

CONTROLLING OFFICER'S REPLY**SB242****(Question Serial No. 2097)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

With regard to the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL), please provide the number of posts to be created by the Customs and Excise Department (C&ED) and the expenditure involved.

Asked by: Hon CHU Hoi-dick (Member Question No. (LegCo use): 20)Reply:

To meet the operational needs of the Hong Kong Section of XRL, C&ED would create a total of 281 posts, involving an expenditure of \$105 million. The details of such posts are as follows:

Rank	Number
Assistant Superintendent of Customs and Excise	1
Senior Inspector of Customs and Excise	7
Inspector of Customs and Excise	18
Chief Customs Officer	33
Senior Customs Officer	73
Customs Officer	145
Motor Driver	4
Total:	281*

*including 93 posts captured in the 2017-18 Estimates.

- End -

CONTROLLING OFFICER'S REPLY**SB243****(Question Serial No. 1153)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

Regarding the additional 756 posts, would the Department please list the numbers of staff to be increased under relevant programme areas and provide a breakdown of the figures by rank.

Asked by: Hon KWOK Wing-hang, Dennis (Member Question No. (LegCo use): 48)Reply:

In 2018-19, the Customs and Excise Department will have a net increase of 766 posts. The new posts are mainly created for meeting the operational needs of the Hong Kong-Zhuhai-Macao Bridge, the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Liantang/Heung Yuen Wai Boundary Control Point which will be commissioned soon, strengthening customs clearance of postal articles and relevant counter-terrorism and law enforcement capabilities, enhancing cargo clearance services of the Asia Airfreight Terminal at Hong Kong International Airport, implementing the Trade Single Window project, and performing other supporting duties, etc. The details of such posts are as follows:

Rank	Number	
	Posts to be created	Posts to be deleted
Programme (1)		
Senior Superintendent of Customs and Excise	1	-
Superintendent of Customs and Excise	1	-1
Assistant Superintendent of Customs and Excise	6	-
Senior Inspector of Customs and Excise	29	-1
Inspector of Customs and Excise	69	-

Chief Customs Officer	63	-
Senior Customs Officer	242	-
Customs Officer	327	-
Senior Trade Controls Officer	1	-
Trade Controls Officer	2	-
Assistant Trade Controls Officer	2	-
Executive Officer I	1	-
Assistant Clerical Officer	2	-1
Clerical Assistant	1	-
Special Driver	6	-
Motor Driver	6	-
Systems Manager	1	-
Analyst/Programmer I	3	-
Analyst/Programmer II	3	-
Computer Operator I	2	-
Sub-total:	768	-3
Programme (2)		
No creation or deletion of posts	-	-
Sub-total:	-	-
Programme (3)		
No creation or deletion of posts	-	-
Sub-total:	-	-
Programme (4)		
Assistant Clerical Officer	1	-
Sub-total:	1	-
Programme (5)		
No creation or deletion of posts	-	-
Sub-total:	-	-
Posts to be created	769	
Posts to be deleted	-3	
Net increase of posts	766	

- End -

CONTROLLING OFFICER'S REPLY**SB244****(Question Serial No. 2949)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

What was the number of cases involving counterfeit and smuggled goods seized by the Customs and Excise Department (C&ED) via the Air Cargo Clearance System in each of the previous 3 financial years? What were the total value of seizures and number of persons arrested in the operations?

Asked by: Hon LAM Cheuk-ting (Member Question No. (LegCo use): 37)Reply:

Details of cases involving smuggled goods via air cargoes and other postal channels seized by C&ED in the previous 3 years are listed as follows:

Cases involving smuggled goods#*

	2015	2016	2017
Number of cases	1479	1584	1990
Total value of seizures	\$300 million	\$230 million	\$280 million
Number of persons arrested	65	89	67

Smuggled goods include narcotics, arms and ammunition, endangered species, dutiable commodities, infringing goods, etc.

* Infringing goods can be involved in the same case.

Cases involving infringing goods

	2015	2016	2017
Number of cases	381	290	379
Total value of seizures	\$10 million	\$29 million	\$51 million
Number of persons arrested	2	10	13

- End -

CONTROLLING OFFICER'S REPLY

SB245

(Question Serial No. 0876)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

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 number of illegal cases relating to “parallel trade” detected by the Customs and Excise Department (C&ED) at boundary control points in the past year? How many cases were successfully prosecuted? What plans does the Government have to combat “parallel trade” activities at the boundaries in the coming year? How much manpower and estimated provision will be required?

Asked by: Hon LAM Kin-fung, Jeffrey (Member Question No. (LegCo use): 19)

Reply:

C&ED and the Shenzhen Customs have been committed to suppressing cross-boundary parallel trade activities. In 2017, the Shenzhen Customs detected a total of 13 336 cases in the joint operations mounted by both sides, involving 13 336 persons departing from Hong Kong. The total value of the goods involved, including skin care and cosmetic products, smartphones, laptop and tablet computers, daily necessities and food, etc., was approximately \$91.81 million. Meanwhile, C&ED detected a total of 45 cases, involving 45 persons entering Hong Kong and goods which were mainly duty-not-paid cigarettes with a total value of approximately \$48,000.

The resources involved in the above work have been subsumed under the general operating expenditure. C&ED does not have a breakdown of the figures.

The Government has been pressing ahead with enforcement action against parallel goods by implementing multi-pronged measures and through inter-departmental co-operation. C&ED and the relevant government departments will continue to closely monitor the situation and maintain the order of control points through enhanced communication, co-operation and enforcement.

- End -

CONTROLLING OFFICER'S REPLY**SB246****(Question Serial No. 0887)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (000) Operational expensesProgramme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

Regarding the 3 new control points which will soon be completed and commence operation, including the Hong Kong Port Area at the West Kowloon Station of the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL), the Hong Kong-Zhuhai-Macao Bridge (HZMB) Hong Kong Port and the Liantang/Heung Yuen Wai Boundary Control Point (BCP), would the Government please tabulate the respective estimated daily operational expenditures and numbers of duty officers required for the above 3 control points.

Asked by: Hon LAM Kin-fung, Jeffrey (Member Question No. (LegCo use): 35)Reply:

To meet the operational needs of HZMB, the Hong Kong Section of XRL and the Liantang/Heung Yuen Wai BCP, the Customs and Excise Department will create a total of 976 posts. The details are as follows:

- (1) A total of 431 posts, involving an expenditure of \$167 million, would be created for HZMB:

Rank	Number
Superintendent of Customs and Excise	1
Assistant Superintendent of Customs and Excise	2
Senior Inspector of Customs and Excise	12
Inspector of Customs and Excise	28
Chief Customs Officer	27
Senior Customs Officer	177
Customs Officer	173
Executive Officer I	1

Assistant Clerical Officer	2
Clerical Assistant	2
Special Driver	6
Total:	431*

*including 301 posts captured in the 2017-18 Estimates.

- (2) A total of 281 posts, involving an expenditure of \$105 million, would be created for the Hong Kong Section of XRL:

Rank	Number
Assistant Superintendent of Customs and Excise	1
Senior Inspector of Customs and Excise	7
Inspector of Customs and Excise	18
Chief Customs Officer	33
Senior Customs Officer	73
Customs Officer	145
Motor Driver	4
Total:	281*

*including 93 posts captured in the 2017-18 Estimates.

- (3) A total of 264 posts, involving an expenditure of \$105 million, would be created for the Liantang/Heung Yuen Wai BCP:

Rank	Number
Assistant Superintendent of Customs and Excise	2
Senior Inspector of Customs and Excise	8
Inspector of Customs and Excise	25
Chief Customs Officer	20
Senior Customs Officer	98
Customs Officer	103
Clerical Assistant	1
Special Driver	6
Motor Driver	1
Total:	264

- End -

CONTROLLING OFFICER'S REPLY**SB247****(Question Serial No. 0267)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

As the Hong Kong-Zhuhai-Macao Bridge (HZMB) and the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL) will soon commence operation, and with the commissioning of the Liantang/Heung Yuen Wai Boundary Control Point (BCP), the Customs and Excise Department (C&ED) will recruit staff to provide customs clearance services. Please tabulate: i) the respective numbers of staff to be recruited; ii) their ranks; and iii) the respective recurrent expenditures for the 3 new control points.

Asked by: Hon LAU Ip-keung, Kenneth (Member Question No. (LegCo use): 9)Reply:

To meet the operational needs of HZMB, the Hong Kong Section of XRL and the Liantang/Heung Yuen Wai BCP, C&ED will create a total of 976 posts. The details are as follows:

- (1) A total of 431 posts, involving an expenditure of \$167 million, would be created for HZMB:

Rank	Number
Superintendent of Customs and Excise	1
Assistant Superintendent of Customs and Excise	2
Senior Inspector of Customs and Excise	12
Inspector of Customs and Excise	28
Chief Customs Officer	27
Senior Customs Officer	177
Customs Officer	173
Executive Officer I	1

Assistant Clerical Officer	2
Clerical Assistant	2
Special Driver	6
Total:	431*

*including 301 posts captured in the 2017-18 Estimates.

- (2) A total of 281 posts, involving an expenditure of \$105 million, would be created for the Hong Kong Section of XRL:

Rank	Number
Assistant Superintendent of Customs and Excise	1
Senior Inspector of Customs and Excise	7
Inspector of Customs and Excise	18
Chief Customs Officer	33
Senior Customs Officer	73
Customs Officer	145
Motor Driver	4
Total:	281*

*including 93 posts captured in the 2017-18 Estimates.

- (3) A total of 264 posts, involving an expenditure of \$105 million, would be created for the Liantang/Heung Yuen Wai BCP:

Rank	Number
Assistant Superintendent of Customs and Excise	2
Senior Inspector of Customs and Excise	8
Inspector of Customs and Excise	25
Chief Customs Officer	20
Senior Customs Officer	98
Customs Officer	103
Clerical Assistant	1
Special Driver	6
Motor Driver	1
Total:	264

- End -

CONTROLLING OFFICER'S REPLY**SB248****(Question Serial No. 3183)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: Not specifiedControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

Regarding the provision of sign language interpretation services in the past 5 years, would the Government advise this Committee on the following:

1. Were sign language interpretation services provided? If yes, how many times sign language interpretation services were provided in each year, and what were the occasions and reasons for providing such services?
2. Further to the above question, how many sign language interpreters were involved in each year, and what were their pay and the organisations to which they belong? What was the total expenditure involved in each year?
3. Will the Government consider allocating more resources to improve the services for communicating with the deaf and / or the hearing impaired persons in the future? If yes, what are the details (including the measures, manpower, expenditure, timetable, etc.)? If no, what are the reasons?

Asked by: Hon LEUNG Yiu-chung (Member Question No. (LegCo use): 55)Reply:

(1) & (2) The Customs and Excise Department (C&ED) arranged sign language interpretation services for people in need based on individual circumstances of each case, such as during their interview or detention. The numbers of services provided and interpreters involved in the past 5 years are as follows:

	2013	2014	2015	2016	2017
Number of sign language interpretation services provided / Number of interpreters involved	4 / 4	5 / 5	1 / 1	2 / 2	3 / 3

C&ED would hire part-time interpreters on the register of part-time sign language interpreters kept by the Judiciary and remunerate them with reference to the rates determined by the Government. The resources involved in providing such services have been subsumed under the general operating expenditure and C&ED does not have a breakdown of the figures.

(3) As in the past, C&ED will continue to make appropriate arrangements and provide assistance for people in need, including the deaf and / or the hearing impaired persons, based on individual circumstances of each case.

- End -

CONTROLLING OFFICER'S REPLY**SB249****(Question Serial No. 0470)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: Not specifiedControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

In 2018-19, there will be an increase of 766 non-directorate posts in the Customs and Excise Department (C&ED). With regard to manpower planning, would the Government please provide the following information:

- a) the number of posts to be deleted and created by the Department by rank and function; and
- b) the establishment, strength, staff wastage and number of retirees of each rank by programme in 2017-18 and the estimated figures of such in 2018-19.

Asked by: Hon POON Siu-ping (Member Question No. (LegCo use): 9)Reply:

a) In 2018-19, C&ED will have a net increase of 766 posts. The new posts are mainly created for meeting the operational needs of the Hong Kong-Zhuhai-Macao Bridge, the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Liantang/Heung Yuen Wai Boundary Control Point which will be commissioned soon, strengthening customs clearance of postal articles and relevant counter-terrorism and law enforcement capabilities, enhancing cargo clearance services of the Asia Airfreight Terminal at Hong Kong International Airport, implementing the Trade Single Window project and performing other support duties, etc. The details of such posts are as follows:

Rank	Number	
	Posts to be created	Posts to be deleted
Senior Superintendent of Customs and Excise	1	-
Superintendent of Customs and Excise	1	-1
Assistant Superintendent of Customs and Excise	6	-
Senior Inspector of Customs and Excise	29	-1

Inspector of Customs and Excise	69	-
Chief Customs Officer	63	-
Senior Customs Officer	242	-
Customs Officer	327	-
Senior Trade Controls Officer	1	-
Trade Controls Officer	2	-
Assistant Trade Controls Officer	2	-
Executive Officer I	1	-
Assistant Clerical Officer	3	-1
Clerical Assistant	1	-
Special Driver	6	-
Motor Driver	6	-
Systems Manager	1	-
Analyst / Programmer I	3	-
Analyst / Programmer II	3	-
Computer Operator I	2	-
Sub-total:	769	-3
Posts to be created	769	
Posts to be deleted	-3	
Net increase of posts	766	

b) The establishment of C&ED in 2017-18 and the estimated establishment of C&ED in 2018-19 are as follows:

Financial year	Programme (1)	Programme (2)	Programme (3)	Programme (4)	Programme (5)	Total
2017-18	5 061	386	537	289	348	6 621
2018-19	5 826	386	537	290	348	7 387

The establishment of C&ED and the strength of each rank in 2017-18 are as follows:

<i>Rank</i>	<i>Establishment (Strength*)</i>	<i>Rank</i>	<i>Establishment (Strength*)</i>
Commissioner of Customs and Excise	1(1)	Statistician	1(1)
Deputy Commissioner of Customs and Excise	1(1)	Statistical Officer I	2(2)
Assistant Commissioner of Customs and Excise	3(3)	Statistical Officer II	2(2)
Administrative Officer Staff Grade C	1(0)	Armourer I	1(1)
Senior Principal Trade Controls Officer	1(1)	Armourer III	1(1)
		Senior Systems Manager	2(2)
		Systems Manager	5(2)

Chief Superintendent of Customs and Excise	2(1)
Senior Superintendent of Customs and Excise	16(8)
Superintendent of Customs and Excise	37(31)
Assistant Superintendent of Customs and Excise	87(66)
Senior Inspector of Customs and Excise	353(330)
Inspector of Customs and Excise	505(587)
Chief Customs Officer	384(349)
Senior Customs Officer	1 225(999)
Customs Officer	2 879(2 812)
Principal Trade Controls Officer	6(4)
Chief Trade Controls Officer	24(21)
Senior Trade Controls Officer	78(77)
Trade Controls Officer	186(177)
Assistant Trade Controls Officer	181(201)
Chief Executive Officer	1(1)
Senior Executive Officer	4(4)
Executive Officer I	20(14)
Executive Officer II	4(8)
Senior Treasury Accountant	1(1)
Treasury Accountant	4(4)
Senior Accounting Officer	1(1)
Accounting Officer I	6(6)
Accounting Officer II	2(2)
Senior Training Officer	1(1)
Training Officer I	1(1)

Analyst / Programmer I	17(17)
Analyst / Programmer II	6(6)
Assistant Computer Operation Manager	1(0)
Senior Computer Operator	1(2)
Computer Operator I	9(9)
Computer Operator II	9(9)
Senior Confidential Assistant	1(1)
Confidential Assistant	7(7)
Senior Clerical Officer	7(6)
Clerical Officer	31(33)
Assistant Clerical Officer	135(128)
Clerical Assistant	103(94)
Office Assistant	18(17)
Chief Supplies Officer	1(0)
Senior Supplies Officer	1(2)
Supplies Officer	3(2)
Assistant Supplies Officer	4(5)
Senior Supplies Supervisor	1(1)
Supplies Supervisor I	11(10)
Supplies Supervisor II	24(25)
Supplies Assistant	11(11)
Special Driver	28(20)
Motor Driver	61(62)
Workman II	32(21)
Cook	1(1)

Senior Official Languages Officer	1(1)	Leisure Services Manager	1(1)
Official Languages Officer I	3(3)	Assistant Leisure Services Manager II	1(1)
Official Languages Officer II	15(15)	Management Services Officer I	1(1)
Calligraphist	1(1)	Senior Launch Master	3(3)
Senior Personal Secretary	1(1)	Launch Assistant	7(5)
Personal Secretary I	6(3)	Special Photographer I	1(0)
Personal Secretary II	14(16)	Special Photographer II	3(0)
Senior Typist	2(2)		
Typist	7(7)		
Senior Divisional Occupational Safety Officer	1(1)	Total	6 621 (6 274)
Transport Services Officer I	1(1)		

*The strength as at 31 January 2018, including officers on pre-retirement leave.

The strength of each rank in 2018-19 cannot be affirmed at the moment due to various factors like resignation and early retirement. The estimated establishment of each rank is listed below:

<i>Rank</i>	<i>Establishment</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
Senior Superintendent of Customs and Excise	17

<i>Rank</i>	<i>Establishment</i>
Statistician	1
Statistical Officer I	2
Statistical Officer II	2
Armourer I	1
Armourer III	1
Senior Systems Manager	2
Systems Manager	6
Analyst / Programmer I	20
Analyst / Programmer II	9

Superintendent of Customs and Excise	37
Assistant Superintendent of Customs and Excise	93
Senior Inspector of Customs and Excise	381
Inspector of Customs and Excise	574
Chief Customs Officer	447
Senior Customs Officer	1 467
Customs Officer	3 206
Principal Trade Controls Officer	6
Chief Trade Controls Officer	24
Senior Trade Controls Officer	79
Trade Controls Officer	188
Assistant Trade Controls Officer	183
Chief Executive Officer	1
Senior Executive Officer	4
Executive Officer I	21
Executive Officer II	4
Senior Treasury Accountant	1
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

Assistant Computer Operation Manager	1
Senior Computer Operator	1
Computer Operator I	11
Computer Operator II	9
Senior Confidential Assistant	1
Confidential Assistant	7
Senior Clerical Officer	7
Clerical Officer	31
Assistant Clerical Officer	137
Clerical Assistant	104
Office Assistant	18
Chief Supplies Officer	1
Senior Supplies Officer	1
Supplies Officer	3
Assistant Supplies Officer	4
Senior Supplies Supervisor	1
Supplies Supervisor I	11
Supplies Supervisor II	24
Supplies Assistant	11
Special Driver	34
Motor Driver	67
Workman II	32
Cook	1
Leisure Services Manager	1
Assistant Leisure Services Manager II	1

Official Languages Officer II	15
Calligraphist	1
Senior Personal Secretary	1
Personal Secretary I	6
Personal Secretary II	14
Senior Typist	2
Typist	7
Senior Divisional Occupational Safety Officer	1
Transport Services Officer I	1

Management Services Officer I	1
Senior Launch Master	3
Launch Assistant	7
Special Photographer I	1
Special Photographer II	3
Total	7 387

The staff wastage and number of retirees in 2017-18 and the estimated number of retirees in 2018-19 are listed below:

	2017-2018		2018-19
	Staff Wastage	Number of Retirees	Estimated Number of Retirees
Superintendent/ Inspectorate Grade	7	23	35
Customs Officer Grade	69	163	140
Trade Controls Officer Grade	4	27	18
Other Grades	7	15	27

- End -

CONTROLLING OFFICER'S REPLY**SB250****(Question Serial No. 0732)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

In 2018-19, the Customs and Excise Department (C&ED) will provide customs clearance services at the new control points (including the Hong Kong-Zhuhai-Macao Bridge (HZMB), the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL) and the Liantang/Heung Yuen Wai Boundary Control Point (BCP)). What are the respective staff establishment and expenditures involved for the new control points?

Asked by: Hon SHIU Ka-fai (Member Question No. (LegCo use): 6)Reply:

To meet the operational needs of HZMB, the Hong Kong Section of XRL and the Liantang/Heung Yuen Wai BCP, C&ED will create a total of 976 posts. The details are as follows:

- (1) A total of 431 posts, involving an expenditure of \$167 million, would be created for HZMB:

Rank	Number
Superintendent of Customs and Excise	1
Assistant Superintendent of Customs and Excise	2
Senior Inspector of Customs and Excise	12
Inspector of Customs and Excise	28
Chief Customs Officer	27
Senior Customs Officer	177
Customs Officer	173
Executive Officer I	1
Assistant Clerical Officer	2

Clerical Assistant	2
Special Driver	6
Total:	431*

*including 301 posts captured in the 2017-18 Estimates.

- (2) A total of 281 posts, involving an expenditure of \$105 million, would be created for the Hong Kong Section of XRL:

Rank	Number
Assistant Superintendent of Customs and Excise	1
Senior Inspector of Customs and Excise	7
Inspector of Customs and Excise	18
Chief Customs Officer	33
Senior Customs Officer	73
Customs Officer	145
Motor Driver	4
Total:	281*

*including 93 posts captured in the 2017-18 Estimates.

- (3) A total of 264 posts, involving an expenditure of \$105 million, would be created for the Liantang/Heung Yuen Wai BCP:

Rank	Number
Assistant Superintendent of Customs and Excise	2
Senior Inspector of Customs and Excise	8
Inspector of Customs and Excise	25
Chief Customs Officer	20
Senior Customs Officer	98
Customs Officer	103
Clerical Assistant	1
Special Driver	6
Motor Driver	1
Total:	264

- End -

CONTROLLING OFFICER'S REPLY

SB251

(Question Serial No. 1113)

Head: (31) Customs and Excise Department

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

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

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

Question:

According to the documents provided by the Customs and Excise Department (C&ED), an apparent upward trend in air smuggling was noted in 2017. In this regard, would C&ED please advise this Committee on the following:

- (a) What is the number of staff deployed by C&ED for law enforcement in air transport currently?
- (b) Will C&ED purchase extra advanced equipment to help combat air smuggling in the future? If yes, please provide information and the estimated expenditure. If no, what are the reasons?
- (c) Will C&ED deploy additional manpower to strengthen law enforcement against air smuggling in the future? If yes, please provide the figures and estimated expenditure. If no, what are the reasons?

Asked by: Hon TIEN Puk-sun, Michael (Member Question No. (LegCo use): 32)

Reply:

Currently (as at 1 February 2018), a total of 627 C&ED officers are stationed at various air cargo terminals and the Air Mail Centre which provide round-the-clock services. C&ED has been proactively utilising advanced technology such as x-ray system equipped with "backscatter X-ray technology", as well as ion scanner and chemical identifier of Raman spectroscopy for detection of drugs, etc. in order to help combat smuggling activities via air cargoes and postal items. C&ED will keep a close watch on the latest technology development of detection equipment and purchase advanced equipment to meet operational needs when appropriate.

In 2018-19, C&ED will create 112 posts, involving an expenditure of about \$43.27 million, with a view to strengthening law enforcement capabilities on clearance of air cargoes and postal items, as well as combating smuggling activities by air.

- End -

CONTROLLING OFFICER'S REPLY**SB252****(Question Serial No. 0969)**

Head: (31) Customs and Excise Department

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

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

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

Question:

Regarding the new control point set up by the Customs and Excise Department (C&ED) at the Hong Kong-Zhuhai-Macao Bridge (HZMB), please inform this Committee of:

- (1) the staff establishment of the HZMB control point;
- (2) the operational expenditure of the HZMB control point, and a detailed breakdown of the expenditure items.

Asked by: Hon YEUNG Alvin (Member Question No. (LegCo use): 5)

Reply:

- (1) & (2) To meet the operational needs of HZMB, C&ED would create a total of 431 posts, involving an expenditure of \$167 million. The details of such posts are as follows:

Rank	Number
Superintendent of Customs and Excise	1
Assistant Superintendent of Customs and Excise	2
Senior Inspector of Customs and Excise	12
Inspector of Customs and Excise	28
Chief Customs Officer	27
Senior Customs Officer	177
Customs Officer	173
Executive Officer I	1
Assistant Clerical Officer	2
Clerical Assistant	2
Special Driver	6
Total:	431*

*including 301 posts captured in the 2017-18 Estimates.

- End -

CONTROLLING OFFICER'S REPLY

SB253

(Question Serial No. 1781)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

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

Question:

In regard to issues on Customs detector dogs, would the Government please advise this Committee on the following:

- (a) How many Customs detector dogs are there at present?
- (b) What are the staff establishment and expenditure involved in training and emoluments?
- (c) Will more explosive detector dogs be introduced to help examine cargoes (intermodal transshipment cargoes in particular)? If yes, what are the additional manpower and expenditure involved?

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

Reply:

Currently (as at 1 February 2018), the Customs and Excise Department (C&ED) has a total of 50 detector dogs, of which 48 are drug detector dogs and 2 are explosive detector dogs, which can be deployed to assist in customs clearance work. The Customs Detector Dog Division has an establishment of 77 law enforcement officers and the expenditure on related training and emoluments was about \$28.33 million in 2017-18.

C&ED will flexibly deploy detector dogs to assist cargo inspection upon risk assessment and intelligence analysis. C&ED has no plan to introduce more explosive detector dogs.

- End -

CONTROLLING OFFICER'S REPLY**SB527****(Question Serial No. 5645)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

1. Please provide the figures on the arrests made by the Customs and Excise Department (C&ED) in enforcing the Import and Export Ordinance at various control points in the past 5 years. What is the estimated provision earmarked by C&ED for enforcing the Ordinance in 2018-19?
2. Please list out in tabular form the amounts of the following items seized by C&ED in Hong Kong and the numbers of persons involved in the past 5 years.

		Narcotics	Firearms & ammunitions	Strategic commodities	Dutiable commodities	Infringement of copyright	False trade descriptions
2013-2014	Amount						
	Number of persons involved						
2014-2015	Amount						
	Number of persons involved						
2015-2016	Amount						
	Number of persons involved						
2016-2017	Amount						
	Number of persons involved						
2017-2018	Amount						
	Number of persons involved						

3. What were the numbers of staff deployed by C&ED and the actual expenditures involved in combating parallel traders in the past 5 years? Will the Department allocate additional resources in combating parallel trade activities in 2018-19? If yes, what are the details and the estimated expenditure?

Asked by: Hon CHAN Tanya (Member Question No. (LegCo use): 176)

Reply:

1. In the past 5 years, a total of 22 594 persons were arrested by C&ED for contravention of the Import and Export Ordinance. The resources involved have been subsumed under the general operating expenditure. C&ED does not have a breakdown of the figures.
2. The items seized by C&ED were of various types and involved different measurement units. The details of the cases detected by C&ED in the past 5 years are as follows:

		Narcotics	Firearms & ammunitions	Strategic commodities	Dutiable commodities	Goods infringing copyrights	False trade descriptions
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	797	81	8	19 483	60	1 076
	Number of persons arrested	442	21	0	12 003	87	752
2015	Number of cases	752	68	34	17 300	118	1 098
	Number of persons arrested	364	12	0	10 717	159	906
2016	Number of cases	762	55	72	15 319	124	975
	Number of persons arrested	328	8	4	8 824	158	749
2017*	Number of cases	983	46	74	15 281	115	989
	Number of persons arrested	329	15	5	8 385	145	750

* Figures for 2017 are subject to adjustment.

3. In 2018-19, C&ED will continue its cooperation with the Shenzhen Customs in combating parallel trade activities, including monitoring hotspots of such activities in order to gather intelligence to facilitate interception and enforcement actions by officers at boundary control points and other law enforcement agencies. The resources involved in the above work have been subsumed under the general operating expenditure. C&ED does not have a breakdown of the figures.

- End -

CONTROLLING OFFICER'S REPLY**SB528****(Question Serial No. 5646)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (000) Operational expensesProgramme: (2) Anti-narcotics InvestigationControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the TreasuryQuestion:

1. Please provide the numbers of cases relating to organised drug syndicates and individual drug offenders detected by the Customs and Excise Department (C&ED) and the numbers of persons arrested in the past 5 years.
2. Please provide the numbers of drug manufacturing workshops and distribution centres cracked down by C&ED within Hong Kong in the past 5 years.
3. Please provide the numbers of money laundering cases detected by C&ED and the numbers of persons involved in the past 5 years.

Asked by: Hon CHAN Tanya (Member Question No. (LegCo use): 177)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:

	2013	2014	2015	2016	2017
Number of cases detected	231	275	249	218	207
Number of persons arrested	258	276	233	219	193

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

	2013	2014	2015	2016	2017
Drug manufacturing workshops	1	-	1	2	5
Distribution centres	10	11	24	29	23

3. In the past 5 years, the numbers of money laundering cases detected by C&ED and the numbers of persons involved were as follows:

	2013	2014	2015	2016	2017
Number of cases detected	1	2	3	11	6
Number of persons involved	6	5	7	24	17

- End -

CONTROLLING OFFICER'S REPLY**SB529****(Question Serial No. 5285)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (000) Operational expensesProgramme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Security / Secretary for Financial Services and the Treasury / Secretary for Commerce and Economic DevelopmentQuestion:

Regarding the new control point set up by the Customs and Excise Department (C&ED) at the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link, please inform this Committee of:

- (1) the C&ED staff establishment of the West Kowloon Station of the Express Rail Link;
- (2) the operational expenditure of the West Kowloon Station of the Express Rail Link, and a detailed breakdown of the expenditure items.

Asked by: Hon YEUNG Alvin (Member Question No. (LegCo use):6)Reply:

- (1) & (2) To meet the operational needs of the Hong Kong Section of Guangzhou-Shenzhen-Hong Kong Express Rail Link, C&ED would create a total of 281 posts, involving an expenditure of \$105 million. The details are as follows:

Rank	Number
Assistant Superintendent of Customs and Excise	1
Senior Inspector of Customs and Excise	7
Inspector of Customs and Excise	18
Chief Customs Officer	33
Senior Customs Officer	73
Customs Officer	145
Motor Driver	4
Total:	281*

*including 93 posts captured in the 2017-18 Estimates.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)241

(Question Serial No. 5647)

Head: (31) Customs and Excise Department
Subhead (No. & title): (-) -
Programme: (3) Intellectual Property Rights and Consumer Protection
Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)
Director of Bureau: Secretary for Commerce and Economic Development

Question:

1. In the past 5 years, how many cases relating to online selling of intellectual property rights (IPR) 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 IPR infringement were reported in each of the past 5 years? What was the number 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 2018-2019?
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 2018-2019?
4. What are the estimates of C&ED for promoting public and traders' awareness of IPR and consumer protection legislation through publicity programmes in 2018-2019?
5. Please provide the expenditure and number 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 2018-2019, as well as the estimated expenditure and number 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 2018-2019.
6. In the past 5 years, what were the actual expenditure, number of staff and number of prosecutions involved in the investigation of false claims on health products by C&ED? In 2018-2019, what will be the actual expenditure and number of staff involved in the investigation of false claims on health products by C&ED?

Asked by: Hon CHAN Tanya (Member Question No. (LegCo use): 178)

Reply:

1. The details of online IPR infringement cases detected by C&ED in the past 5 years are as follows:

	2013	2014	2015	2016	2017
Number of cases	162	184	200	201	202
Number of persons arrested	190	202	248	227	241
Total value of seizures (mostly clothing, watches and accessories)	\$2.48 million	\$2.47 million	\$3 million	\$1.8 million	\$2.6 million

2. In 2018-19, a total of 190 C&ED officers will be deployed for the prevention and detection of IPR crimes, involving an expenditure of \$83.27 million. The numbers of cases investigated by C&ED in the past 5 years are as follows:

	2013	2014	2015	2016	2017
Number of cases investigated	1 625	1 954	1 892	1 599	1 606
Number of cases completed*	8 309	1 913	1 577	1 546	1 540

Note: * As some of the cases were reported in the past years, the number of cases completed may be more than the number of cases received in the same year.

3. C&ED has been closely monitoring the latest trend of IPR infringing activities on the Internet and the related electronic crimes, and makes timely review of enforcement effectiveness. Over the past few years, C&ED has redeployed internal resources to set up 3 dedicated “Anti-Internet Piracy Teams” for the relevant enforcement work; to establish the “Electronic Crime Investigation Centre” to enhance the capabilities of frontline officers in online investigation and evidence collection; and to develop various online monitoring systems to better monitor and combat online IPR infringing activities, such as the Big Data Analytics System launched at the end of 2017. This System can analyse mass information on different Internet platforms for more effective screening and updates on infringing activities. In 2018-19, there will be a total of 45 C&ED officers responsible for the relevant work, involving a salary provision of about \$19.26 million.

4. C&ED has been enhancing public awareness of IPR and consumer protection through various channels, including seminars and thematic talks organised in collaboration with the Intellectual Property Department, the Consumer Council, industry associations, major chambers of commerce and relevant Government departments from time to time. In 2018-19, C&ED will organise publicity and education activities to raise the community’s awareness of IPR and consumer protection, including raising consumer awareness of unfair trade practices. As the expenditure involved has been subsumed within the department’s provision, it is difficult to quantify such expenditure separately.

5. and 6. In the past 5 years, C&ED prosecuted 23 companies and 5 persons for contravening the Trade Descriptions Ordinance (the Ordinance) by applying false trade descriptions on health products. In 2018-19, C&ED will deploy a total of 190 officers to carry out enforcement work under the Ordinance, involving an expenditure of \$95.44 million. The manpower and expenditure concerned cannot be broken down by category of goods.

- End -

CONTROLLING OFFICER'S REPLY**CEDB(CIT)242****(Question Serial No. 1683)**

Head: (31) Customs and Excise Department

Subhead (No. & title): (-) -

Programme: (3) Intellectual Property Rights and Consumer Protection

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

1. Regarding intellectual property crimes committed on the Internet, please provide the number of cases detected each year in the past 3 years. If the cases are classified into categories, such as online sale of infringing goods and illegal uploading of infringing items, please provide the relevant figures.
2. Under the matters requiring special attention in 2018-19, it is mentioned that the Customs & Excise Department (C&ED) will upgrade its capability in the investigation of Internet and electronic crimes relating to infringement of intellectual property rights (IPR). Does C&ED have any specific plans to upgrade the relevant investigation capability? If yes, please provide details. What is the estimated expenditure in this respect?

Asked by: Hon CHEUNG Wah-fung, Christopher (Member Question No. : 34)

Reply:

Statistics on online IPR infringement cases detected by C&ED in the past 3 years are as follows:

(i) Cases of sale of counterfeit items on the Internet (Note)

	2015	2016	2017
Number of cases	191	196	194
Number of persons arrested	239	222	230
Total value of seizures	\$2.8 million	\$1.7 million	\$2.5 million

(ii) Cases of IPR infringement on the Internet (including illegal uploading of IPR infringing items) (Note)

	2015	2016	2017
Number of cases	13	10	8
Number of persons arrested	15	12	11
Total value of seizures	\$200,000	\$70,000	\$100,000

(Note): Some cases involved both sale of counterfeit items on the Internet and IPR infringement on the Internet at the same time, and the figures of the relevant cases are included in both tables (i) and (ii).)

C&ED has been closely monitoring the latest trend of IPR infringing activities on the Internet and the related electronic crimes, and makes timely review of enforcement effectiveness. Over the past few years, C&ED has redeployed internal resources to set up 3 dedicated “Anti-Internet Piracy Teams” for the relevant enforcement work; to establish the “Electronic Crime Investigation Centre” to enhance the capabilities of frontline officers in online investigation and evidence collection; and to develop various online monitoring systems to better monitor and combat online IPR infringing activities, such as the Big Data Analytics System launched at the end of 2017. This System can analyse mass information on different Internet platforms for more effective screening and updates on infringing activities. In 2018-19, the resources and manpower which C&ED will devote to enforcement work against IPR crimes would be similar to the existing level, and C&ED will continue to take action against IPR offences through flexible deployment of existing resources and manpower.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)243

(Question Serial No. 0397)

Head: (31) Customs and Excise Department
Subhead (No. & title): (-) -
Programme: (3) Intellectual Property Rights and Consumer Protection
Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)
Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the matters requiring special attention in 2018-19, the Customs and Excise Department (C&ED) will continue to strengthen the co-operative alliance with the industries and enforcement agencies in detecting online sale of infringing goods. What will be the expenditure involved in the related work? What was the expenditure on such work in 2017-18 and how effective was the work?

Asked by: Hon CHUNG Kwok-pan (Member Question No. : 25)

Reply:

As a result of the continuous and vigorous enforcement actions taken by C&ED, intellectual property rights (IPR) infringing activities in the local market have reduced significantly as compared with several years ago, but selling IPR infringing goods online has been shifting from auction sites to social media platforms and online community marketplaces. C&ED has been closely monitoring the latest trend of IPR infringing activities on the Internet and the related electronic crimes, and makes timely review of enforcement effectiveness. Over the past few years, C&ED has redeployed internal resources to set up 3 dedicated "Anti-Internet Piracy Teams" for the relevant enforcement work; to establish the "Electronic Crime Investigation Centre" to enhance the capabilities of frontline officers in online investigation and evidence collection; and to develop various online monitoring systems to better monitor and combat online IPR infringing activities, such as the Big Data Analytics System launched at the end of 2017. This System can analyse mass information on different Internet platforms for effective screening and updates on infringing activities.

In 2017-18, there were a total of 190 officers in C&ED who were dedicated to preventing and detecting IPR crimes, involving an expenditure on salary provision of about \$83.27 million. The relevant expenditure on system maintenance amounted to about \$990,000. The details of infringing cases detected by C&ED in 2017 are as follows:

Number of cases (online IPR crime)	916 cases (202 cases)
Total value of seizures (online IPR crime)	\$118 million (\$2.6 million)
Number of successful prosecutions (online IPR crime) (Note)	427 cases (151 cases)
Penalties imposed by the Court	Fine: \$100 - \$140,000; Community service order: 40 - 240 hours; Imprisonment: 2 days - 27 months

Note : Cases concluded in 2017

In 2018-19, C&ED will devote a similar level of resources and manpower to enforcement work on this front, and will continue to take action against IPR offences through flexible deployment of existing resources and manpower.

- End -

CONTROLLING OFFICER'S REPLY**CEDB(CIT)244****(Question Serial No. 1154)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (-) -Programme: (3) Intellectual Property Rights and Consumer ProtectionControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Commerce and Economic DevelopmentQuestion:

Please list the numbers of reports received, undercover operations conducted, prosecutions made and convictions handed down, and the amount of fines for the 5 types of unfair trade practices (including aggressive commercial practices, bait advertising, bait and switch, misleading omissions and wrongly accepting payment) under the Trade Descriptions Ordinance as amended in 2012.

Asked by: Hon KWOK Wing-hang, Dennis (Member Question No. (LegCo use): 47)Reply:

From the implementation of the amended Trade Descriptions Ordinance (TDO) on 19 July 2013 to 2017, the figures in relation to the enforcement of TDO by the Customs and Excise Department are as follows:

Types of Offence	Breakdown of figures	2013 (from 19 July)	2014	2015	2016	2017
Misleading omissions	Number of complaints	343	884	752	332	213
	Number of prosecutions	3	5	12	6	7
	Number of convictions (company/ individual)	0	4	10	8	11

Types of Offence	Breakdown of figures	2013 (from 19 July)	2014	2015	2016	2017
Misleading omissions	Amount of fines	-	\$4,000 to \$25,000	\$1,000 to \$20,000	\$2,000 to \$100,000	\$4,000 to \$30,000
	Imprisonment (excluding suspension)	-	-	20 days' imprisonment to 10 weeks' imprisonment	2 weeks' imprisonment to 2 months' imprisonment	10 weeks' imprisonment
	Imprisonment (Suspension)	-	4 months' imprisonment (suspended for 2 years)	2 months' imprisonment (suspended for 2 years) to 6 months' imprisonment (suspended for 3 years)	3 months' imprisonment (suspended for 2 years)	3 weeks' imprisonment (suspended for 2 years)
	Community service order	-	100 hours	120 hours	160 hours	160 hours to 240 hours
Aggressive commercial practices	Number of complaints	65	151	254	191	151
	Number of prosecutions	0	2	1	3	2
	Number of convictions (company/individual)	0	0	3	1	4
	Amount of fines	-	-	-	-	-
	Imprisonment (excluding suspension)	-	-	3 months' imprisonment	1 month's imprisonment	-
	Imprisonment (Suspension)	-	-	-	-	-
	Community service order	-	-	200 hours	-	120 hours to 200 hours
Bait advertising	Number of complaints	85	72	27	15	8

Types of Offence	Breakdown of figures	2013 (from 19 July)	2014	2015	2016	2017
	Number of prosecutions	0	0	0	1	2
	Number of convictions (company/individual)	0	0	0	0	1
	Amount of fines	-	-	-	-	\$10,000
	Imprisonment (excluding suspension)	-	-	-	-	-
	Imprisonment (Suspension)	-	-	-	-	-
	Community service order	-	-	-	-	-
Bait and switch	Number of complaints	15	24	25	11	2
	Number of prosecutions	0	0	0	0	0
	Number of convictions (company/individual)	0	0	0	0	0
	Amount of fines	-	-	-	-	-
	Imprisonment (excluding suspension)	-	-	-	-	-
	Imprisonment (Suspension)	-	-	-	-	-
	Community service order	-	-	-	-	-

Types of Offence	Breakdown of figures	2013 (from 19 July)	2014	2015	2016	2017
Wrongly accepting payment	Number of complaints	199	1 817	1 023	2 197	376
	Number of prosecutions	0	0	1	1	2
	Number of convictions (company/individual)	0	0	0	0	3
	Amount of fines	-	-	-	-	\$48,000
	Imprisonment (excluding suspension)	-	-	-	-	6 months' imprisonment
	Imprisonment (Suspension)	-	-	-	-	-
	Community service order	-	-	-	-	100 hours
Number of undercover operations	11	562	663	768	759	

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)245

(Question Serial No. 3224)

Head: (31) Customs and Excise Department
Subhead (No. & title): (-) -
Programme: (3) Intellectual Property Rights and Consumer Protection
Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)
Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding toys and children's products safety, the number of seizure cases of the Customs and Excise Department (C&ED) increased from 6 cases in 2016 to 35 cases in 2017, while the total value of seizures increased from \$15,800 to \$160,600. What were the details of the 35 cases of contravention? What are the staff establishment and recurrent expenditure of the team responsible for inspecting toys and children's products?

Asked by: Hon LAU Ip-keung, Kenneth (Member Question No. (LegCo use): 10)

Reply:

In 2017, there were 35 seizure cases of suspected unsafe toys and children's products effected by C&ED, involving 17 categories of goods with a total value of approximately \$160,000. These goods included 3D toy printers, ani-com weapon toys, animal chess, Chinese chess, flashing glasses, fidget spinners, plastic skipping ropes, lanterns, scooters, headwear toys, light sticks, cube toys, toy helicopters, cups, teethers, pushchairs and children's high chairs for domestic use.

In 2018-19, there will be a total of 16 C&ED officers responsible for carrying out enforcement work under the Toys and Children's Products Safety Ordinance, involving an expenditure of \$8.72 million. Since the officers who are responsible for conducting inspections also need to perform other enforcement duties under the Ordinance, it is difficult to separately quantify the expenditure on conducting inspections.

- End -

CONTROLLING OFFICER'S REPLY**CEDB(CIT)246****(Question Serial No. 0685)**

Head: (31) Customs and Excise Department

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

Programme: (3) Intellectual Property Rights and Consumer Protection

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

With regard to the prevention and detection of copyright and trade mark infringement under Programme (3), please advise this Committee on the following:

- 1) What were the numbers of online infringing activities detected; the products involved and their market values; the numbers of persons arrested, prosecuted and convicted; as well as the maximum and minimum penalties imposed in the past 5 years? (Please list the above information by year)
- 2) Regarding reinforcement of law enforcement and publicity education related to intellectual property rights (IPR), what are the Government's future work plans and timetables, as well as the manpower and expenditure to be involved?

Asked by: Hon NG Wing-ka, Jimmy (Member Question No. (LegCo use): 105)

Reply:

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

	2013	2014	2015	2016	2017
Number of cases	162	184	200	201	202
Number of persons arrested	190	202	248	227	241
Total value of seizures (mostly clothing, watches and accessories)	\$2.48 million	\$2.47 million	\$3 million	\$1.8 million	\$2.6 million
Number of persons convicted (Note)	114	168	188	175	160

	2013	2014	2015	2016	2017
Amount of fines	\$500- \$20,000	\$500- \$60,000	\$50- \$20,000	\$500- \$90,000	\$300-\$30,000
Length of community service order	70-180 hours	60-160 hours	60-180 hours	30-160 hours	40-240 hours
Term of imprisonment	14 days- 6 months	7 days- 4 months	2-5 months	7 days- 8 months	3-27 months

Note: Cases concluded during the year.

C&ED has been closely monitoring the latest trend of online IPR infringing activities and the related electronic crimes, and makes timely review of enforcement effectiveness. Over the past few years, C&ED has redeployed internal resources to set up 3 dedicated “Anti-Internet Piracy Teams” for the relevant enforcement work; to establish the “Electronic Crime Investigation Centre” to enhance the capabilities of frontline officers in online investigation and evidence collection; and to develop various online monitoring systems to better monitor and combat online IPR infringing activities, such as the Big Data Analytics System launched at the end of 2017. This System can analyse mass information on different Internet platforms for effective screening and updates on infringing activities. In 2018-19, there will be a total of 45 C&ED officers responsible for the relevant work, involving a salary provision of about \$19.26 million.

C&ED has been enhancing public awareness of IPR protection through various channels, including IPR-related seminars and thematic talks organised in collaboration with the Intellectual Property Department, the Consumer Council, industry associations, major chambers of commerce and relevant government departments from time to time. C&ED will also organise publicity and education activities to raise the community’s awareness of IPR protection. As the expenditure involved has been subsumed within the department’s provision, it is difficult to quantify such expenditure separately.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)247

(Question Serial No. 1972)

Head: (31) Customs and Excise Department
Subhead (No. & title): (-) -
Programme: (3) Intellectual Property Rights and Consumer Protection
Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)
Director of Bureau: Secretary for Commerce and Economic Development

Question:

1. In the past 2 years and the coming year, what were / are the respective amounts, staff establishment and resources involved in combating false trade descriptions and unfair trade practices in respect of both goods and services by the Customs and Excise Department (C&ED)?
2. In each of the past 5 years, with regard to combating false trade descriptions and unfair trade practices in respect of both goods and services by C&ED, what were the numbers of spot checks conducted, relevant complaints received, investigations conducted into suspected contraventions, and prosecutions instituted / cases with written undertakings accepted from the traders who pledged to stop their unfair trade practices?

Asked by: Hon QUAT Elizabeth (Member Question No. (LegCo use): 10)

Reply:

1. The manpower and expenditures involved in the enforcement of the Trade Descriptions Ordinance (the Ordinance) by C&ED in 2016/17, 2017/18 and 2018/19 are as follows:

Year	Manpower involved	Expenditure involved (\$ million)
2016/17	190	92.85
2017/18	190	95.44
2018/19	190	95.44

2. Statistics on C&ED's enforcement of the Ordinance are tabulated as follows:

	2013 (from 19 July)	2014	2015	2016	2017	Total
Number of spot checks	2 163	4 052	4 128	4 060	4 000	18 403
Number of complaint cases	2 051	6 447	6 088	7 260	6 922	28 768
Number. of cases investigated	523	701	168	144	108	1 644
Number of prosecutions	9	74	112	71	74	340
Number. of cases with written undertakings accepted	1	5 (Note)	4	0	2	12

Note: Written undertakings were received from 2 traders in one of the cases.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)248

(Question Serial No. 1973)

Head: (31) Customs and Excise Department
Subhead (No. & title): (-) -
Programme: (3) Intellectual Property Rights and Consumer Protection
Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)
Director of Bureau: Secretary for Commerce and Economic Development

Question:

1. As mentioned in the Matters Requiring Special Attention in 2018-19, the Customs and Excise Department (C&ED) will upgrade the capability in the investigation of Internet and electronic crimes relating to infringement of intellectual property rights (IPR). What are the staff establishment and expenditure involved?
2. C&ED states that it will promote public and traders' awareness of IPR and consumer protection legislation through publicity and education programmes. What are the specific measures to be taken? What are the staff establishment and expenditure involved?

Asked by: Hon QUAT Elizabeth (Member Question No. (LegCo use): 11)

Reply:

In 2018-19, C&ED will maintain an establishment of 45 officers dedicated to combating online IPR infringing activities and related electronic crimes, involving a salary provision of about \$19.26 million.

C&ED has been enhancing public awareness of IPR and consumer protection through various channels, including seminars and thematic talks organised in collaboration with the Intellectual Property Department, the Consumer Council, industry associations, major chambers of commerce and relevant Government departments from time to time. C&ED will also organise publicity and education activities to raise the community's awareness of IPR and consumer protection including, for example activities seeking to enable consumers understand more about unfair trade practices. As the expenditure involved has been subsumed within the department's provision, it is difficult to quantify such expenditure separately.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)249

(Question Serial No. 1803)

Head: (31) Customs and Excise Department
Subhead (No. & title): (-) -
Programme: (3) Intellectual Property Rights and Consumer Protection
Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)
Director of Bureau: Secretary for Commerce and Economic Development

Question:

With regard to the increasing number of complaints on false trade description and unfair trade practices involved in online transactions in recent years:

1. Is there any manpower/team in the Customs and Excise Department (C&ED) dedicated to combating unfair trade practices on the Internet at present?
2. In relation to online transactions, what were (a) the number of complaints received by C&ED, (b) the number of prosecutions, (c) the number of convictions, (d) the maximum penalty imposed on convicted individual/company, and (e) the average penalty imposed in the past 3 years?
3. In relation to the aforesaid enforcement work, what are the approaches adopted by C&ED for investigation and enforcement at present? Does C&ED have any new type of enforcement work or direction in 2018-19?

Asked by: Hon WAN Siu-kin, Andrew (Member Question No. (LegCo use): 102)

Reply:

1. The Trade Descriptions Ordinance (the Ordinance) is equally applicable to the trade practices of online traders and physical stores. Currently, a total of 190 C&ED officers are deployed to carry out enforcement work under the Ordinance against both online traders and physical stores.
2. The number of complaints against unfair trade practices related to “online shopping” received by C&ED and the enforcement statistics for the past 3 years are as follows:

Year		2015	2016	2017
Number of complaints		296	586	1 227
Number of prosecutions		2	4	8
Number of convictions (company/individual)		2	3	11
Maximum penalty	Fine	\$10,000	\$28,000	\$54,000
	Community service order	-	-	100 hours
Average fine		\$6,250	\$12,000	\$19,250

3. Unfair trade practices may occur in different sales channels, including Internet trading platforms. C&ED will continue to monitor different types of illegal online activities by using advanced tools for evidence collection and investigation, and initiate follow-up actions and prosecutions where appropriate. If local or overseas websites are found to be conducting illegal activities, C&ED may demand such websites to remove the relevant contents or links. Joint operations with overseas enforcement agencies will also be mounted as and when required.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)250

(Question Serial No. 1804)

Head: (31) Customs and Excise Department
Subhead (No. & title): (-) -
Programme: (3) Intellectual Property Rights and Consumer Protection
Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)
Director of Bureau: Secretary for Commerce and Economic Development

Question:

On the matter of strengthening enforcement actions against false trade descriptions and unfair trade practices in respect of both goods and services:

1. Please provide the staff establishment and expenditures of the Customs and Excise Department (C&ED) in 2017-18 and 2018-19. What are the changes?
2. In relation to the enforcement of the Trade Descriptions Ordinance and the other 3 ordinances on consumer protection, what were (a) the number of complaints received by C&ED, (b) the number of prosecutions, (c) the number of convictions, (d) the maximum penalty imposed on convicted individuals/companies, and (e) the average penalty imposed in the past 3 years?
3. Please provide (a) the number of complaints received by C&ED, (b) the number of prosecutions, and (c) the number of convictions by the kind of common offences under the Trade Descriptions Ordinance, including false trade descriptions, misleading omissions and aggressive commercial practices in the past 3 years.

Asked by: Hon WAN Siu-kin, Andrew (Member Question No. (LegCo use): 103)

Reply:

1. The manpower and expenditures involved in the enforcement of the Trade Descriptions Ordinance (TDO), Weights and Measures Ordinance, Consumer Goods Safety Ordinance and Toys and Children's Products Safety Ordinance by C&ED to protect consumers' rights and interests are as follows:

Ordinance	Type	Year	
		2017/18	2018/19
TDO	Manpower involved	190	190
	Expenditure involved (\$ million)	95.44	95.44
Weights and Measures Ordinance	Manpower involved	22	22
	Expenditure involved (\$ million)	10.90	10.90
Consumer Goods Safety Ordinance	Manpower involved	19	19
	Expenditure involved (\$ million)	9.81	9.81
Toys and Children's Products Safety Ordinance	Manpower involved	16	16
	Expenditure involved (\$ million)	8.72	8.72

2. The figures and information in relation to C&ED's enforcement of consumer protection legislation in the past 3 years are as follows:

Ordinance	Breakdown of figures and information	2015	2016	2017	
TDO	Number of complaints	6 088	7 260	6 922	
	Number of prosecutions	112	71	74	
	Number of convictions (company/individual)	125	71	78	
	Maximum Penalty	Fine	\$67,800	\$100,000	\$120,000
		Imprisonment	3 months' imprisonment	2 months' imprisonment and a compensation of \$28,160 to the victim	6 months' imprisonment and a compensation of \$10,000 to the victim
	Average fine*	\$10,996	\$12,807	\$14,654	
Weights and Measures Ordinance	Number of complaints	588	588	406	
	Number of prosecutions	42	24	19	
	Number of convictions (company/individual)	46	27	21	
	Maximum penalty (fine)	\$15,000	\$10,000	\$9,000	
	Average fine*	\$3,852	\$3,283	\$3,342	
Consumer Goods Safety Ordinance	Number of complaints	165	129	117	
	Number of prosecutions	12	13	5	
	Number of convictions (company/individual)	13	13	5	
	Maximum penalty (fine)	\$12,000	\$28,000	\$15,000	
	Average fine*	\$6,500	\$17,823	\$8,800	

Ordinance	Breakdown of figures and information	2015	2016	2017
Toys and Children's Products Safety Ordinance	Number of complaints	38	31	39
	Number of prosecutions	5	1	4
	Number of convictions (company/individual)	5	1	4
	Maximum penalty (fine)	\$8,000	\$2,000	\$10,000
	Average fine*	\$7,600	\$2,000	\$7,875

* The average amount of fine imposed in cases where a fine was handed down.

3. The figures in relation to C&ED's enforcement of the TDO offences in the past 3 years are as follows:

Offence	Breakdown of relevant figures	2015	2016	2017
False trade descriptions	Number of complaints	3 947	4 476	6 169
	Number of prosecutions	59	36	47
	Number of convictions (company/individual)	66	40	43
Misleading omissions	Number of complaints	752	332	213
	Number of prosecutions	12	6	7
	Number of convictions (company/individual)	10	8	11
Aggressive commercial practices	Number of complaints	254	191	151
	Number of prosecutions	1	3	2
	Number of convictions (company/individual)	3	1	4
Bait advertising	Number of complaints	27	15	8
	Number of prosecutions	0	1	2
	Number of convictions (company/individual)	–	0	1
Bait and switch	Number of complaints	25	11	2
	Number of prosecutions	0	0	0
	Number of convictions (company/individual)	–	–	–
Wrongly accepting payment	Number of complaints	1 023	2 197	376
	Number of prosecutions	1	1	2
	Number of convictions (company/individual)	0	0	3
Other offences under the TDO [^]	Number of complaints	60	38	3
	Number of prosecutions	39	24	14
	Number of convictions (company/individual)	46	22	16

[^] Such as sections 4, 9 and 12 of the TDO.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)251

(Question Serial No. 1805)

Head: (31) Customs and Excise Department
Subhead (No. & title): (-) -
Programme: (3) Intellectual Property Rights and Consumer Protection
Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)
Director of Bureau: Secretary for Commerce and Economic Development

Question:

On the matter of strengthening enforcement actions against false trade descriptions and unfair trade practices in respect of both goods and services, at present it usually takes some time to handle a prosecution case, from its receipt to the conduct of investigation and the institution of prosecution. Please advise this Committee on the following:

1. Does the Customs and Excise Department (C&ED) have the figures on the average time taken for instituting a prosecution for different types of cases since the implementation of the amended Trade Descriptions Ordinance? If yes, what are the details?
2. Are there any internal guidelines on prosecution at present? For example, what are the time limitations for taking witness statements and instituting prosecutions for different types of cases?
3. Has C&ED put in place any internal measures to expedite investigations to address the above issues? If yes, what are the details?

Asked by: Hon WAN Siu-kin, Andrew (Member Question No. (LegCo use): 104)

Reply:

Given the wide coverage of the Trade Descriptions Ordinance, the varying regulatory scopes of different provisions, as well as the uniqueness of each case, the investigation work needed varies depending on the complexity and the amount of evidence of each case. As such, the Customs and Excise Department (C&ED) does not have any time standard on evidence collection, nor compile statistics on the time standard on instituting prosecutions. C&ED has been pursuing all cases proactively. It requires in its internal guidelines that officers responsible for prosecution work shall collect evidence and institute prosecutions in accordance with the legal principles and guidelines established by the Department of Justice and the Judiciary. Supervisors will review the progress of the cases regularly with a view

to clarifying the factual circumstances and gathering relevant evidence, and to taking appropriate enforcement actions.

- End -

CONTROLLING OFFICER'S REPLY

CEDB(CIT)252

(Question Serial No. 1772)

Head: (31) Customs and Excise Department
Subhead (No. & title): (-) -
Programme: (1) Control and Enforcement
Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)
Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding improving customs clearance service to facilitate efficient cargo flow across the boundary, please inform this Committee of:

1. the latest update on the promotion of the Road Cargo System (ROCARS) and a breakdown of the number of registered users by account type;
2. the latest progress of the Single E-lock Scheme (the Scheme), through which Hong Kong's Intermodal Transshipment Facilitation Scheme is seamlessly interconnected with the Mainland's Speedy Customs Clearance System, including the number of new clearance points in the Mainland and the plan to further extend the coverage of the Scheme;
3. the latest progress of the implementation of the Hong Kong Authorised Economic Operator Programme, the number of participating companies and the current situation of signing mutual recognition arrangements with overseas countries/cities; and
4. the details and estimates in respect of the work to facilitate cargo flow across the boundary in 2018-19 and any new measures to be introduced.

Asked by: Hon YICK Chi-ming, Frankie (Member Question No. (LegCo use): 32)

Reply:

1. The Road Cargo System (ROCARS) 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 2018, there were a total of 33 259 registered users of the system, including 8 796 shippers, 3 738 shippers-cum-freight forwarders, 2 158 freight forwarders and 18 567 truck drivers.

2. C&ED and the Mainland Customs officially launched the Single E-lock Scheme (the Scheme) on 28 March 2016. Under the Scheme, Hong Kong's Intermodal Transshipment Facilitation Scheme is connected with the Mainland's Speedy Customs Clearance System. The clearance efficiency of cross-boundary transshipment cargo and trade are thereby enhanced and facilitated with the use of electronic devices. Since its commencement, the Scheme has been running smoothly, and the number of clearance points in the Mainland has increased by 12 to 34. C&ED will continue to promote the Scheme actively, and explore ways to extend the coverage of the Scheme
3. At present, 45 companies have been accredited as Hong Kong Authorised Economic Operators. Hong Kong has signed mutual recognition arrangements (MRAs) with the Mainland, India, Korea, Singapore, Thailand, Malaysia, Japan and Australia respectively. C&ED will continue to discuss MRAs with other trading partners of Hong Kong.
4. C&ED will continue to upgrade the functions of ROCARS to provide stable and reliable services for shippers and truck drivers. In collaboration with the Mainland Customs, C&ED will continue to explore more diversified measures to facilitate customs clearance. Furthermore, C&ED will strengthen facilitation measures for allowing traders to enjoy preferential tariff on goods transhipped between the Mainland and her trading partners through Hong Kong. This will in turn reinforce Hong Kong's advantage as a logistics hub in the region. As these duties are part of the overall work of C&ED, it is hard to quantify the expenditure separately.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)003

(Question Serial No. 1684)

Head: (31) Customs and Excise Department

Subhead (No. & title):

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. Please provide the numbers of cases of illicit fuel filling stations neutralised by the Customs and Excise Department (C&ED) in the past 5 years.
2. In 2017, there were only 2 cases of illicit fuel filling stations neutralised. The number decreased significantly when compared with 2016. What are the reasons? Is the decrease in number due to insufficient intelligence work? Please elaborate on the reasons.

Asked by: Hon CHEUNG Wah-fung, Christopher (Member Question No. (LegCo use): 35)

Reply:

1. The numbers of cases of illicit fuel filling stations neutralised by the Customs and Excise Department (C&ED) from 2013 to 2017 are as follows:

	2013	2014	2015	2016	2017
No. of cases	43	22	8	8	2

2. C&ED has all along been committed to combating illicit fuel activities. It deploys its staff to conduct inspections from time to time and takes resolute enforcement actions. The continuous and active enforcement actions over the years have achieved the deterrent effect, resulting in a noticeable decline of such activities. C&ED will continue to monitor the situation to protect revenue.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)004

(Question Serial No. 0635)

Head: (31) Customs and Excise Department

Subhead (No. & title):

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. Has the Customs and Excise Department (C&ED) assessed the proportion of illicit cigarettes in the cigarette market of Hong Kong?
2. How many staff members of C&ED are involved in the anti-illicit-cigarette enforcement operations? Has C&ED assessed if the relevant manpower is sufficient?

Asked by: Hon SHIU Ka-fai (Member Question No. (LegCo use): 7)

Reply:

1. The Customs and Excise Department (C&ED) has all along been committed to combating illicit cigarette activities by adopting a holistic enforcement strategy, i.e. intercepting smuggling in the upper stream, smashing storehouses in the middle, and tackling selling activities in the lower end. In 2017, C&ED detected a total of 7 944 cases of local illegal activities involving illicit cigarettes and seized 60 million illicit cigarettes. Both figures dropped by 4% as compared with 2016. The number of public complaints received by C&ED regarding illicit cigarettes also decreased by 13% as compared with 2016.
2. In 2017-18, C&ED had an establishment of 61 officers dedicated to combating illicit cigarette activities. Furthermore, front-line Customs officers deployed at various entry and exit points are involved in the interception of illicit cigarette activities. Since they are tasked with other clearance duties at the same time, it is difficult to separately quantify the number of officers involved. As in the past, C&ED will review staff establishment from time to time in the light of operational needs and apply for additional manpower and resources in accordance with established procedures when necessary.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(Tsy)073****(Question Serial No. 3698)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (000) Operational expensesProgramme: (4) Revenue Protection and CollectionControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please set out in tabular form the sales figures of duty-free cigarettes, tobacco and cigars in duty free shops at the entry and exit points in Hong Kong in the past 3 years, and the sales values of each of the above duty-free tobacco products.

Asked by: Hon CHAN Chi-chuen (Member Question No. (LegCo use): 195)Reply:

In the past 3 years, the sales figures of duty-free cigarettes, tobacco and cigars in duty free shops at the entry and exit points in Hong Kong are as follows:

	2015	2016	2017
Cigarettes (million sticks)	4 459	4 138	3 775
Tobacco (kg)	13 369	13 006	12 926
Cigars (kg)	22 368	23 580	21 849

The Customs and Excise Department does not maintain data on the sales values of duty-free tobacco products.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(Tsy)074****(Question Serial No. 3700)**Head: (31) Customs and Excise DepartmentSubhead (No. & title):Programme: (4) Revenue Protection and CollectionControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please set out in tabular form the amounts of illicit cigarettes, tobacco and cigars seized; the numbers of cases detected; and the numbers of persons arrested by the Customs and Excise Department (C&ED) in the past 3 years, and the total market values and total dutiable values of each of the above illicit tobacco products.

Asked by: Hon CHAN Chi-chuen (Member Question No. (LegCo use): 197)Reply:

The numbers of local illegal activities and other relevant information involving illicit cigarettes, tobacco and cigars detected by the Customs and Excise Department from 2015 to 2017 are as follows:

Illicit cigarettes

	2015	2016	2017
Number of cases	10 231	8 287	7 944
Number of persons arrested	10 285	8 355	7 986
Amount of illicit cigarettes (million sticks)	52	62	60
Total value (\$ million)	140	170	160
Total dutiable value (\$ million)	99	119	115

Illicit tobacco

	2015	2016	2017
Number of cases	58	50	43
Number of persons arrested	63	42	34
Amount of illicit tobacco (kg)	1 200	110	19 700
Total value (\$ thousand)	470	35	9,000
Total dutiable value (\$ thousand)	2,600	160	45,500

Illicit cigars

	2015	2016	2017
Number of cases	91	71	94
Number of persons arrested	88	70	88
Amount of illicit cigars (kg)	20	13	180
Total value (\$ thousand)	85	81	1,800
Total dutiable value (\$ thousand)	49	31	447

- End -

CONTROLLING OFFICER'S REPLY**FSTB(Tsy)075****(Question Serial No. 3701)**Head: (31) Customs and Excise DepartmentSubhead (No. & title):Programme: (4) Revenue Protection and CollectionControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

Please set out in tabular form the amounts, total sales values and total dutiable values of duty-paid cigarettes, tobacco and cigars sold within Hong Kong in the past 3 years.

Asked by: Hon CHAN Chi-chuen (Member Question No. (LegCo use): 198)Reply:

In the past 3 years, the amounts of duty-paid cigarettes, tobacco and cigars sold within Hong Kong, and the total amount of duty collected by the Customs and Excise Department (C&ED) from dutiable tobacco products are as follows:

	2015	2016	2017
Cigarettes (million sticks)	3 270	3 334	3 268
Tobacco (kg)	10 088	8 612	8 646
Cigars (kg)	20 763	18 027	21 919
Total amount of duty collected from dutiable tobacco products (\$ million)	6,302	6,413	6,299

C&ED does not maintain data on the sales values of duty-paid tobacco products.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)076

(Question Serial No. 5335)

Head: (31) Customs and Excise Department

Subhead (No. & title):

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please advise this Committee on the following:

1. The numbers of cases involving duty-not-paid cigarettes and the amounts of illicit cigarettes detected by the Customs and Excise Department (C&ED) in the past 3 years;
2. Some members of the tobacco industry consider that the increase in the proportion of health warnings on cigarette packets after the passage of the Smoking (Public Health) (Notices) (Amendment) Order 2017 will aggravate the illicit cigarette problem because it will be more difficult to include labels with anti-forgery feature on cigarette packets. In this regard, has C&ED compared the situation of the illicit cigarette problem in Hong Kong since the passage of the Amendment Order with that in the same periods in the past 3 years? What are the changes?

Asked by: Hon CHAN Pierre (Member Question No. (LegCo use): 99)

Reply:

1. The numbers of cases of local illegal activities involving duty-not-paid cigarettes and the amounts of illicit cigarettes detected by the Customs and Excise Department (C&ED) from 2015 to 2017 are as follows:

	2015	2016	2017
Number of cases	10 231	8 287	7 944
Amount of duty-not-paid cigarettes (million sticks)	52	62	60

2. The Smoking (Public Health) (Notices) (Amendment) Order 2017 (Amendment Order) has come into effect since 21 December 2017, with a transitional period of 6 months. Since the transitional period has not ended, C&ED will, in due course, pay attention to whether the Amendment Order has any impact on local illegal activities involving duty-not-paid cigarettes.

- End -

CONTROLLING OFFICER'S REPLY**FSTB(Tsy)077****(Question Serial No. 5648)**Head: (31) Customs and Excise DepartmentSubhead (No. & title):Programme: (4) Revenue Protection and CollectionControlling Officer: Commissioner of Customs and Excise (Hermes TANG)Director of Bureau: Secretary for Financial Services and the TreasuryQuestion:

What were the numbers of cases of selling illicit cigarettes through telephone ordering detected, amounts of illicit cigarettes seized and numbers of persons arrested by the Customs and Excise Department (C&ED) in the past 5 years? What are the estimated provision and number of staff to be deployed for combating telephone ordering of illicit cigarettes by C&ED in 2018-2019?

Asked by: Hon CHAN Tanya (Member Question No. (LegCo use): 179)Reply:

The numbers of cases involving telephone ordering of illicit cigarettes detected by the Customs and Excise Department (C&ED) in the past 5 years and the relevant information are as follows:

	2013	2014	2015	2016	2017
Number of cases	195	318	452	428	426
Amount of illicit cigarettes seized (million sticks)	2	3	1.4	3.8	4.6
Number of persons arrested	225	329	465	441	439

In 2018-19, C&ED will deploy a total of 26 officers to combat telephone ordering of illicit cigarettes, involving an expenditure of about \$10.21million.

- End -

CONTROLLING OFFICER'S REPLY

FSTB(Tsy)078

(Question Serial No. 6380)

Head: (31) Customs and Excise Department

Subhead (No. & title):

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

1. What are the number of officers to be deployed by the Customs and Excise Department (C&ED) at various control points in Hong Kong to intercept dutiable commodities and the estimated provision involved in 2018-2019?
2. What were the actual amounts of illicit cigarettes seized by C&ED at various control points, the numbers of officers and the actual expenditures involved in the past 5 years? What are the number of officers to be deployed by C&ED for combating illicit cigarette activities and the actual expenditure in 2018-2019?

Asked by: Hon CHAN Tanya (Member Question No. (LegCo use): 176)

Reply:

1. In 2018-19, the expenditure for the work under Programme (1) Control and Enforcement carried out by the Customs and Excise Department (C&ED) is about \$3.415 billion, involving 5 826 posts. Since the front-line officers deployed at various entry and exit points are tasked with clearance duties at the same time, it is difficult for C&ED to separately quantify the number of officers and the estimated expenditure involved in intercepting dutiable commodities.
2. The amounts of illicit cigarettes seized by C&ED at various control points from 2013 to 2017 are as follows:

	2013	2014	2015	2016	2017
Amount of illicit cigarettes (million sticks)	47.2	38.3	38.4	50.9	44.2

Since the front-line officers deployed at various entry and exit points are tasked with clearance duties at the same time, it is difficult for C&ED to separately quantify the number of officers and the expenditure involved in intercepting illicit cigarettes.

Apart from intercepting illicit cigarettes at boundary control points, C&ED will also keep up its efforts to combat the storage, distribution and peddling (including telephone ordering) of illicit cigarettes. In 2018-19, C&ED will continue to deploy 61 officers dedicated to combating illicit cigarette activities, involving an expenditure of approximately \$23.93 million.

- End -

CONTROLLING OFFICER'S REPLY

FHB(FE)382

(Question Serial No. 3684)

Head: (31) Customs and Excise Department

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

Programme: (5) Trade Controls

Controlling Officer: Commissioner of Customs and Excise (Hermes TANG)

Director of Bureau: Secretary for Food and Health

Question:

On the amount of administrative penalties imposed by the Customs and Excise Department in relation to import and export declarations in 2017:

1. Please list 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”) as well as the total amount of fines involved by month in 2017;
2. Regarding the cases in which a fine was imposed, how many of them ended up in default of fine payment in 2017? What was the total amount of fines in default?
3. Regarding the cases of default in payment of fines, what types of document of identity (e.g. Hong Kong Permanent Identity Card, one trip per week endorsements, etc.) did the defendants hold?
4. Normally, how does the Government handle cases of default of fine payment? What is the expenditure involved?

Asked by: Hon CHAN Chi-chuen (Member Question No. (LegCo use): 180)

Reply:

1. In 2017, there were 3 759 cases in which a fine was imposed by the Court for contravening the Import and Export (General) (Amendment) Regulation 2013 and the total amount of fines involved was about \$12.99 million. Details are as follows:

Month Imposed	Number of Cases	Amount of Fines
January	272	\$960,600
February	224	\$795,900
March	346	\$1,215,000

April	261	\$877,800
May	258	\$905,700
June	321	\$1,072,966
July	376	\$1,327,450
August	385	\$1,326,500
September	345	\$1,192,400
October	310	\$1,056,700
November	364	\$1,249,200
December	297	\$1,007,400
Whole Year	3 759	\$12,987,616

2. & 3. The Judiciary does not have the relevant breakdown figures.

4. 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 -