in which a fine was imposed by the Court for contravention of the Import and Export (General) (Amendment) Regulation 2013 and the total amount of fines involved was \$20.11 million. Details are as follows:

Month Imposed	Number of Cases	Amount of Fines
January	320	\$922,350
February	261	\$669,600
March	327	\$890,500
April	429	\$1,199,750
May	534	\$1,500,198
June	567	\$2,532,700
July	502	\$2,254,700
August	438	\$2,081,550
September	424	\$1,965,788
October	431	\$2,081,200
November	404	\$2,099,212
December	398	\$1,907,450
Whole Year	5 035	\$20,104,998

b) & c) The Judiciary does not have the relevant breakdown figures.

d) A magistrate may issue a summons or a warrant of arrest to any person who fails to pay a fine. However, it is difficult to separately quantify the expenditure for handling such cases.

- End -

CONTROLLING OFFICER'S REPLY

FHB(FE)171

(Question Serial No. 1096)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Food and Health

Question:

The Customs and Excise Department (C&ED) is the primary agency responsible for the suppression of smuggling activities. The Import and Export (General) (Amendment) Regulation 2013, which was implemented on 1 March 2013, controls the export of powdered formula for infants. In this regard, please advise on the following:

1. the statistical figures of prosecutions against the illegal export of powdered formula every year as well as the maximum and minimum penalty imposed on convictions since the implementation of the Regulation; and
2. has C&ED considered introducing a regular publication of the figures to strengthen publicity or to step up deterrence? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LO Wai-kwok (Member Question No. 34)

Reply:

1. Up to 28 February 2015, a total of 8 839 persons were convicted for contravention of the Import and Export (General) (Amendment) Regulation 2013 by the Court. The maximum penalty imposed was an imprisonment for 140 days whereas the minimum penalty was a fine of \$200.
2. C&ED will continue its publicity on the Regulation and publish the latest enforcement and prosecution figures in a timely manner to help step up deterrence.

CONTROLLING OFFICER'S REPLY

FHB(FE)289

(Question Serial No. 3863)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Food and Health

Question:

In the past 3 years, how many Mainlanders and Hong Kong residents were prosecuted for export of powdered formula exceeding 1.8 kg in net weight at land boundary control points in contravention of the Import and Export (General) Regulation (the Regulation)? Please list out the control points involved, number of persons arrested, number of persons convicted and amount of penalties in the convicted cases respectively. Among the convicted persons, how many were in default of fine payment and what was the amount of fines involved? How would the Administration handle the persons in default of fine payment?

Please list out the number of persons currently blacklisted and denied entry into Hong Kong for repeated contravention of the Regulation in respect of export of powdered formula exceeding 1.8 kg in net weight since its amendment. How many persons repeatedly contravene the Regulation even after being prosecuted for more than 1 time?

Asked by: Hon CHAN Chi-chuen (Member Question No. 209)

Reply:

(a) Since the implementation of export control on powdered formula by the Government of the Special Administrative Region on 1 March 2013 and up to 28 February 2015, a total of 10 076 persons were arrested by the Customs and Excise Department (C&ED) at boundary control points for contravention of the export control regulation. The distribution of cases is as follows:

Border Control Points	Hong Kong Residents	Mainland Visitors	Other Nationalities
Lo Wu	2 365	3 605	16
Lok Ma Chau Spur Line	1 293	1 955	6
Lok Ma Chau	91	24	1
Shenzhen Bay	194	394	2
Sha Tau Kok	14	14	0
Man Kam To	19	75	1
Hong Kong -Macau Ferry Terminal	3	1	1
Hung Hom	1	0	1
Total	3 980	6 068	28

Among the persons involved, 8 815 have been convicted by court and imposed with fines ranging from \$200 to \$27,000 and/or imprisonment from 1 day to 140 days. The Judiciary has not kept the breakdown figures relating to default of fine payment. A magistrate may issue a summons or a warrant of arrest to any person who fails to pay a fine.

(b) Among the aforesaid arrested persons, 492 are repeated offenders. The court normally imposes higher penalty on them, and C&ED would pass the information of the convicted Mainland visitors to the Immigration Department for inclusion into the watch list.

- End -

CONTROLLING OFFICER'S REPLY

FHB(FE)290

(Question Serial No. 7083)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Food and Health

Question:

The Customs and Excise Department (C&ED) is the primary agency responsible for the suppression of smuggling activities. It also monitors both the import and export of goods and the licensing of the movement of prohibited and prescribed articles as stipulated in the Import and Export Ordinance (Cap. 60), and detects contraband, controlled items and other violations of the law. Would the Administration inform this Committee:

- (1) In the past 3 years, how many persons were prosecuted for exporting powdered formula exceeding the specified quantity from Hong Kong? What are the numbers of prosecution, amounts of fine and terms of imprisonment imposed broken down by age group of the persons involved, and the respective numbers of persons of Mainland China, Hong Kong and other nationalities among them?
- (2) In the past 3 years, how many Mainlanders prosecuted for exporting powdered formula exceeding the specified quantity from Hong Kong were added to the watch list by the Hong Kong authority for default of fine payment? What is the amount of fine in default arising from these cases in the past 3 years?
- (3) What are the manpower deployed and the amount of expenditure involved for C&ED to deal with persons exporting powdered formula exceeding the specified quantity from Hong Kong?

Asked by: Hon CHAN Chi-chuen (Member Question No. 129)

Reply:

- (1) Since the implementation of export control on powdered formula by the Government of the Special Administrative Region on 1 March 2013 and up to 28 February 2015, a total of 8 839 persons were convicted by court for contravention of the export control regulation, of whom 3 466 were Hong Kong citizens, 5 348 were Mainlanders and 25 were of other nationalities. Among them, 135 persons were aged below 20, 6 371

persons aged between 20 and 50, and 2 333 persons aged above 50. They were imposed with fines ranging from \$200 to \$150,000 and/or imprisonment from 1 day to 140 days.

- (2) The Judiciary has not kept the breakdown figures relating to default of fine payment, nor has C&ED drawn up any special list in this respect.
- (3) In 2015-16, C&ED will deploy 218 civil servants and non-civil service contract staff to assist in the enforcement of the Import and Export (General) (Amendment) Regulation 2013 at control points, involving an expenditure of \$72.15 million.

- End -

CONTROLLING OFFICER'S REPLY

FHB(FE)291

(Question Serial No.: 4726)

Head: (31) Customs and Excise Department

Subhead: ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Clement CHEUNG)

Director of Bureau: Secretary for Food and Health

Question:

Would the Administration inform this Committee of:

The following figures in 2014-15 in table form:

	Total number of cases	Number of cases involving Mainlanders	Number of cases involving Hong Kong residents
Persons arrested for contravening the provisions on export of milk powder under the Import and Export (General) (Amendment) Regulation 2013			
Persons arrested for contravening the provisions on export of milk powder under the Import and Export (General) (Amendment) Regulation 2013			
Persons convicted of contravening the provisions on export of milk powder under the Import and Export (General) (Amendment) Regulation 2013			

Asked by: Hon CHAN Wai-yip, Albert (Member Question No.: 118)

Reply:

Details of cases involving illegal export of powdered formula detected by the Customs and Excise Department between 1 April 2014 and 28 February 2015 are as follows:

	Total number of cases	Number of cases involving Hong Kong residents	Number of cases involving Mainlanders	Number of cases involving both Hong Kong residents and Mainlanders	Number of cases involving persons of other nationalities
Persons arrested for contravening the provisions on export of powdered formula under the Import and Export (General) (Amendment) Regulation 2013	4 572	1 633	2 920	3	16
Persons convicted of contravening the provisions on export of powdered formula under the Import and Export (General) (Amendment) Regulation 2013	4 923*	1 487	3 416	3	17

* Including cases detected on or before 31 March 2014 with their prosecution processes completed between 1 April 2014 and 28 February 2015.

- End -