



Customs and Excise Department

Departmental Review 2012

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Foreword

The Customs and Excise Department (C&ED) achieved notable results in 2012. I am pleased to have the opportunity to highlight them through the Departmental Review 2012.

We notice that international smuggling activities are becoming increasingly professional, more syndicate-based and highly organized. Hong Kong, being one of the most dynamic logistics hubs and international centres, is in particular susceptible to such illegal activities. We have taken steps to elevate our readiness and technical capability to rise to the challenges. The Hong Kong Customs has strengthened the communication network and intelligence exchange with overseas law enforcement agencies, stepped up inspections of passengers at control points, increased spot checks of cross-boundary coaches, and strengthened parallel operations and intelligence exchange with the Mainland law enforcement agencies. The record seizure of 541 kilograms of cocaine with a retail value of HK\$ 759 million from a container from Ecuador at the Kwai Chung Container Terminal in July 2012, which was the result of intelligence exchange with overseas law enforcement agencies, was an exemplar of the importance of international cooperation. The Department also mounted joint operations with the Shenzhen Customs against the smuggling of grey goods from mid-September 2012. In addition, the Department worked with the Anti-smuggling Bureau of the Shenzhen Customs to raid a number of stores and seized large quantities of contraband.

The Hong Kong Customs undertakes a wide spectrum of statutory responsibilities of the Hong Kong Special Administration Region Government, including anti-smuggling; protection and collection of revenue on dutiable goods; detection and deterrence of narcotics trafficking and abuse of narcotics drugs; protection of intellectual property rights; protection of consumer interests; facilitation of legitimate trade and industry; and fulfillment of international obligations. In 2012, the Department successfully detected 199 smuggling cases, which was similar to 2011, with goods seizures worth HK\$345 million which represented a decrease of 21%. This is in no small measure due to the stringent enforcement action by the Hong Kong Customs. About 90% of the cases were smuggling between the Mainland and Hong Kong. Items being smuggled to the Mainland mainly involved high-value goods such as computers, mobile phones, electronic products and expensive seafood, while those being smuggled to Hong Kong were mainly illicit cigarettes and copyright infringing articles.

On anti-narcotics work, the Department detected 473 drug cases in 2012, arrested 430 persons and seized a total of 1 730 kilograms (not including gamma-butyrolactone and khat) of various kinds of drugs, representing a drastic

increase of 4.3 times as compared with the 325 kilograms seized in 2011, attributed mainly to the detection of two major drug cases. Among the seizures, 35% was cocaine (603 kilograms), 29% ketamine (496 kilograms) and 4% heroin (69 kilograms).

In 2012, the Department detected 19 719 illicit cigarette cases, arrested 11 056 persons, and seized 78 million sticks of illicit cigarettes involving tax of HK\$133 million. Compared with 2011, the number of cases and the number of arrested persons increased by 11% and 21% respectively. Most of the cases involved incoming passengers fined under the Compounding Scheme. The amount of illicit cigarettes seized decreased by nearly 30% because of Customs' vigorous enforcement action. The Department also noticed the trend of selling illicit cigarettes by telephone ordering and so a 15-officer Telephone Order Task Unit was set up in April to target at such practices. In the special operations conducted by the Task Unit, 147 persons including 69 buyers were arrested, with 3.2 million sticks of illicit cigarettes seized and 50 vehicles detained.

The Trade Descriptions (Unfair Trade Practices) (Amendment) Ordinance 2012 was passed on 17 July 2012. The Ordinance extends the coverage of the Ordinance to prohibit false trade descriptions in respect of services made in consumer transactions, establishes new offences on such practices as misleading omissions, aggressive commercial practices, bait advertising, bait-and-switch and wrongly accepting payment, and devises an enforcement mechanism to deter specified unfair trade practices. The Ordinance would come into effect on 19 July 2013. Recently the Department also spotted that some unscrupulous traders used various tactics to cheat customers, like distracting customers' attention, ducking questions on price units, and charging a higher price when customers paid by credit cards. The Department will deploy more manpower to step up patrols at shops and assign the Customs Quick Response Team to handle urgent complaints to protect local consumers as well as visitors from being ripped off.

Sustained efforts were made by the Department to conduct raids on the market and gather intelligence to trace back to the source of production and the storages of copyright infringement items. The Department detected 116 piracy cases and arrested 166 persons in 2012, a decrease of over 60% compared with 2011. Items seized worth about HK\$6.9 million. The Department has set up the Electronic Crime Investigation Centre to strengthen its capability in tackling online infringing activities.

A faster pace of integration and closer co-operation within the Pearl River Delta Region are important for Hong Kong to master the challenges of our time, such as maintaining Hong Kong as an incubator for enterprises from the Mainland and as a

springboard for their overseas expansion, as well as meeting the intense competition from other Asian cities. For the sake of maintaining the competitiveness of Hong Kong, the Department continued to improve the Road Cargo System, such as applying the Radio Frequency Identification technology to enhance the success rate of recognition so as to further streamline the automatic clearance process. The Department also launched the Hong Kong Authorized Economic Operators Programme in April to provide a safer and more effective trading environment for the industry.

Consumer protection in terms of the safety and quality of consumer goods is always high on the agenda of the Department. In 2012 the Department received 581 complaints of suspected false trade descriptions, 24% were related to fruits/foodstuffs, 23% dried seafood and 13% Chinese herbs. The court convicted 39 traders with over HK\$9.2 million of goods forfeited.

The Department will continue to work closely with the law enforcement agencies in the Mainland and other countries to exchange intelligence, mount timely parallel or joint operations, and conduct in-depth investigation targeting syndicate-based operation to interdict illegal activities within the Hong Kong Customs' purview. The staff of the Department, embracing the motto of "commitment and excellence", will spare no effort to provide quality service to the community in the years to come.



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1. Our Vision, Mission and Values

Our Vision

We are a progressive and forward-looking Customs organization which contributes to the stability and prosperity of the community. We act with confidence, serve with courtesy and strive for excellence.

Mission

- To protect the Hong Kong Special Administrative Region (HKSAR) against smuggling.
- To protect and collect revenue on dutiable goods.
- To detect and deter narcotics trafficking and abuse of narcotic drugs.
- To protect intellectual property rights.
- To protect consumer interests.
- To protect and facilitate legitimate trade and industry and to uphold Hong Kong's trading integrity.
- To fulfill international obligations.

Values

- Professionalism and Respect.
- Lawfulness and Justice.
- Accountability and Integrity.
- Foresight and Innovation.



2. Organization of the Department

The Commissioner of Customs and Excise is the head of the Customs and Excise Department. He is assisted by the Deputy Commissioner. The Department comprises five branches, each under a directorate officer. The five branches are:

- Administration and Human Resource Development Branch.
- Boundary and Ports Branch.
- Excise and Strategic Support Branch.
- Intelligence and Investigation Branch.
- Trade Controls Branch.

The Administration and Human Resource Development Branch, headed by Assistant Commissioner (Administration and Human Resource Development), is responsible for departmental administration, financial management, human resource management, central support, training and recruitment, formulation of new legislation and review of procedures, orders and systems with Customs and Excise (C&E) Service-wide implications, prosecution of C&E Service cases, and investigation of public complaints. These services are provided through the Office of Departmental Administration, the Office of Financial Administration, the Office of Service Administration, the Office of Training and Development, the Office of Prosecution and Management Support and the Complaints Investigation Group.

The Boundary and Ports Branch, headed by Assistant Commissioner (Boundary and Ports), is responsible for matters in relation to Customs control and facilitation functions at all control points. The major operation units include the Airport Command, the Land Boundary Command, the Rail and Ferry Command and the Ports and Maritime Command.

The Excise and Strategic Support Branch, headed by Assistant Commissioner (Excise and Strategic Support), is responsible for matters relating to revenue protection and excise control, dutiable commodities, strategic planning and executive support, project planning and development, information technology development, and international Customs liaison and co-operation. It comprises the Office of Dutiable Commodities Administration, the Office of Customs Affairs and Co-operation, the Office of Supply Chain Security Management, the Office of Project Planning and Development, the Office of Information Technology and the Information Unit.

The Intelligence and Investigation Branch, headed by Assistant Commissioner (Intelligence and Investigation), is responsible for the detection and suppression of illicit drug trafficking and money laundering, enforcement of intellectual property rights (IPR) protection, and surveillance and intelligence in relation to enforcement actions. The Branch is organized into the Customs Drug Investigation Bureau, the Intelligence Bureau, the Intellectual Property Investigation Bureau, the Revenue and General Investigation Bureau, the Special Project Team and the Special Task Force.

The Trade Controls Branch, headed by a Senior Principal Trade Controls Officer, is responsible for matters relating to trade controls and consumer protection. The Branch is made up of the CEPA and Trade Inspection Bureau, the Trade Investigation Bureau, the Trade Declaration and Systems Bureau, the Consumer Protection Bureau (1), the Consumer Protection Bureau (2), the Money Service Supervision Bureau and the Trade Descriptions Ordinance Special Planning Group.

In addition to the five branches, there are two central management units which work under the direct supervision of the Deputy Commissioner. They are the Office of Service Quality and Management Audit and the Internal Audit Division.

At the end of 2012, the Department had an establishment of 5 643 posts. Of these, 9 were directorate posts, 4 528 were posts of the C&E Service, 458 were those of the Trade Controls Officer Grade and 648 belonged to various General and Common Grades.

3. Anti-smuggling

Anti-smuggling

A major mission of the Department is to prevent and detect smuggling, especially contraband and prohibited articles, the import and export of which are controlled by the laws of Hong Kong for the purpose of protecting the community and environment, maintaining public health and fulfilling international obligations. Smuggled items detected include dutiable commodities, narcotics, firearms, copyright infringing articles, goods bearing forged trademarks and goods with false origin labels and high value general merchandise. In the fight against smuggling activities, the Department has strived to maintain a proper balance between control and trade facilitation to ensure the speedy flow of legitimate cargoes at the control points.



Customs dog handler and his detector dog searching for dangerous drugs in the Hong Kong International Airport.

The Department detected 199 unmanifested cargo cases in 2012, a decrease of 1% compared with 2011. Amongst the cases, 179 of them involved items smuggled between Hong Kong and the Mainland, including 88 at sea and 91 on land. There were 190 persons arrested and the seizures amounted to HK\$ 345 million.

Smuggling of general merchandise between Hong Kong and the Mainland is a matter of concern for both sides. High-valued commodities including mobile phones and accessories, computer hardware and seafood (such as lobsters and geoduck) remained the popular items smuggled into the Mainland. Items smuggled to Hong Kong include dutiable cigarettes, counterfeit and copyright infringing articles.



Smuggled geoduck concealed in boxes.

Concealment remains a common tactic by smugglers to evade Customs detection. Concealment methods included hiding contraband in false or altered compartments in cross-boundary vessels, lorries, private cars, cargo containers or mixing smuggled goods with legitimate imports or exports. Smugglers also exploited the long coast line of Hong Kong, and with loading places frequently changed to evade detection, sent high value merchandise into the Mainland by high-powered speedboats moving at breakneck speeds. Some smuggling syndicates resorted to using containerized sea cargo to smuggle hot items to the Mainland.

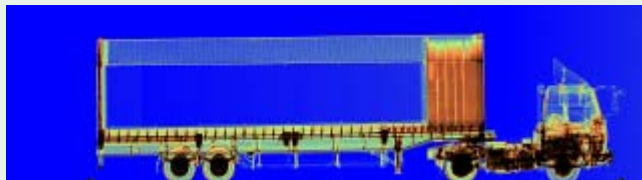


Goods smuggled by way of concealment in the void space of a River Trade Vessel.

Dutiable Commodities

Illicit Cigarette

Interception of cigarette smuggling remains a high priority task for the Department, and enforcement is focused on cigarettes smuggled across the land boundary with the Mainland. Smuggling syndicates tended to mix the cigarettes with general cargo and falsely declared the consignment, or made use of false compartment for concealment. Apart from routine checking, intelligence exchange and parallel operations with the Mainland Customs at the land boundary control points have proven to be effective measures to suppress smuggling activities. In 2012, a total of 39 million sticks of smuggled cigarettes were seized, majority of which were found onboard cross-boundary vehicles arriving from



X-ray photo shows a false compartment onboard a cross-boundary container truck.



Illicit cigarettes were smuggled by way of false compartment.

the Mainland. The largest smuggling case detected in the year was a transshipment which involved 9 million sticks of cigarettes.

Abuse of Duty-free Cigarette Concessions

Beginning in August 2010, returning Hong Kong residents may only bring in 19 sticks of cigarettes without the need for payment of duty. Abuse of the duty-free concession has decreased due to enhanced publicity and public awareness.

Under the Compounding Scheme, fines totaling HK\$45.6 million were collected in 8 876 cases involving 3.19 million sticks of cigarettes, 5 kilograms of cigar, 15.8 kilograms of assorted tobacco product and 352 litres of liquor in 2012.

Illicit Fuel

Rigorous enforcement through increased checks on incoming vehicles and vessels had contained the problem of illicit fuel smuggling from the Mainland. In 2012, 16 importation cases, 7 on land and 9 at sea, were effected with 4 010 litres illicit fuel seized.

Project Crocodile

The Project provides a platform for Customs Administrations in the Asia Pacific Region to share intelligence to tackle transnational illicit cigarette smuggling. Hong Kong Customs actively reports suspicious shipments, contributing to some 56% of the notifications issued under the Project thus far. Since the launch of the Project in August 2004, 97 containers, containing 619.28 million sticks of cigarettes and 1 300 kilograms of manufactured tobacco in total were seized as a result of information provided by Hong Kong Customs.

Dangerous Drugs

Heroin, ketamine, methamphetamine (ice), cocaine, cannabis and nimetazepam (Erimin-5) are popular dangerous drugs smuggled into Hong Kong. In 2012, the Department detected 473 cases with 1 730 kilograms (not including gamma-butyrolactone and khat) of assorted drugs seized. Drug syndicates had taken advantage of the very heavy passenger and vehicular traffic at the control points to smuggle drugs into Hong Kong and express couriers of general cargo are exploited to smuggle small quantities of dangerous drugs each time to evade detection and minimize loss upon interception. To combat cross-boundary drug trafficking activities, Hong Kong Customs will continue to take vigorous enforcement actions, step up inspection and deploy Customs detector dogs to various land boundary control points.

Precious Metal

The market price difference between Hong Kong and the Mainland and a tight control on the export of precious metal in the Mainland had triggered isolated cases of smuggling of precious metal from the Mainland. In 2012, 3 cases involving seizure of 482 kilograms of silver slabs were detected at the land boundary control points.

Arms and Weapons

Customs officers always maintain high vigilance at all control points to prevent the smuggling of arms and weapons into Hong Kong. In 2012, 31 cases of firearms and weapons were detected at the Airport with 14 persons arrested and the total seizure value was HK\$160,151.

At the land boundary, 4 passenger cases and 4 cargo cases were effected in 2012 and major seizures were stun guns.

Counterfeit and Pirated Articles

The Department has continued to accord high priority to the protection of intellectual property rights. Rigorous operations were mounted to suppress counterfeiting and pirating activities. Major seizures included garments, handbags, shoes, leather products, watches, computer accessories, mobile phones and accessories, cosmetics, ornaments and household goods which bear forged trade marks or false trade descriptions. As it has been a global trend to have on-line selling of counterfeit goods coupled with transnational goods delivery service, infringers making use of

cross boundary logistics services and express couriers to deliver infringing goods sold on line were rising. To tackle the problem, cooperation with overseas law enforcement agencies, express courier companies and the Hong Kong Post were enhanced. In 2012, 65 cases of IPR infringing goods were effected from the postal channels. Joint operations with other Customs administrations resulted in a total of 6 cases with seizure valued at HK\$11 million.

At the Hong Kong International Airport, 63 cases were detected with 6 persons arrested in 2012, with seizures having a value of HK\$30.83 million. At the land boundary control points, 58 cases were detected with 28 persons arrested. Seizures valued at HK\$17.98 million were effected. Besides, 30 cases of IPR infringing goods were detected from shipments via sea mode and the seizure value was HK\$58.29 million.

Computer Accessories and Telecommunication Equipment

Smuggling of high-valued computer accessories to the Mainland continued in 2012. Among the outgoing smuggling cases detected at the land boundary, 38 cases involved computer accessories or telecommunication equipment including mobile phones and accessories, computer hard disks, tablet computers, Random Access Memory (RAM) sticks, computer CPUs, digital cameras, etc. The seizure value amounted to HK\$24.61 million. Smuggling by speedboat was still prevalent. Among all seized goods in smuggling cases detected at sea, computer accessories and telecommunication equipment were the hottest smuggling items.



Computer hard disks and cameras were found smuggled into Hong Kong.

Meat and Poultry

To safeguard public health, joint operations were regularly mounted by the Department with the Food and Environmental Hygiene Department (FEHD) at the land boundary control points. In 2012, 748 joint operations with FEHD were conducted. Enforcement actions taken throughout the years had successfully

deterred smuggling of meat and slaughtered poultry in large quantities by cross-boundary vehicles.

Endangered Species

There were still isolated cases of endangered species of plants and animals being smuggled into Hong Kong. In 2012, Customs officers detected 166 cases of endangered species of plants, birds and animals. The items involved pangolin scales, live monitor lizards and snakes, American ginseng, crocodile meat, cobra, bear bile powder, stony coral, red sandalwood and orchid etc. A total of 13.62 kilograms of rhinoceros horn with a retail value of HK\$2.45 million from a transshipment cargo consignment from Mozambique, Africa was seized at the airport.



Smuggled pangolin concealed in boxes.

In 2012, Customs officers detected 6 cases involving endangered species smuggled out of Hong Kong to the Mainland, with 2 persons arrested with seizures worth HK\$2.4 million.

Marked Oil

Since May 2005, the Department launched a scheme to suppress seaborne smuggling of marked oil into the Mainland as a result of a higher price for diesel oil fetched in the Mainland. Oil barges delivering marked oil are required to be registered with the Department and transaction records are checked for irregularities. In 2012, 3 cases were detected with 16 persons arrested and the total seizure value amounted to HK\$1.4 million.

4. Trade Facilitation

Road Cargo System (ROCARS)

Submission of land cargo information via the Road Cargo System (ROCARS), an electronic system designed to speed up customs clearance of road cargoes, became mandatory on 17 November 2011. The system effectively shortens the clearance time of road cargoes at land boundary control points from 60 seconds to approximately 20 seconds, which further underscores the status of Hong Kong as a logistic hub in the region.

The Department has applied Radio Frequency Identification (RFID) technology to enhance the recognition of cross-boundary trucks for further streamlining of the automated clearance process at the land boundary control points.



The Customs Officer is sticking an RFID tag on the windshield of a cross-boundary truck.

Intermodal Transshipment Facilitation Scheme (ITFS)

Customs is constantly developing initiatives to enhance the speed and lower the cost of movement of cargoes across the boundary with the Mainland to maintain the competitiveness of business of the HKSAR. To facilitate the movement of transshipment cargoes, the Department officially launched the Intermodal Transshipment Facilitation Scheme (ITFS) on 29 November 2010, where transshipment cargoes, if examination is required, will normally be subject to customs inspection once either at the point of entry or exit. Under the ITFS, electronic locks (E-lock) are applied to secure cargo compartments of vehicles conveying transshipment cargoes to prevent the cargo from being tampered with during the journey in Hong Kong. Besides, Global Positioning System (GPS) devices are used for monitoring the status of the E-Lock and tracking the movement of the goods vehicles to ensure the security of the cargoes while being conveyed within the Hong Kong boundary.



Officers checking E-lock and monitoring ITFS vehicles via web-based platform.

To expand the scope of facilitation to transshipment cargoes, the Department is working closely with the Mainland Customs on a project of using a single e-lock for monitoring transshipment cargoes by the Customs authorities on respective sides of the land boundary. Under this new arrangement, cargo inspection results will be mutually recognized by the Customs authorities and it is expected that less frequent inspection will be required. Trial run of the project was kicked off on 16 November 2012 and the operation has been by and large smooth.

Economic Co-operation Framework Agreement (ECFA)

Under the Economic Co-operation Framework Agreement (ECFA) signed between the Mainland and Taiwan on 29 June 2010, specified goods originating from Taiwan and consigning to the Mainland directly or vice versa can claim for preferential tariff treatment. In case the transportation involves transit through a third party, preferential tariff treatment can still be granted subject to the fulfillment of stipulated requirements which include, among other things, certification issued by the Customs Administration of the transit party. Given that Hong Kong has hitherto been a major transit port for the transportation of goods between the Mainland and Taiwan, the Department has taken up certification/verification responsibilities which involved close collaboration and intelligence exchange with the Mainland and Taiwan Customs. Under the arrangement, cross-strait transshipment cargoes are entitled to preferential tariff treatment by the destination Customs.

On 1 April 2012, streamlined procedures were implemented to further facilitate ECFA applicants. Under the streamlined procedures, C&ED conducts documentary check on applications pertaining to transit and transshipment cargo that needs not go through consolidation process in Hong Kong. After the implementation, the application number significantly increased to 6 910 applications in 2012 as compared to 3 449 applications received in 2011.



Customs officers checked on transshipment cargo.

Wine Exports to the Mainland

To foster the development of Hong Kong as a wine trading and distribution hub in Asia, the Department and the General Administration of Customs (GAC) of the People's Republic of China signed the "Co-operative Arrangement on Customs Facilitation Measures for Wine Entering the Mainland through Hong Kong" on 9 February 2010. The facilitation scheme aims to expedite customs clearance of wine imported into the Mainland through Hong Kong. The Scheme was officially rolled out in June 2010, with Shenzhen as the first pilot port, then extended to Guangzhou in November 2012.

Hong Kong Authorized Economic Operator (AEO) Programme

Subsequent to a strategic study on the implementation of the SAFE Framework of Standards to Secure and Facilitate Global Trade (SAFE FoS) adopted by the World Customs Organization, the Department launched the Hong Kong "Authorized Economic Operator" (AEO) ¹ Pilot Programme in June 2010 to promote Customs-to-Business partnership as a move to fulfill the SAFE FoS. Following this trial run under the administration of both the Intelligence Bureau and the defunct Office of Strategic Research, the Office of Supply Chain Security Management (OSCS) was established in early 2012 to undertake the formal implementation of the Hong Kong AEO Programme in April 2012.



The Office of Supply Chain Security Management (OSCS) conducted a series of industry briefings for the promotion of the Hong Kong AEO Programme in 2012.

¹ AEO is a model programme to secure and facilitate global trade. It is one of the core elements under the Customs-to-Business Pillar of the WCO SAFE FoS. Under the AEO programme, all economic operators involved in the international movements of goods may apply for AEO status, thereby reducing their security risk if accredited. AEO programme thus allows Customs to focus on high risk trade whilst facilitating legitimate trade.

Operating on an entirely voluntary basis which entails no payment of fees, the Hong Kong AEO Programme allows local companies satisfying prescribed security requirements to be accredited as trusted entities, who are eligible for less frequent inspections and priority clearance at boundary control points. The Programme bears a two-tier structure that facilitates progressive compliance, and outreach efforts have been made to assist traders in particular small and medium enterprises (SMEs) to prepare for accreditation. Under this initiative, local companies are able to upgrade their internal security and management systems, contributing to a stronger competitive edge for the industry and the enhanced security for global supply chain as a whole. Up to the end of 2012, the Department has accredited nine AEOs (including a SME) and the response from the industry towards the Programme has all along been positive.



Assistant Commissioner (Excise and Strategic Support) presented AEO certificates to the representatives of five accredited local companies, namely Lee Kum Kee (Hong Kong) Foods Limited, Lee Kum Kee International Holdings Limited, Lee Kum Kee (International) Trading Limited, Fuji Xerox (Hong Kong) Limited and KerryFlex Supply Chain Solutions Limited on 13 December 2012.

The Department has been taking active steps to develop mutual recognition arrangements² (MRA) with other Customs administrations with a view to multiplying benefits for Hong Kong AEOs upon reaching more bilateral agreements. MRA discussions with Customs counterparts in Mainland, Korea and India are underway.

² *Mutual recognition of AEO programme is one of the principal goals of WCO SAFE FoS to better secure and facilitate global trade. It is a formal recognition of an AEO programme by other Customs administrations. Through this arrangement, possible Customs facilitation by other Customs administrations may be extended to the accredited companies.*



Delegation of the Mainland Customs (headed by the Director, Division of External Auditing, Guangdong Sub-Administration of Customs) attended the "7th Working Group Meeting on Mutual Recognition of AEOs" with Hong Kong Customs on 12 April 2012.

5. Narcotics Interdiction

Anti-narcotics Strategy

One of the major responsibilities of the Hong Kong Customs is the prevention and detection of illicit drugs trafficking. The Department has adopted a comprehensive enforcement strategy, which comprises a three-pronged approach, namely drug source detection, recovery of drug/crime proceeds and control of precursor chemicals used in the illicit manufacture of drugs, and has exemplary achievement in the battle against dangerous drugs.

While stringent control at all control points is imposed to prevent the inflow of drugs and their transit through Hong Kong, the Customs Drug Investigation Bureau of the Department takes action against syndicated drug traffickers and street peddlers based on surveillance and intelligence.

Anti-drug operations have never been easy. To enhance the effectiveness of anti-drug programmes, the Department is empowered to trace, restrain and confiscate drug or crime proceeds derived from illicit activities so as to stop drug traffickers from re-investing drug proceeds to finance further drug trafficking and other criminal activities and using Hong Kong as a base for money laundering.

Being the sole agency responsible for the enforcement of the Control of Chemicals Ordinance, the Department has maintained a licensing system to monitor and control the movements of precursor chemicals. Moreover, through an international liaison network, the Department strives to inhibit the illicit diversion of such chemicals at the global level.

Enforcement

Frontline Customs officers took anti-drug efforts strenuously with a combination of vigilance, intelligence and hi-tech equipment. Besides focusing on risky shipments of commercial cargoes, which provide a means for concealment of large quantities of illicit drugs, they also targeted smuggling of drugs by express parcels and mails and drug traffickers at the control points, who sneaked in drugs packed on body, stuffed inside body cavities or hidden in false compartments in baggage. The high level of professionalism has resulted in encouraging finds.

Ketamine is still the most prevalent drug of abuse among young people since 2004. The Department arrested 161 persons and seized 496 kilograms in 2012, including

402 kilograms seized at Kwai Chung Container Terminal in May from a Malaysia-bound transshipment container arriving from Guangzhou. In 2012, 107 persons who attempted to sneak in a total of 16 kilograms of ketamine were arrested at the land boundary control points. Among these 107 arrestees, 8 were aged under 21, and these teenagers brought in a total of 8 grammes of ketamine.



402 kg of ketamine seized from a Malaysia-bound transshipment container arriving from Guangzhou.

Analysis of the seized heroin revealed that the majority of the drugs came from the “Golden Crescent” (the area overlapping Afghanistan, Iran and Pakistan). In 2012, 69 kilograms of heroin were seized with 81 persons arrested. Most of them were seized from air passengers arriving from Africa and South East Asia. The seizures were mainly concealed inside baggage or swallowed, and were believed to be destined for the neighbouring areas.



Heroin concealed inside video camera batteries in the baggage of an air passenger.

In 2012, the Department seized 17.4 kilograms of cannabis with 31 persons arrested. Among the seizures, 13.4 kilograms were intercepted at the Hong Kong International Airport.

Methamphetamine is another popular drug, with 35.9 kilograms seized and 98 persons arrested in 2012. Among the seizures, 19.7 kilograms were intercepted at the Hong Kong International Airport and most of them were being transited to other Asia-Pacific countries.

Cocaine which originates from South America, is gaining popularity worldwide and has always been a high priority on Customs anti-drug programme. In 2012, 81 persons were arrested with 603 kilograms seized. Amongst the seizures, 57.1

kilograms were intercepted with 47 persons arrested at Hong Kong International Airport, including 12 kilograms of liquidized cocaine packets seized in 9 internal concealment cases. Moreover, 541 kilograms of cocaine with a retail value of HK\$ 759 million were seized from a container from Ecuador at Kwai Chung Container Terminal and 3 persons were arrested.



541 kg of cocaine seized from a cargo container imported from Ecuador.



Liquidized cocaine packets seized from internal concealment cases.

Co-operation with Overseas and Mainland Authorities

The Department has maintained close tie with law enforcement agencies in the Mainland and overseas to enhance the effectiveness of enforcement against transnational drug trafficking. In 2012, as a result of co-operation with other jurisdictions, 265 kilograms of drugs were seized and 21 persons were arrested outside Hong Kong. Of significance, a joint investigation between the Department and the Mainland Customs led to a total seizure of 240 kilograms of ketamine and the arrest of 9 persons in Shenzhen in September and October.

Cross Boundary Drug Trafficking

To implement the recommendations of the Task Force on Youth Drug Abuse led by the Secretary for Justice, the Department has stepped up enforcement against cross boundary drug abuse and trafficking. The Department also works closely with the Shenzhen Customs to exchange intelligence and mount regular parallel operations at boundary control points on both sides to deter cross-boundary drug abuse.

There was a mild decrease in the number of persons aged below 21 arrested in connection with drug offences at the boundary control points, probably due to the enhanced deterrent effect arising from the stepped up enforcement action against cross boundary drug trafficking. The publicity on the harmful effects of drug abuse at the land boundary control points was also a contributing factor. In 2012, the number of arrests was 13 while that of 2011 was 14.

Financial Investigation

The Department took continuous efforts in 2012 in tracing proceeds derived from drugs and organized crimes. The Department confiscated HK\$6.5 million of crime proceeds relating to organized crimes in connection with copyright infringement and restrained HK\$4.2 million in connection with trademark infringement.

On international cooperation, the Department restrained HK\$347 million under mutual legal assistance as a result of two joint investigations with the US counterparts against a large-scale transnational cyberlocker syndicate distributing infringing materials online and a Columbia-based drug trafficking syndicate.

In the prevention and detection of money laundering in the HKSAR, the Joint Financial Intelligence Unit operated by the Department and the Police received 23 282 suspicious transaction reports from the financial institutions, among which 1 473 were forwarded to the Department for follow-up investigation.

Control of Chemicals

The Department maintains a licensing system under the Control of Chemicals Ordinance to regulate the trade of 26 chemicals commonly used for the illicit manufacture of narcotic drugs and psychotropic substances.

To step up control, the Department participates in a global co-operation mechanism which monitors the movements of precursor chemicals to prevent illicit diversion. Pre-export Notifications (PENs) are issued to the importing countries or territories to confirm the legitimacy of the shipment before export approval is granted. 658 PENs (controlled chemicals) were issued to 27 countries in 2012.

During the year, the Department continued to take part in two international tracking programmes, namely "Operation Cohesion" and "Project Prism" for monitoring the movements of potassium permanganate, acetic anhydride and chemicals that could be used for the illicit manufacture of amphetamine-type stimulants. These initiatives,

organized by the United Nations International Narcotics Control Board (INCB), are recognized as an effective multilateral mechanism to prevent the illicit diversion of precursor chemicals.

In the meantime, the Department has also been participating in the operation "Zircon Pacific", jointly launched by the Department and the US Drug Enforcement Administration, Hong Kong Country Office (DEA/HKCO) since August 2008, for tracking the movement of suspicious shipments of acetic anhydride, acetyl chloride, piperidine and potassium permanganate via Hong Kong to high-risk countries.

International co-operation is particularly important in maintaining a global force against the illicit movements of chemical precursors. The Department has been proactively exchanging information and intelligence with overseas law enforcement agencies on suspicious shipments of precursor chemicals sourced in the region and shipped through Hong Kong to high-risk destinations.

6. Intellectual Property Rights (IPR) Protection

During the year, rigorous and sustained enforcement actions were maintained against copyright infringement and trademark counterfeiting activities in Hong Kong at both the manufacturing and retailing level.

Anti-piracy Enforcement

The Department detected 116 piracy cases and arrested 166 persons in 2012. Seizure of pirated optical discs (ODs) amounted to 0.20 million. Together with other seizures in these cases, the total value of seizure was HK\$6.93 million.

Actions against Retail Sale of Pirated Goods

The Department maintained rigorous enforcement actions against retail outlets selling pirated optical discs, targeted to wipe out optical discs piracy activities totally. The Intellectual Property Investigation Bureau, the formation that organized all anti-piracy operations, was determined to go after the syndicates that ran optical discs piracy business in Hong Kong. The rigorous enforcement action throughout the years has achieved significant results. The number of retail outlets selling pirated optical discs has died down in recent years.

Actions against Manufacture, Import and Export of Pirated Goods

Since the commencement of the Prevention of Copyright Piracy Ordinance in May 1998, all optical disc factories in Hong Kong are required to obtain a manufacturer licence and they are subject to inspection by the Department. Illicit manufacturing of optical disc is further suppressed when the Prevention of Copyright Piracy Ordinance (Amendment of Schedule 1) Order 2002 came into force on 19 July 2002, which requires manufacturers of stampers (the master disc) in Hong Kong to obtain a licence from the Department. In 2012, Customs officers conducted 247 inspections of licensed optical disc and stamper factories.

Actions against Internet Piracy

In April 2000, the Department established an “Anti-Internet Piracy Team” to specially fight Internet piracy, the detection of which is assisted by an advanced on-line monitoring system. Since its establishment, the “Anti-Internet Piracy Team” has

detected 381 Internet piracy cases, arrested 468 persons and seized pirated articles and computer equipment with a worth of HK\$11.9 million. To tackle the increasing trend of selling pirated and counterfeit goods on auction sites, the Department, together with the University of Hong Kong, developed a new computer system – the Lineament II, to strengthen the detection of the sales of IPR infringing articles at auction sites.

In view of the advance in technology and growing “cross-border” Internet piracy crimes, the Department fostered a closer cooperation with the Mainland, Macao and overseas enforcement agencies to fight against Internet piracy. In 2012, the Department effected two major Internet piracy cases by joining force with enforcement agencies outside Hong Kong. In the first case, a transnational cyber locker syndicate was smashed in January 2012 in cooperation with the US Department of Justice and the Federal Bureau of Investigation. Large amount of digital evidence were seized and over HK\$330 million worth of crime proceeds were restrained. In the second case, the Department mounted a parallel operation with the Macao Customs in June 2012 which resulted in the successful neutralization of a syndicate distributing infringing music files over an on-line discussion forum. The Department seized 7 servers of the discussion forum in Hong Kong while the Macao Customs seized 5 sets of computers and arrested 4 persons in Macao.

Actions against Corporate Use of Pirated Works in Business

The Intellectual Property (Miscellaneous Amendments) Ordinance 2000 has been expanded with new provisions to enhance copyright protection. Apart from the existing provision which prohibits the bringing of video-recording equipment into cinemas and places of public entertainment to prevent bootlegging, new provisions are made to criminalize the use of infringing copyright works, including computer software, movies, TV dramas or music and sound recordings, in business. Since the provisions became effective in 2001, the Department has detected a total of 287 cases of corporate use of pirated works, arrested 603 persons and seized items having a worth of HK\$16.14 million.

Actions against Circumvention Devices or Services

The Copyright (Amendment) Ordinance 2007 has increased the criminal and civil liability for the circumvention of “technological measures to protect copyright works”. Any person who engages in the commercial dealing of circumvention devices or provides circumvention services for commercial purposes shall be subject to criminal sanction. The Department has so far detected a total of 89 such cases and arrested 120 persons.

Actions against Counterfeit Goods

The Department has maintained a high enforcement pressure against the sale of counterfeit goods during the year and the sustained actions have placed trademark counterfeiting in Hong Kong firmly under control, with no sign of major counterfeit goods manufacturing activities emerging. The Department adopted the enforcement tactics of carrying out high-profile patrols and arresting touts who offered for sale counterfeit products at tourist spots such as “Ladies Market”.

In 2012, the Department detected 533 cases involving counterfeit goods or goods bearing false trade descriptions, arrested 506 persons, with a total value of HK\$158 million. The seizure mainly consisted of counterfeit garment, wrist watches and leather goods.

Actions against the sale of Counterfeit Goods on Internet Auction Site

In 2012, 55 cases were detected involving the sale of counterfeit goods on Internet auction sites. A total of 68 persons were arrested and counterfeit items amounted to HK\$0.71 million were seized.

In collaboration with Customs, auction site operators displayed warnings to remind auctioneers that selling counterfeit goods on the auction sites was illegal. At present, the time required for removing suspected listings of counterfeit goods is just a few hours.

Actions against Wine Counterfeiting

To promote Hong Kong’s wine trading and distribution businesses, the Government reduced the duty rate of wine to zero and lifted the related administrative controls in June 2008. Since then, wine imports into Hong Kong have increased significantly.

In combating wine counterfeits, the Department maintained a close partnership with the wine industries and enforcement agencies of major wine producing countries. Besides, a dedicated anti-wine counterfeit team was set up in August 2008 to carry out investigations and enforcement actions against the cases of counterfeit wine.

Actions against Medicines Counterfeiting

With a view to enhancing the deterrent effects on counterfeit medicines, the Department is co-operating with the Consumer Council to publish the names of the

dispensaries convicted of selling counterfeit medicines. The first list of dispensaries was released in the February issue of the CHOICE magazine in 2011, which named dispensaries convicted for selling counterfeit medicines in 2010. The Consumer Council continued to update the list of dispensaries and so far, a total of 49 dispensaries have been listed.

Restraint and Confiscation of Crime Proceeds of IPR Infringing Syndicates

The Department actively applies the Organized and Serious Crimes Ordinance (OSCO) in the investigations of IPR infringements to bear down on the organized syndicates engaged in piracy and counterfeiting activities. Since the first application of OSCO to a piracy case in 2004, the Department has applied this tool to a total of 10 IPR cases (8 copyright cases and 2 counterfeit cases), with some HK\$125 million worth of crime proceeds/assets restrained. This enforcement approach has effectively clamped down syndicates engaged in copyright piracy and trademark counterfeiting activities.

Court Penalty on IPR Infringement Activities

Under the Copyright Ordinance, the maximum penalty for a copyright piracy offence is imprisonment for eight years and a fine of HK\$500,000. Under the Trade Descriptions Ordinance, the maximum penalty for trademark counterfeiting is imprisonment for five years and a fine of HK\$500,000. In 2012, the highest sentences handed down by the court for a copyright infringement offence was 24 months' imprisonment. As for trademark counterfeiting and false trade description offences, the highest sentence recorded in 2012 was 10 months' imprisonment. A total of 46 persons were sent to jail for copyright offences, and another 45 persons were sentenced for trademark or trade description offences. The heavy penalties imposed by the court have produced a strong deterrence, which discourage people from engaging in such illicit trade.

Strategic Partnership

The Department has been working proactively to seek greater co-operation from the IPR industry to enhance the fight against piracy and trademark counterfeiting. The industry is now providing all sorts of support to Customs, including the provision of leads on IPR infringement activities, examination of seized goods to authenticate IP rights, provision of testimony in court and training for Customs officers to enhance the skill on fake product identification. The Department has also been actively maintaining close liaison with the industry, local and overseas law enforcement

agencies, academics, etc. to review the effectiveness of Customs enforcement, to re-examine IPR protection issues and exchange views from a multifarious perspective.

In 2012, the Department achieved good progress in its partnership with the IPR sector and collaboration was sustained in the following areas:

- The Intellectual Property Rights Protection Alliance (IPRPA) established by the Department and the industry since March 2004 provides a platform for both parties to enhance strategic partnership and strengthen intelligence exchange. At present, 87 organizations of the IPR sector have joined IPRPA. A working committee was established and tasked to organize IPR protection-related activities, including the launching of publicity and educational campaigns to raise social awareness on IPR protection. Also, C&ED joined hands with the Mainland/overseas IPR enforcement agencies to organize a series of special seminars for the IPRPA members. Specialists and professionals from different countries and jurisdictions were invited to share their knowledge and experience on IPR protection with members of the IPRPA. Coverage of the seminars includes:
 - ✧ Protection of Intellectual Property Rights in Europe
 - ✧ Enforcement against Pirated Cyberlocker
 - ✧ Taobao's strategies and mechanism in guarding against IPR infringement
 - ✧ Legislation to Enhance Protection for Consumers against Unfair Trade Practices

- To counter the sale of infringing articles on the Internet, the "E-auctioning with Integrity Scheme" was jointly launched with the participation of a number of local auction site operators and IPR owners in November 2005 to promote the integrity of online trading. When IPR owners had sufficient reasons to suspect that goods put up for sale at auction were infringing goods, they would notify the auction site operators concerned to remove the listings of suspicious items. To date, listings of about 90 000 items suspected to be IPR infringing goods have been removed.

- The "Fast Action Scheme" launched jointly with the Hong Kong Brands Protection Alliance (HKBPA) in July 2006 remains an important measure to effectively protect the interest of IP owners participating in major exhibitions and trade fairs staged in Hong Kong. Under the scheme, the Department will take prompt enforcement action when reports on IPR infringement activities from the exhibitors are received. Publicity leaflets were distributed to exhibitors at the opening of exhibitions to publicize the penalties for IPR infringement offences

and to encourage participants to report IPR infringement acts. Since the implementation of the scheme, the Department has activated the “Fast Action Scheme” at 64 major exhibitions and trade fairs, leading to the detection of 168 infringement cases and the arrest of 198 persons.

- Supporting Hong Kong’s development into a regional wine trading and distribution centre, the Customs-Wine Industry Alliance (海關與葡萄酒業界大聯盟) was formed with 18 organizations of the local wine industry in October 2008. It provides a platform to further collaboration with the industry in order to gear up for the combat against offences involving counterfeit wine and false information on place of origin. Hong Kong Customs has been establishing contacts with overseas law enforcement agencies and wine regulatory bodies to obtain information and source expertise in regard to the latest technologies applied for the identification of counterfeit wines.
- In September 2012, the Department co-hosted with the Federation of Hong Kong Industries a seminar on IPR Protection in Guangdong Province. Speakers from the Guangdong Sub-Administration, General Administration of Customs of the PRC, Guangdong Copyright Bureau, and Guangdong Provincial Administration for Industry and Commerce gave detailed accounts on IPR protection and enforcement in the Mainland and exchanged views with over 50 participants from Hong Kong enterprises.

International Conference

- Following the “International Law Enforcement Intellectual Property Crime Conference” held in 2010, this Department and the INTERPOL jointly organized the “Intellectual Property Crime Regional Training Seminar” and the “Intellectual Property Crime International Dimension Training Day” in June 2012 to promote and share best practices in IP enforcement and protection.

The seminar, targeted at promoting co-operation and enforcement capabilities with an all-dimensional studies on IP protection strategies from an international perspective, gathered over 60 IP crime investigators, prosecutors and private sector investigators from more than 10 countries. As for the training, overseas speakers shared their investigative techniques and experiences in IP protection and enforcement from an international dimension with over 60 frontline officers of the Department.



The IP Crime Regional Training Seminar & International Dimension Training Day.

- In September 2012, Hong Kong Customs and the European Chamber of Commerce in Hong Kong jointly organized the “First Annual Regional European IPR Protection and Enforcement Conference” in Hong Kong. Over 150 participants representing 17 countries’ law enforcement agencies, IP related organizations and companies attended the conference. The conference provided a unique opportunity to build strong ties with regional IP partners to create wide networks for IPR protection and enforcement.



The First Annual Regional European IPR Protection and Enforcement Conference.

Reward Schemes

The IPR industry and the Department are joining forces to step up intelligence collection to reinforce actions against IPR infringement offences. The industry is now sponsoring reward schemes which pay cash rewards to informers who provide Customs with information that leads to the seizure of infringing goods. The five existing reward schemes are:

- Anti-piracy (except retail level) Reward Scheme - sponsored by the copyright industry.
- Reward Scheme to Combat Illegal Use of Software in Business – sponsored by BSA | The Software Alliance.
- Reward Scheme to Combat Counterfeit and Trademark Infringed Pharmaceutical Products – sponsored by Hong Kong Association of the Pharmaceutical Industry.

- Reward Scheme to Combat Illegal Photocopying of Books and Periodicals – sponsored by Hong Kong Reprographic Rights Licensing Society.
- Reward Scheme to Combat Illegal Photocopying of Newspapers and Magazines sponsored by the Hong Kong Copyright Licensing Association.

In 2012, 7 cases were effected upon receiving information by the informers recruited under these reward schemes, which highlighted the cooperation and commitment of the IPR industry to support the Department in the fight against infringement activities.

Publicity Programmes for IPR Protection

Suppressing IPR infringing activities cannot be done by enforcement alone. Illicit trade continues as long as demand for pirated and counterfeit goods exists. Promotion of civic education to raise public awareness and respect for IPR protection is equally important. In 2012, the Department launched several publicity campaigns to promote IPR protection.

In collaboration with 11 local youth uniformed groups (YUGs) and the IPR sector, the Department ran the “Youth Ambassador Against Internet Piracy Scheme” (YAS) since its first launch in 2006. Over 200 000 members of the YUGs joined the scheme to promote a sense of respect for copyright works among young people.

In April 2012, the Department, the Intellectual Property Department (IPD) and the IPRPA jointly organized a film show entitled “Promote Creativity, Respect Intellectual Property Rights”. The activities of the event included screening of six short films on a variety of social phenomena, a panel discussion with YAS members and an experience sharing session by the students of the School of Design of the Hong Kong Polytechnic University on the production of a short film exploring the damages of online copyright infringement to the creative industry. Some 130 YAS members, IPRPA members and other stakeholders participated in the event.

Subsequent to the Study Tour to Guangzhou in December 2011, a delegation led by the Guangdong Copyright Bureau made a reciprocal visit to Hong Kong in May 2012. The 25-strong delegation comprised senior government officials from the Guangdong Province as well as teachers and students from four colleges in Guangzhou. The visit enhanced the understanding of the Mainland students on IPR protection in Hong Kong.



Visit of Mainland officials and students.

In summer 2012, the Department also launched the "IPR Protection Umbrella Design Competition" with IPD and IPRPA and "2012 MyGame Design Competition" with IPD and BSA to foster creativity and promote the respect of IP among youngsters. The winning designs of the two competitions have been respectively put into actual production of umbrella souvenirs and published as a web-based mini game.

To strengthen public awareness, especially among youngsters, of the importance of respect and protection of IPR, the "Youth Ambassador of the Year 2012 Award" Presentation Ceremony cum "I Pledge • Youth Ambassador Ocean Night" was held on 29 December 2012 at the Ocean Park. Awards were presented to 3 YUGs and 11 individual YAS members to commend their active participation in the YAS and their outstanding performances in promoting IPR protection in 2012. Prizes were also presented to the winners of the "IPR Protection Umbrella Design Competition" and "2012 MyGame Design Competition" in the ceremony. Various local singer-songwriters gave performance and shared messages of IPR protection with participants at the ceremony.



Youth Ambassador of the Year Award Presentation Ceremony cum I Pledge • Youth Ambassador Ocean Night.

7. Consumer Protection

The Department protects consumer interests through enforcement of the Toys and Children's Products Safety Ordinance, Consumer Goods Safety Ordinance, Weights and Measures Ordinance, and Trade Descriptions Ordinance.

Weights and Measures Ordinance

To weed out dishonest sale of short-weighted items, the Department conducted 2 100 spot checks and 1 101 investigations in 2012 to detect and deter the use of inaccurate weighing and measuring equipment in trade and the supply of goods which were short of the purported weights. Retail sales which involved comparatively more complaints concerning short weight continued to be the targets of the Department's enforcement actions. In 2012, prosecution was taken against 92 cases for contravention of the Weights and Measures Ordinance.



Customs officer checked the accuracy of a spring scale with a standard calibrated mass.



Customs officer checked the accuracy of a diesel dispenser by pumping out a pre-determined volume of fuel into a fuel-testing container.



A defective electronic platform scale showing a reading of "9 kg" when checked with a standard mass of 10 kg.

Toys and Children's Products Safety Ordinance and Consumer Goods Safety Ordinance

The Department conducted spot checks and investigations to ensure toys, children's products and consumer goods supplied in the market are reasonably safe and affixed with bilingual warning labels. In 2012, 3 236 spot checks and 581 investigations were conducted and 17 prosecution cases were concluded. Besides, the Department issued 13 Prohibition Notices prohibiting the supply of unsafe products, ranging from stuffed toys, rattle toys, carry cots, bunk beds, swivel chairs, folding chairs and stools.

Education-oriented seminars

To promote traders' awareness of product safety and their obligations in complying with the related Ordinances, the Department conducted education-oriented seminars for department stores, chain shops, trade and industry associations and small and medium enterprises in the past years. Furthermore, the Department continues to work closely with the Consumer Council with a view to promoting public awareness of product safety and fair trading.

Educational seminars have also been organized for parents and teachers of nurseries and kindergartens to introduce to them the safety legislation, alert them of the potential risks of unsafe products and provide safety tips to help them choose suitable products for their children.

Trade Descriptions Ordinance

During the year, the Department carried out 4 151 spot checks against retail shops, including those frequented by overseas and Mainland visitors. Meanwhile, Customs officers, some in plain-clothes, patrolled various trade fairs and exhibitions to deter dishonest sales and to ensure compliance with the law. In the year, the Department received 581 trade descriptions related complaints, most of which involved foodstuff, dried seafood, Chinese herbs, regulated electronic products and health and beauty products. 641 investigations were conducted, 45 of which ended up with prosecution and 23 with administrative action.



Officers conducting inspection at a gold and jewellery shop to enforce the Trade Descriptions Ordinance.

As a proactive approach to protect consumers, the Department operates a “Product Monitoring Scheme” to detect sales of fake or misrepresented products. Under the Scheme, unscrupulous traders selling fake deer tendons, misrepresented silver ornaments, misrepresented fish oil soft gels were summoned or charged for violations of the Trade Descriptions Ordinance in 2012.

The Department has formed Quick Response Teams to handle urgent complaints lodged by short-haul visitors or local consumers. In 2012, Quick Response Teams were summoned on 7 occasions to handle urgent complaints. No offence was detected.

To raise public awareness of consumer rights and to remind retailers of their legal obligations, the Department continued to launch publicity campaign by distributing pamphlets with the salient points of the Trade Descriptions Ordinance to local consumers and visitors at tourists areas, shops registered with the Travel Industry Council of Hong Kong as well as the passenger arrival halls of various control points. The Department also organized a series of educational seminars and briefings for traders in various retail industries, trade associations as well as the registered tourist guides and conducted operations together with the Hong Kong Police Force, Department of Health, Food and Environmental Hygiene Department, Consumer Council, Travel Industry Council of Hong Kong, Hong Kong Tourism Commission, Hong Kong Trade Development Council and other stakeholders to better protect consumers.



Officers delivering an education-oriented seminar to traders.

Review of Legislation to Enhance Protection for Consumers Against Unfair Trade Practices

The formulation of comprehensive legislation to tackle unfair trade practices had been completed in 2012. The Trade Descriptions (Unfair Trade Practices) (Amendment)

Ordinance 2012 (Amendment Ordinance) was passed on 17 July 2012 by the Legislative Council to introduce new prohibitions and an enforcement mechanism to deter specified unfair trade practices that traders may deploy against consumers. The Amendment Ordinance would come into effect on 19 July 2013.

The Department had set up the Trade Descriptions Ordinance Special Planning Group (TDSPG) on 17 September 2012 to undertake the following preparatory work for the implementation of enforcement duties under the Amendment Ordinance.

To provide reference for traders and consumers, the Department and the Office of Communications Authority had jointly issued a set of Draft Enforcement Guidelines comprising the Compliance and Enforcement Policy Statement and General Guidelines. The Draft Enforcement Guidelines state the manner in which the two enforcement agencies will exercise their powers under the fair trading sections of the Amendment Ordinance and provide guidance on the operation of the sections. A public consultation exercise commenced on 7 December 2012 and would end on 17 March 2013. After collating views collected during the consultation, the Enforcement Guidelines would be finalized and promulgated.

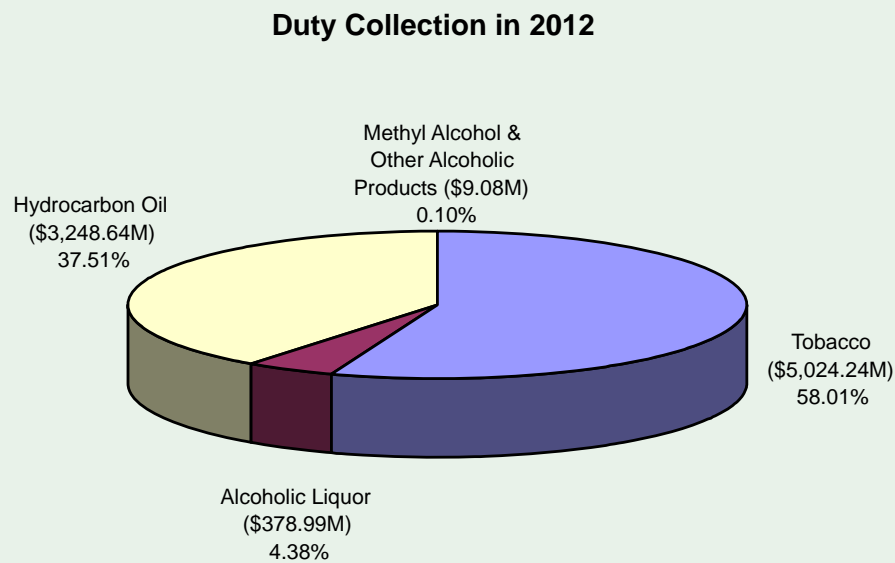


A consultative session on the draft Enforcement Guidelines.

8. Revenue Collection and Protection

Revenue

In 2012, excise duties collected was HK\$8,660.9 million, including 37.51% from hydrocarbon oil, 58.01% from tobacco, 4.38% from alcoholic liquor and 0.10% from methyl alcohol and other alcoholic products. The revenue collected in 2012 increased by 10.29% compared to 2011. The percentage distribution of duty collection by commodities is shown in the diagram.



Open Bond System

All dutiable commodities bonded warehouses in Hong Kong are currently licensed under the Open Bond System (OBS), which was introduced on 1 April 2003 to



Routine compliance check at a bonded warehouse.

facilitate legitimate business activities. Operating cost of the trade has been much lowered because of the facilitation. Under the OBS, Customs controls are exercised through post-transaction auditing, compliance checks and surprise checks on the loading and unloading of dutiable goods. The number of bonded warehouses increased steadily over the years under OBS, from 38 in

April 2003 to a peak of over 80 in mid-2008 when wine and non-hard liquor were still dutiable and to nowadays at 74 after the de-regulation.

Vehicle Valuation

Ever since the Motor Vehicles (First Registration Tax) Ordinance was amended to change the taxable value of vehicles to retail price in 1994, Customs undertook the duty of vehicle valuation by maintaining a registration scheme for motor vehicle traders and a value assessment system for motor vehicles. Application for vehicle valuation and filing of Import Return is done by electronic submission via the FRT II System. Over the years, the number of vehicles imported into Hong Kong for use on the road has been on steady increases. In 2012, the number of vehicles first registered by the Transport Department was 57 641 and the amount of First Registration Tax (FRT) collected was HK\$7,545 million.

In 2012, Customs in cooperation with the Transport Department combated a number of FRT infringement cases, where motor traders were found to have sold vehicles above the retail prices approved by Customs. Two major operations were mounted against fraudulent traders in the year and the number of FRT fraud cases effected has increased as a result from 5 in 2011 to 35 in 2012. The cases were all convicted by the courts and with the highest penalty imposed at HK\$1.76 million.

Illicit Fuel

Illicit fuel activities continued to reduce in magnitude. There had been fading trends of smuggling duty-not-paid light diesel oil from China for sale in the black market and illegal use of marked/detreated oil as vehicular fuel, following the reduction of the duty rate of Euro V diesel to zero w.e.f. 14 July 2008. While the price difference still provided the necessary impetus for smuggling cheaper motor spirit from the Mainland to Hong Kong for sale, the steady increase in the exchange rate of Reminbi led to shrinking profit margins, and hence a lesser incentive for the such activities. Only small-scale “ants-moving-home” smuggling activities by cross-boundary vehicles remained while the illicit fueling stations just operated in a sporadic manner in remote areas of the New Territories. With the persistent enforcement actions of the Department, the illicit fuel activities were effectively contained. In 2012, 166 cases were detected with 51 906 litres of



Illicit motor spirit is discharging from cross-boundary vehicle.

illicit fuel (excluding export cases) seized, representing a decrease of 14% in cases and a drop of 29% in seizures over 2011.

Illicit Cigarettes

The Department effected 19 719 illicit cigarette cases with the seizures of 78 million sticks of cigarettes and the arrests of 11 056 persons in 2012. The total value of the



Illicit cigarette sorting and repacking centre was smashed.

seized illicit cigarettes was HK\$192 million and the duty potential was HK\$133 million. As compared with the preceding year, the number of cases and arrests increased by 11% and 21% respectively. Among the seizures, about 67 million sticks were related to local illicit cigarette activities, representing a drop of about 6% as compared with 2011, as a result of the strengthened enforcement actions by Customs investigators against the illicit sales.

Telephone ordering has taken over street peddling to become the predominant distribution channel of illicit cigarettes. To suppress such activities, a task unit was formed on 1 April 2012 to collect and analyze intelligence and mount special operations. The outcome achieved was impressive, with 116 cases involving 3.2 million sticks of illicit cigarettes seized and 147 persons arrested.



Delivery vehicle for telephone ordering of illicit cigarettes.

9. Trade Controls

Upholding Hong Kong's Trading Integrity

Given the importance of trade and industry to the economy of Hong Kong, the Department enforces various trade controls systems including the Certification of Origin System, the Textiles Control System, the Strategic Trade Control System, the Import and Export Declaration System and the Kimberley Process Certification Scheme to ensure that Hong Kong fully discharges its international obligations and complies with multilateral trade agreements. Through its enforcement actions, the Department also protects the legitimate interests of traders and manufacturers. In addition, the Department mediates disputes between overseas traders and local suppliers to safeguard Hong Kong's trading reputation.

Certification of Origin System

Hong Kong maintains a comprehensive Certification of Origin System to establish the origin of goods produced in Hong Kong. As part of the control arrangements, Certificate of Origin (CO) applications covering exports of cut-and-sewn garments to the United States of America have to be supported by production notifications (PNs) validated by the Trade and Industry Department (TID). The PN requirement serves to ensure that the origin-conferring process for the manufacture of cut-and-sewn garments has taken place in Hong Kong. To uphold the credibility and integrity of the System, the Department conducts pre-registration inspections on factories applying for CO facilities to authenticate their production capacities. Also, periodic inspections were carried out on the factories to ensure their continuous compliance with registration conditions, and consignment checks on goods covered by CO applications and PNs. In 2012, the Department conducted 1 675 factory inspections and consignment checks (not counting those related to the Certificate of Hong Kong Origin (CEPA)).

Textiles Control System

With the elimination of textiles quotas on textiles and clothing (T&C) products starting from 1 January 2005, Hong Kong adopts a simple yet effective Textiles Control System which grants further facilitation to the trade while maintaining necessary control to safeguard the overall interest of Hong Kong's textiles trade. The Department is committed to taking rigorous enforcement actions so as to maintain the integrity and credibility of the System in fulfillment of international obligations, thereby ensuring unrestricted access of Hong Kong's T&C products to the world markets.

The Department operates a comprehensive enforcement programme and reviews regularly its strategies to meet the changing circumstances in the global and local T&C trade and industry. The Department adopts an intelligence-led strategy and a two-pronged approach to tackle the problem of illegal textile transshipment. Apart from the factory-based pre-shipment and post-shipment checks, real time production checks and factory audit checks, it regularizes blitz check operations and strengthens targeted checks and investigations.

Blitz checks are surprise inspections of cargo consignments at the control points. It has been proven effective in tackling illegal transshipments. The strategic use of intelligence and risk management in blitz check operations has greatly enhanced the Department's effectiveness in combating illegal transshipment activities.

Owing to our vigorous enforcement actions and the lifting of restrictive measures on Mainland's T&C exports to the US and EU markets, the illegal transshipment activity of Mainland T&C products has been greatly reduced. In 2012, the Department examined 5 095 consignments in 240 blitz check operations. 39 persons / companies were prosecuted for various textiles-related offences, resulting in court fines of HK\$0.73 million and seizure of textiles and clothing goods valued at HK\$0.78 million.

In addition, to weed out shady establishments engaging in illegal transshipment of textiles, the Department mounted special operations in 2012 by conducting audit checks on 2 factories to verify their production capability within specified manufacturing periods. As a result, both factories were suspended from further using the licensing and certification facilities.

Strategic Trade Control System

To maintain a free flow of high-tech commodities for legitimate commercial use and academic research while at the same time to prevent Hong Kong from being used as a conduit for the proliferation of controlled strategic goods, the Department, in collaboration with the TID, vigorously enforces the Strategic Trade Control System to monitor the flow of strategic commodities and to detect services engaged in the development and production of weapons of mass destruction.

The Chemical Weapons (Convention) Ordinance which aims to fully implement the Chemical Weapons Convention in Hong Kong, underlines Hong Kong's commitment to internationally agreed arrangements on the ban of chemical weapons and on the monitoring of activities involving sensitive chemicals. Through enforcement of the

Ordinance, the Department helps ensure Hong Kong's continued access to a full range of chemicals needed for local industrial, medical, research and trading purposes.



Officers checking a chemical product intercepted at the Airport.

In combating illegal diversion of strategic commodities, the Department carries out licence checks to verify the authenticity of information given in import and export licence applications and carry out checks on the disposal of the consignment after importation (disposal checks) to ensure that articles imported are used as declared. In 2012, the Department conducted 1 149 import licence checks, 2 946 export licence checks and 1 129 disposal checks, investigated 220 cases, and prosecuted 49 persons / companies leading to a total fine of HK\$1.8 million. In these cases, the value of goods involved was HK\$64.7 million.

Import and Export Declarations and Cargo Manifests

The Department administers the Import and Export Declaration and Cargo Manifests System. Under the Import and Export (Registration) Regulations (Cap. 60E), cargo carriers are required to lodge with the Commissioner of Customs and Excise cargo manifests within 14 days after the arrival or departure of the cargoes imported into or exported out of Hong Kong. Moreover, any person who imports or exports/re-exports an article other than an exempted article is required by law to lodge an import or export/re-export declaration within 14 days after importation or exportation of the article and to pay a declaration charge. For exports of Hong Kong manufactured clothing (including footwear) items specified in the Schedule to the Industrial Training (Clothing Industry) Ordinance, an additional clothing industry training levy has to be

paid. The Department conducts checks to ensure that accurate, full and completed cargo manifests, and import and export/re-export declarations are submitted within the statutory time frame. Late lodgment of cargo manifests/declarations or lodgment of inaccurate cargo manifests/declarations is liable to prosecution and penalties.

The Department received 18.7 million declarations and collected HK\$1,417 million import and export declaration charges / clothing industry training levies/late penalties in 2012. Short-paid declaration charges / clothing industry training levies recovered and late/administrative penalties imposed amounted to HK\$31 million. The Department also received around 8.3 million cargo manifests in respect of air, ocean, rail and road modes of transport.

Educational Seminars

In order to reduce the number of late and non-lodgment cases, since August 2008 the Department organizes regular educational seminars to remind traders and carriers / forwarders of their obligation and to improve their knowledge in lodging timely and accurate trade declarations and cargo manifests. The Department organized 30 educational seminars for 614 traders and carriers/forwarders in 2012. Furthermore, the Department continued to work closely with the Census and Statistics Department with a view to promoting the awareness of timely lodgment of cargo manifests and import/export declarations.

Assistance to Overseas Customs Administrations on Valuation Fraud Cases

Being a member of the World Customs Organization, the Department offers assistance to other Customs administrations upon their requests for investigation of customs duty related frauds. During the year, the Department received 31 requests, and most of them involved under-valuation of goods.

Closer Economic Partnership Arrangement (CEPA) - Trade in Goods

Since the implementation of CEPA from 1 January 2004, 1 746 items of Hong Kong products currently enjoy zero tariff treatment upon importation into the Mainland if they are covered by a Certificate of Hong Kong Origin (CEPA) (CO(CEPA)). In 2012, a total of 14 274 applications for CO(CEPA) were received. Of these applications, 14 011 CO(CEPA)s at a total value of HK\$9.7 billion were issued. These applications covered a wide range of products, top five of which in terms of value were pharmaceutical products, plastic materials and articles, textiles and clothing, food and

beverage, and chemical products.

Charged with the enforcement duties of the CEPA Certification System, the Department conducted consignment checks against 1 637 applications for CO(CEPA) and examined 57 CEPA consignments at various cargo exit points in 2012.

Kimberley Process (KP) Certification Scheme

The Kimberley Process (KP) Certification Scheme for rough diamonds has been developed by the KP, an international negotiating forum that seeks to stop the trade in "conflict diamonds" from fuelling armed conflicts, activities of rebel movements and illicit proliferation of armament. Some 76 economies including the People's Republic of China (PRC) have participated in the Certification Scheme. Hong Kong joined the Scheme as a designated importing and exporting authority of the PRC in order to safeguard Hong Kong's interest as a trading hub of diamonds in this region. The Certification Scheme, which requires registration of rough diamond traders and comprises a certification system for the import and export of rough diamonds, has been implemented in Hong Kong since 2 January 2003. The Department conducted a total of 529 consignment inspections and 15 investigations on rough diamonds during the year.



Officers conducting weight measurement for rough diamonds.

Reserved Commodities Control

Through the enforcement of the Reserved Commodities Ordinance, the Department monitors the import and export of rice and ensures a stable supply of the commodity in Hong Kong. The Department conducted 4 064 inspections, investigated 9 cases, prosecuted 9 persons / individuals, resulting in a fine of HK\$40,000 in 2012. In these cases, the value of the rice and mixed grains involved was HK\$1.1 million.

Mainland Cereals and Grain Flours Control

To complement the measures imposed by the Mainland Customs to regulate on a quota basis the export of cereals and grain flours, including wheat flour, rice flour and rice which are export duty exempted, the TID implemented a registration arrangement for local importers of cereals and grain flour from the Mainland (the arrangement) in early 2008. To support the arrangement and to ensure the cereals and grain flour imported from the Mainland were solely for local consumption, in 2012 the

Department conducted 224 inspections/verifications and 12 investigations, the value of the goods involved in the investigation cases was HK\$1.48 million.

Trade Mediation

To protect Hong Kong's trading reputation, the Department provides free mediation service to settle cases of trade dispute lodged by overseas trading firms against local companies. In 2012, the Department mediated in 90 cases and 29 of them were successfully settled.

Anti-money Laundering and Counter-financing of Terrorism

To comply with the international standards on anti-money laundering (AML) and counter-financing of terrorism (CFT) which is essential for maintaining Hong Kong's status as an international financial centre, a new legislation, namely, Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (AMLO), Cap 615 came into operation on 1 April 2012 to enhance AML / CFT requirements for financial institutions. The Department is the relevant authority for money service operators (MSOs), i.e. remittance agents and money changers, and administers the new statutory licensing regime and supervises the licensed MSOs on compliance with the customer due diligence and record-keeping requirements, as well as interdicts unlicensed operation of money service under the AMLO. With a view to enhancing the awareness of the industry to comply with the statutory requirements, the Department organized seminars and liaised with training institutions to provide suitable and appropriate courses or workshops to the MSOs.



Officers of Money Service Supervision Bureau (MSSB) conducted a seminar about the legal obligation and statutory requirements as an MSO under the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance.

10. Customs Co-operation

World Customs Organization (WCO)

In 2012, the Department continued its active participation in the WCO fora, including the Council Sessions and meetings organized by the WCO working bodies such as the Permanent Technical Committee, the Enforcement Committee, the SAFE Working Group, the Technical Experts Group on Air Cargo Security, the Integrity Sub-Committee, the Information Management Sub-Committee, the Capacity Building Committee, and the Counterfeiting and Piracy Group. The Department rendered full support to WCO's activities, including seminars and workshops relating to the promotion of customs capacity building, customs integrity, trade facilitation, anti-piracy, green customs and global supply chain security, and participated in enforcement operations coordinated by the WCO.

In July 2012, the Department continued the membership of the WCO Policy Commission (PC) for the Asia Pacific Region for a term of two years to assist the WCO in formulating major Customs initiatives and strategies. In September 2012, the Department sent the first service member to the WCO Compliance and Facilitation Directorate to work as a technical attaché.

WCO Regional Intelligence Liaison Office for Asia and the Pacific (RILO A/P)

The Department continued to provide human resource support to the RILO A/P after its re-location from Beijing to Seoul on 1 January 2012. An officer of the Department was seconded to the RILO A/P, working as an intelligence analyst. Being the coordinator of the Focus Area "Compliance and Enforcement" of the WCO A/P Regional Strategic Plan (RSP) 2012-14, the Department also worked closely with the RILO A/P to take forward the specific actions as defined under the RSP. Under the coordination of RILO A/P, the Department exchanged intelligence with Customs administrations within the A/P region or in other regions for conducting investigation into cases of suspected transnational Customs crimes.

The Department continued to take part in major projects of the RILO A/P, namely the "Project Crocodile", "Project Sky-Hole-Patching" as well as the "Drugs Seizures Immediate Notification System" respectively against cigarette smuggling, environmental waste smuggling and dangerous drugs trafficking. Between 10 September and 28 October 2012, the Department participated in the "Operation Sky-Net" coordinated by the RILO A/P and exchanged information/intelligence amongst participating Member administrations for combating trafficking in drugs and

precursor chemicals in the Asia Pacific region.

WCO Asia Pacific Regional Office for Capacity Building (ROCB A/P)

In 2012, the Department continued to support the WCO regional capacity building initiatives and worked closely with the ROCB A/P. An officer of the Department was seconded to ROCB A/P in Bangkok to work as a technical attaché.

In November 2012, the Department organized a Regional Workshop on the Accreditation of Risk Management Advisors with a view to enhancing regional Members' knowledge and skills on Risk Management and providing an opportunity for participants to prepare themselves to be a trainer.

Asia Pacific Economic Co-operation (APEC)

In 2012, the Department participated actively in various APEC meetings and events in Russia.

In early February 2012, the Department joined with the Japan administration to develop a new Collective Action Plan (CAP) on Intellectual Property Rights (IPR) Border Enforcement, which is a follow-up action to the endorsement of the "APEC Guidelines for Customs Border Enforcement of Counterfeiting and Piracy" in 2011. The new CAP, which aims to drive the ongoing work of APEC Sub-Committee on Customs Procedure (SCCP) in promoting IPR border enforcement within the APEC region, was approved at the 2012 1st APEC SCCP Meeting held in February 2012. Under this new CAP, the Japan administration and the Department will jointly develop a proposal in organizing a workshop on IPR border enforcement in early 2014.

At the 2012 2nd APEC SCCP Meeting held in May 2012, the Department shared the experience in relation to the formal launch of the Hong Kong AEO Programme with APEC Customs administrations.



Assistant Commissioner (Excise and Strategic Support), Mr David Fong (ninth from right, front row), with other delegates at the 2012 1st APEC Sub-Committee on Customs Procedures Meeting.

Co-operation with other Customs Administrations

Through regular bilateral meetings, the Department has enhanced mutual co-operation with the Mainland, Macao Special Administrative Region and other Customs administrations by establishing stronger exchange networks for combating transnational crimes. In 2012, the following co-operation events were held with other Customs administrations:

Overseas Customs Administrations

- **Co-operative Arrangement with the Customs General Administration of Mongolia**

The Department signed a Co-operative Arrangement with the Customs General Administration of Mongolia in Ulaanbaatar, Mongolia on 20 October 2012. Signing of the instrument marked the common wish of both Customs administrations to co-operate more closely through mutual administrative assistance in various areas including the exchange of information and enforcement of customs laws.



Commissioner of Customs and Excise, Mr Clement Cheung (seated, right), and Director General of the Customs General Administration of Mongolia, Mr Tseveenjav Derjee (seated, left), with the delegation members of Hong Kong Customs and Mongolian Customs at the Co-operative Arrangement Signing Ceremony.

- **The 9th Meeting of the European Union/Hong Kong, China Joint Customs Co-operation Committee (November 2012) in Brussels**

On 22 November 2012, Assistant Commissioner (Excise and Strategic Support) led a 4-member delegation to attend the 9th Meeting of the Joint Customs Co-operation Committee between European Union and Hong Kong, China in Brussels. At the meeting, both sides comprehensively reviewed the work progress and set out directions for further co-operation in various areas of mutual interest, in particular the Smart and Secure Trade Lanes Pilot Project, Authorized Economic Operator programme and protection of intellectual property rights.



Assistant Commissioner (Excise and Strategic Support), Mr Fong Tai-wai (fifth from left, front row), Director for Security & Safety, Trade Facilitation & International Coordination, Taxation and Customs Union Directorate-General, Mr Antonis Kastrissianakis (fifth from right, front row) and other delegation members.

- **The 30th Customs Cooperation Conference with Korea Customs Service**

On 18 December 2012, the Commissioner of Customs and Excise led a 6-member delegation to attend the 30th Customs Cooperation Conference with the Korea Customs Service in Seoul, Korea. At the meeting, both administrations updated each other with their latest developments and agreed to take proactive initiatives to foster a closer and more strategic partnership with each other to meet the challenges ahead. The two sides also signed an Action Plan regarding mutual recognition arrangement of the Authorized Economic Operator Programme.



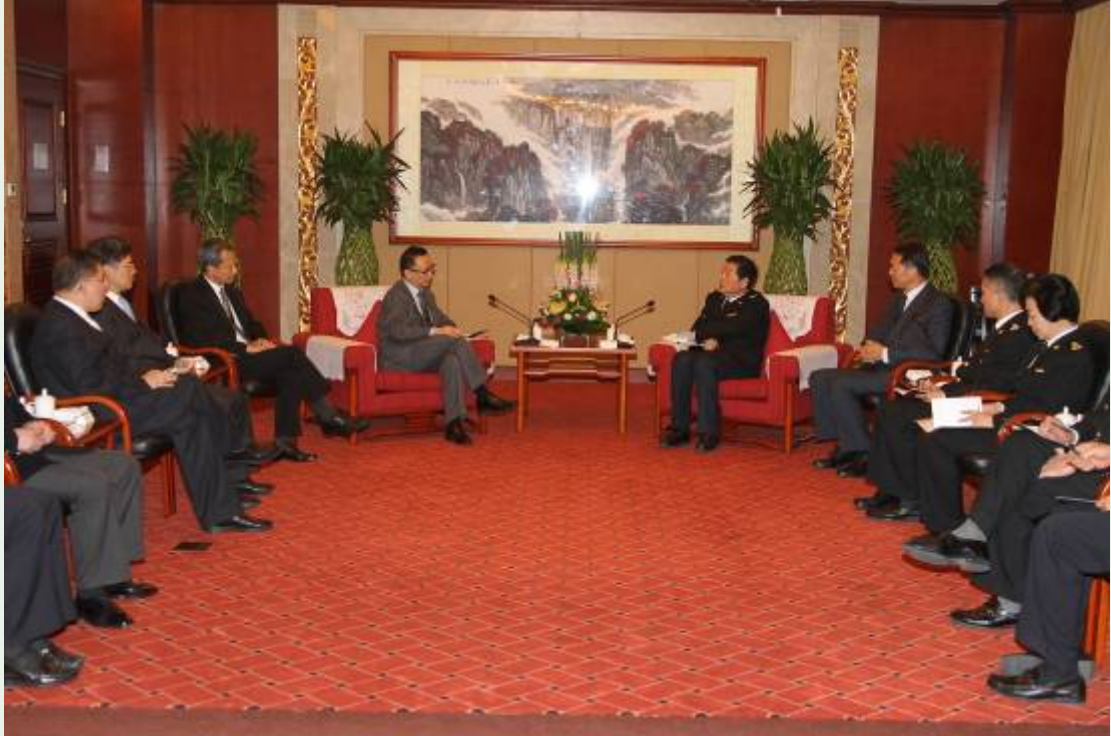
Commissioner of Customs and Excise, Mr Clement Cheung (left), and Commissioner of Korea Customs Service, Mr Joo Yung-sup (right), exchanged the signed agreed minutes at the 30th Customs Cooperation Conference between the Korea Customs Service and the Hong Kong Customs in Seoul, Korea.

Mainland and Macao Customs

- **The 2011 Annual Review Meeting with the General Administration of China Customs (GACC) in Beijing (2011 年海關總署與香港海關業務聯繫年度會議)**

Between 26 and 30 March 2012, the Commissioner of Customs and Excise led an 8-member delegation to attend the Annual Review Meeting between the GACC and Hong Kong Customs (海關總署與香港海關業務聯繫年度會議) in Beijing and paid a familiarization visit to Qingdao Customs District. This is the 12th Annual Review Meeting between the two Administrations since the signing of the

Customs Co-operative Arrangement in 2000. During the meeting, the two Administrations reviewed the achievements made in 2011 and agreed to enhance reinforcement in the year ahead. A Co-operation Plan was endorsed by both parties for 2012.



Commissioner of Customs and Excise, Mr Clement Cheung (fourth from left) and Minister of General Administration of China Customs, Mr Yu Guangzhou (fourth from right) respectively led the Hong Kong and Mainland Customs delegations to attend the 2011 Annual Review Meeting between the GACC and Hong Kong Customs in Beijing.

- **The 2012 Annual Review Meeting with the Guangdong Sub-Administration of China Customs (August 2012) in Zhaoqing**

Between 27 and 29 August 2012, the Annual Review Meeting between the Guangdong Sub-Administration of China Customs and Hong Kong Customs (粵港海關業務聯繫年度會議) was held in Zhaoqing. The Hong Kong Customs and the Guangdong Customs delegation were respectively led by the Commissioner of Customs and Excise, Mr Clement Cheung and the Vice Minister and Head of Guangdong Sub-Administration of the General Administration of China Customs, Mr Lu Bin.

The meeting reviewed the outcome of joint efforts over the past year and mapped out an action plan for the coming year. The two sides also agreed to step up co-operation on trade facilitation, anti-smuggling, anti-narcotics, intellectual property rights protection and staff training.



Commissioner of Customs and Excise, Mr Clement Cheung (fifth from right, front row) and Vice Minister and Head of Guangdong Sub-Administration of the General Administration of China Customs, Mr LU Bin (fifth from left, front row) respectively led the Hong Kong and Mainland Customs delegations to attend the 2012 Annual Review Meeting between the Guangdong Sub-Administration of China Customs and Hong Kong Customs in Zhaoqing, Guangdong.

- **The 30th Annual Meeting with Macao Customs Service/Macao Economic Services (June 2012) in Macao**

On 7 June 2012, the Director-General of Macao Customs Service, Mr Chôl Lai Hang, led a 9-member delegation to attend the 30th Annual Meeting between the Macao Customs Service/Macao Economic Services and Hong Kong Customs in Hong Kong (香港海關與澳門海關及澳門經濟局第三十次會議). During the meeting, the two Administrations discussed areas of emerging risk and matters of mutual concern.



Commissioner of Customs and Excise, Mr Clement Cheung (sixth from right, front row) and Director-General of Macao Customs Service, Mr Chôl Lai Hang (fifth from left, front row) respectively led the Hong Kong and Macao Customs Service delegations to attend the 30th Meeting between the Macao Customs Service/Macao Economic Services and Hong Kong Customs in Hong Kong.

11. Information Technology

Since early-1980s, the Department has been adopting information technology in different areas to enhance efficiency and service quality.

Information Systems Strategy

In September 2006, the Department commissioned a consultancy study to review its Information Systems Strategy (ISS) and formulated an implementation plan on 11 projects to meet operational needs and pave way for future development. These projects are separated into three groups, viz. Enterprise-wide Infrastructure, Technology Refreshment, Business Application Systems.

In February 2009, the Department secured HK\$114.157 million to pursue five infrastructure projects, namely Centralized Data Centre, Network and Server Infrastructure, Central Information Repository System, Secured Communication Gateway and Enterprise System Management. They aim to provide a reliable, secure and scalable IT infrastructure; a consolidated data centre; a re-constructed integrated backbone; a centralized storage for operational information; a secure platform for electronic communications and a department-wide system management framework. The last of these projects, Central Information Repository System – Data Warehouse, commenced production in March 2012.



Replacement of Case Processing System (rCAPS)

Launched in December 2001, support service for major hardware of CAPS would cease by 2013 due to lack of spare parts while other software components need upgrading. In April 2011, the Finance Committee approved HK\$45.72 million to replace it with a new system providing full automation of the case processing cycle from reporting, investigation, operation, prosecution to seizure management. Numerous prototype walkthroughs were conducted before completion of procurement and installation in 2012, while user acceptance tests and training would be arranged to prepare for system rollout in June 2013.

Electronic Systems in Trade Facilitation

The Department is committed to promoting e-business via development of platforms to facilitate submission of selected trade documents. In this regard, the “Road Cargo System” (ROCARS) was fully launched on 17 November 2011 after an 18-month transitional period.

Money Service Operators Licensing System, implemented on 30 September 2012 provides a convenient channel for money service operators to submit licence applications, quarterly returns and retrieve application status. Besides, it provides instant access to the Register of Licensees, thus allowing members of the public to ascertain whether they are dealing with a legitimate counterparty.

Computer Facilities for New Control Points and Customs Facilities

The Department is actively involved in provision of computer facilities and equipment to support Customs operations at Cathay Pacific Cargo Terminal, Cruise Terminal, Guangzhou-Shenzhen-Hong Kong Express Rail Link, Hong Kong-Zhuhai-Macao Bridge, Liantang/Heung Yuen Wai Boundary Control Point and Midfield Concourse due for commissioning from 2013 to mid 2018.

Computer Forensic Laboratory (CFL)

Rapid IT development enhances operational efficiency but also avails opportunity for those who exploit technology for the perpetration of crimes, rendering, preservation and collection of digital evidence an indispensable part of investigation on computer-related offences. In 2000, the Computer Forensic Laboratory (CFL) and Computer Analysis and Response Teams were set up to assist frontline investigators in analysis of digital evidence and subsequent prosecution in court.

In 2006, CFL was accredited with ISO 9001 on Quality Management and ISO 27001 on Information Security, becoming the first government computer forensic laboratory to do so and successfully establishing a set of standards on integrity and professionalism.



Officers conducting data recovery process in the Computer Forensic Laboratory.

Since its establishment, CFL has processed 709 cases involving 547 computers, 783 optical disc replicating machines, 424 mobile phones, 758 SIM cards and 820 memory cards that involved intellectual property right infringement, internet piracy money laundering, drug trafficking, smuggling, false trade descriptions and revenue fraud.

12. Management Services and Development

Office of Service Quality and Management Audit

Responsibility for ensuring good performance of the Department falls on the Office of Service Quality and Management Audit (OQA) which is tasked to conduct various reviews and inspections. Through attempts to improve quality and ensure compliance with established policies, rules and procedures, OQA also assists in ad hoc projects and monitors achievement made towards fulfilling our corporate objectives and performance targets.

In recognition of its professionalism and capability, OQA was first awarded the ISO 9001:2000 Certificate for Quality Management System in April 2005, first of its kind ever obtained by the Department, progressing in 2009 to ISO 9001:2008 status. It is subject to external audit, the last one being done in August 2012.

When drawing up the annual business plan and job priority, OQA forges a close partnership with major formations through the Service Quality Projects Consultative Meeting that determines a set of deliverables for each financial year. This mechanism seeks to pool together ideas for fruitful and constructive outcome.

In recent years, OQA spearheaded a series of studies aimed at boosting efficacy and streamlining procedures that spanned across topics like handling of detained/seized articles in exhibit stores, private car clearance at land boundary control points, firearms training and test system for Service personnel, establishment reviews on investigation and surveillance teams as well as passenger and cargo clearance setups. The most ones focused on monitoring and control of investigation cases and seizure management, as well as the intelligence-led mode of clearance strategy.

13. Planning and Development

New Control Points and Infrastructural Projects under Planning

A number of infrastructural projects are in the pipeline to support Hong Kong's continued economic development and cope with the flow of cross-boundary traffic:

- Cathay Pacific Cargo Terminal.
- Guangzhou-Shenzhen-Hong Kong Express Rail Link.
- Hong Kong-Zhuhai-Macao Bridge.
- Kai Tak Cruise Terminal.
- Liantang/Heung Yuen Wai Boundary Control Point.
- Midfield Expansion of Hong Kong International Airport (Phase I).
- Ocean Terminal.

Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL)

Construction of XRL commenced in January 2010 for completion in 2015 to provide intercity connection from West Kowloon in Hong Kong to Futian and Longhua in Shenzhen, Humen in Dongguan and Shibi in Guangzhou as well as high speed long-haul train services destined for major cities in the Mainland.

Proposed alignment for the Hong Kong section of XRL runs along a 26-km underground tunnel from West Kowloon Terminus to join the Mainland section at Huanggang. The total journey will take 48 minutes to arrive at Shibi and 14 minutes to reach Futian.

Hong Kong-Zhuhai-Macao Bridge (HZMB)

Construction of HZMB commenced in December 2009 while that of the Hong Kong Boundary Crossing Facilities and Hong Kong Link Road in December 2011 and May 2012 respectively.

Targeted for commissioning in 2016, HZMB is of strategic importance to regional economic integration by bringing Hong Kong, Macao and the Western Pearl River Delta within a reachable 3-hour commuting radius. It comprises a 29.6 km bridge-cum-tunnel structure in the form of dual-3-lane carriageway starting from the artificial islands off Gongbei and Macao to the artificial island west of Hong Kong. Boundary crossing facilities will be set up by each government within its own

respective territory.

Liantang/Heung Yuen Wai Boundary Control Point (LT/HYW BCP)

The new boundary control point expected to become operational not later than 2018 will help to redistribute cross-boundary traffic amongst other existing crossings and alleviate congestion. It adopts “separate-location model” and “2-storey concept” design with a footprint of about 23 hectares on the Hong Kong side. Facilities for goods vehicles and public transport interchange are located on ground level, while the upper level will cater for passengers as well as private cars and coaches. The distance between immigration kiosks and customs checkpoints of the two sides will be minimized through an integrated passenger hall across the Shenzhen River.

Cathay Pacific Cargo Terminal

In March 2008, the Airport Authority awarded a non-exclusive 20-year franchise to Cathay Pacific Services Limited, for the design, construction and operation of a new cargo terminal with handling capacity of 2.6 million tones per annum.. The new cargo terminal, which is located on a 10-hectare site, will commence its first stage of operation in February 2013.

Ocean Terminal

The Government re-granted the lease of Ocean Terminal to Wharf Holdings Limited for another term of 21 years on 12 June 2012, under which permanent customs clearance facilities will be set up for cruise passengers by June 2017.

Kai Tak Cruise Terminal

The Kai Tak Cruise Terminal project aims to develop Hong Kong into a leading regional cruise hub through the construction of a world-class cruise terminal with state-of-the-art facilities.

The Kai Tak Cruise Terminal will be located at the southern end of the former airport runway in Kai Tak. It will have two alongside berths with a single multi-storey terminal building. The terminal will support the concurrent berthing and disembarking/boarding of one post-Panamax cruise ship and one super post-Panamax cruise ship, or possibly two or more post-Panamax cruise ships. The expected passenger throughput is 1.44 million per annum by 2020.

The terminal building is expected to commence operation in mid-2013 to synchronize with the opening of the first berth.

Midfield Expansion of Hong Kong International Airport (Phase I)

To cater for the forecast air traffic demand up to 2020, the Airport Authority Hong Kong is implementing a midfield expansion project to provide additional aircraft stands and apron facilities and a new passenger concourse. Phase 1 of the midfield development comprises a midfield concourse (MFC) of 20 aircraft parking stands to be completed in 2015.

The MFC is located between the existing two runways and west of the Terminal 1 with a total floor area of 73 000 m². It is connected to the Terminal 1 West Hall by Automated People Mover with designated handling capacity of 10 million passengers per annum.

14. Administration

Human Resources Management

The Department's human resources management aims at strengthening the capabilities of staff in achieving the Department's mission and in delivering business results in a more efficient and effective manner. The Department maintains a good and stable governance through the implementation of various established best practices in recruitment, performance management, promotion, reward, discipline and posting. Inspectorate and Customs Officer Grade officers will be exposed to core Customs functions at the early stage of their career with a view to enabling the development of professionalism. Through these initiatives, the Department has maintained a more knowledgeable workforce and individual officers are better trained through better job rotation and career development opportunities.

Promotion of Staff Integrity and "Healthy Lifestyle"

The Department is committed to maintaining a responsible and reliable workforce. To cultivate a strong culture of professional ethic and probity among staff, the Department launched a series of educational and publicity campaigns on staff integrity and healthy lifestyle in the past year.

On the publicity front, the departmental newsletter on promoting healthy lifestyle and staff integrity, "*The Pine*", continued to instill the concept of healthy lifestyle into staff by widely covering stories of the following areas:

- Experience sharing of celebrities on positive and balanced work-life attitude.
- Participation in volunteer work and community services.
- Balanced diet.
- Care and love to family members, colleagues and community.

"*The Pine*" also had a caricature section to promote staff's application of integrity and professional ethics principles as promulgated in the Code on Conduct and Discipline under different real-life circumstances.

On the education front, the Department worked hand-in-hand with professional institutions with a view to arousing staff's concern on mental health. Six series of Mental Health First Aid Course and two Workshops on Handling of Problem Gamblers were organized in 2012.

Welfare, Sports and Recreation

In 2012, the Departmental Sports and Recreation Club organized over 200 sports and recreational events including charitable activities, training classes, performances and inter-command competitions for staff and their families.

To give a closer attention to staff welfare needs and to promote a caring culture among our colleagues, the Department fine-tuned the health and welfare management system. In 2012, there were 82 officers appointed as Health and Welfare Managers in various offices. These officers were provided with job related training and access to welfare-related information system to perform their job effectively. In addition to conducting periodic welfare visits, they acted as contact points for officers seeking assistance in matters related to welfare, health and work.

Apart from in-house assistance, the Department also commissioned the Christian Family Service Centre to provide counselling services for individual officers and their family members, including a 24-hour telephone hotline for instant counselling and face-to-face counselling by professional social workers. The agency and other non-governmental social welfare organizations also provided training sessions to Health and Welfare Managers as well as colleagues in different Formations in mental health first aid, handling of pathological gamblers, counselling skills and knowledge, etc.

15. Training

Training and Development

To sustain the professionalism and expertise of its staff and to develop them throughout their careers, the Department took significant efforts on staff training and development. It basically pursues a competency-based strategy which is, where appropriate, supplemented by personal development programmes for individual staff.

Office of Training and Development

The Office of Training and Development (OTD) of the Administration and Human Resource Development Branch is responsible for organizing or coordinating training and development programmes for members of the Customs and Excise Service as well as the Trade Controls Officer Grade officers. It also implements training policies determined by the Department's Training Steering Committee, which is chaired by the Deputy Commissioner. In brief, it is responsible for cross-formation training and development while individual major formations are responsible for organizing formation-specific training.

Training and Development Activities

The Department formulates its human resources development strategies on the basis of the competency requirements of its staff who are tasked to fulfill specific departmental functions. OTD organized a wide range of training programmes in 2012 to enhance the core competencies and functional competencies of officers (Appendix 13). Training and development activities were principally designed in accordance with the training roadmap for officers at individual grades and ranks.

For benchmarking international best practices and providing officers with exposure opportunities, the Department sent 185 officers to attend different training and attachment programmes hosted by academic institutions, customs organizations and law enforcement administrations in the Mainland and overseas in 2012.

Foundation Learning and Development

A good foundation can help an organization grow stronger and healthier. To equip new recruits with better and practical job knowledge and skills, Customs and Excise Training School has always taken proactive actions to provide high quality foundation

training – induction and continuation – by upgrading its instructors' quality, instructional facilities and materials, and course syllabuses.

Besides discipline, virtues, integrity and healthy lifestyles, a diverse mix of knowledge (e.g. Laws of Hong Kong, import and export trade practices, leadership, foot drill, use of force, practical training and Putonghua) are incorporated into the induction training for both Customs Officer and Inspector recruits. For them to get acquaintance with the workplace environment, more simulated and interactive exercises had been introduced. Moreover, relevant personalities would be invited to share vision and experience with the trainees.

Language Proficiency

The increased flow of cross-boundary passenger traffic and intensified contact with the Mainland require officers to be proficient in Putonghua. To this end, the Department organized courses at intermediate level for all middle-ranking officers and above as well as job-related modules for frontline staff.

Personal Development of Staff

The Department advocates a schematic approach whereby senior and middle managers are nurtured through a designated roadmap. In 2012, 4 senior officers were sent to renowned overseas institutes and 25 officers attended executive training or study visits in the Mainland.

Continuous Learning and Development

The Department embarks on a multi-pronged approach in promoting continuous learning and development in order to meet the ever-changing enforcement environment and rising public expectations. In addition to conventional classroom-type training, the Customs and Excise Information Portal launched in January 2008 paves way for individual officers to achieve self-learning through the Internet at his/her own paces. The Department also revamped the portal in September 2010 to offer enhanced features and a platform for staff unions and sports and recreation clubs to upload latest news.

The Department also collaborates with the Civil Service Training and Development Institute to deliver e-Learning through the Cyber Learning Centre Plus, with 18 programmes encompassing topics related to operational skills, communication, legal knowledge as well as integrity.

As a driving force for continuous development, the Department also holds annual Promotion Qualifying Examinations for Inspectors and Customs Officers to sustain professionalism. So far, 516 Inspectors and 2 553 Customs Officers have passed this examination.

Regional Training Centre of the World Customs Organization (WCO)

As one of the regional training centres in Asia Pacific, the Department is a staunch supporter of WCO in its capacity building efforts and hosted the Regional Workshop on Accreditation of Risk Management Advisors for Customs administrations in November 2012.

Mutual Training Assistance

Interaction among counterparts in the global customs community is a key to successful enforcement outcomes. In 2012, the Department sent 44 officers to receive training or undergo attachment to other Customs administrations and provided training to 45 visiting officials.

Occupational Safety and Health

Our Department is committed to providing a safe and healthy working environment for our staff and adopting a holistic framework on safety management system. In 2012, a number of tailor-made courses such as “Basic Risk Assessment”, “Safety Inspection” as well as “Basic Occupational Health” were provided to our officers so as to equip them with the knowledge to identify and reduce potential risks at work and to run the safety management system of the Department.

Prosecution-related training

Fundamental legal knowledge such as court procedures for criminal proceedings, preparation of case bundles, handling of exhibits and evidence, etc. are essential for Customs officers in preparing a criminal case for prosecution. A number of prosecution-related training activities were thus organized for frontline officers in 2012, including talk on burden of proof, workshop on identification of suspects, experience sharing sessions on giving evidence in court, seminars on the court’s requirements and mock trials, etc. with a view to keeping our officers abreast of the latest legal knowledge and court’s requirements.

16. Financial Administration

Revenue

The Department collected HK\$9,549 million of revenue in 2011-12, representing an increase of 3.3% against that for 2010-11. The increase in revenue was mainly attributable to the increase in revenue collections from hydrocarbon oils, alcoholic beverages and imports and exports declaration charges resulted from the sustained economic growth.

The Department collected HK\$10,323 million of revenue in 2012-13, representing an increase of 8.1% against that for 2011-12. The increase in revenue was mainly attributable to the increase in revenue collection from cigarettes arising from the continual effect of the substantial increase in duty rates on tobacco and the increase in number of incoming Mainland tourists.

A summary of the revenue collected in 2011-12 and 2012-13 is at Appendix 8.

Expenditure

The total expenditure of the Department in 2011-12 amounted to HK\$2,550 million, of which 78.5% was on Personal Emoluments, 20.5% on Departmental Expenses and 1.0% on Capital Account Expenditure. The increase in expenditure of 7.4% over that for 2010-11 is mainly due to the impact of the 2011 civil service pay rise, the increase in operating expenses and the increase in cash flow requirements for capital account items.

The total expenditure of the Department in 2012-13 amounted to HK\$2,769 million, of which 77.2% was on Personal Emoluments, 21.1% on Departmental Expenses and 1.7% on Capital Account Expenditure. Similarly, the increase in expenditure of 8.6% over that for 2011-12 is mainly due to the impact of the 2012 civil service pay rise, the increase in operating expenses and the increase in cash flow requirements for capital account items.

A summary of the total expenditure in 2011-12 and 2012-13 is at Appendix 9.

The Department's actual expenditure by programme area is distributed as follows:

	2011-12	2012-13
	HK\$M	HK\$M
(a) Control and Enforcement	1,841	1,978
(b) Anti-narcotics Investigation	160	175
(c) Intellectual Property Rights and Consumer Protection	253	271
(d) Revenue Protection and Collection	160	181
(e) Trade Controls	136	164

Seizure Management

The provision of service for the storage and disposal of seized goods is one of the major tasks of the Department. The total average storage space available for accommodating seized goods and vehicles in government storehouses and private godowns were 72 866 sq.m. and 5 185 cu.m. respectively in 2012-13.

After forfeiture, the seized goods are disposed of by auction or destruction. The Department disposed of about 45 034 items of confiscated goods in 2012-13, which included cigarettes, optical discs, drugs, fuel oil, computer equipment, vessels and vehicles. The proceeds from the sale of these forfeited goods during the period amounted to about HK\$43.85 million.

17. Criminal Prosecution

While a large proportion of Customs resources are engaged in operations and investigations into illegal activities on various fronts, the Department takes criminal prosecution equally serious, as it aims to bring offenders to account. Essentially, successful prosecution can be seen as the finishing touch, which makes all painstaking efforts of frontline officers worth the while.

In 2012, the Department prosecuted 3 848 cases, of which 2 415 (62.8%) were related to the Dutiable Commodities Ordinance, 364 (9.5%) related to the Trade Descriptions Ordinance, 347 (9%) related to the Dangerous Drugs Ordinance, 253 (6.6%) related to the Import and Export Ordinance and 128 (3.3%) related to the Copyright Ordinance. A total of 3 659 persons and 381 companies were prosecuted, which resulted in total fines upon offenders of HK\$19.6 million and the imposition of immediate imprisonment in 690 cases.

Recent Developments

New Legislation

The Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance, Cap 615, came into operation on 1 April 2012. Among other things, the Ordinance aimed to (i) provide for the imposition of requirements relating to customer due diligence and record-keeping on specified financial institutions; (ii) provide for the powers of relevant authorities to supervise compliance with those requirements; (iii) provide for the regulation and licensing of money service operators; and (iv) establish a review tribunal to review certain decisions made by relevant authorities. Enactment of the new legislation imposed greater power and responsibilities on Customs in regulating money service operators and money laundering activities in Hong Kong.

New Judgment

In the judgment of *LEE To Nei v. HKSAR [FACC 5/2011]* handed down on 30 March 2012, the Court of Final Appeal ruled that under Section 26(4) of the Trade Descriptions Ordinance, Cap 362, the prosecution should have a persuasive burden to prove whether the accused knew, or had reason to suspect or could with reasonable diligence ascertain that the goods bore forged trademarks. The

defendant however only had an evidential burden to adduce or be able to point to credible evidence indicating that he did not know, had no reason to suspect and could not, with reasonable diligence, have ascertained that the trademarks were false. To facilitate officers in complying with this judgement, the Office of Prosecution and Management Support organized a talk in May 2012 for 250 officers delivered by the government counsel in charge of the appeal.

Prosecution Summary

The past year was an eventful one with the successful prosecution and conviction of 3 436 persons and 352 companies. Same notable cases included:

Trials

Organized Unmanifested Cargo Case

Between 13 August and 28 November 2012, the trial of three masterminds and two key members of a cross-boundary smuggling syndicate was heard at the District Court. The defendants were arrested through joint operations mounted by Mainland and Hong Kong Customs involving 501 tons of marked oil and a large number of fishing vessels, oil trucks, private cars, oil barges and domestic premises. They were jointly charged with one count of “Conspiracy to export unmanifested cargo” and seven counts of “Dealing with property known or believed to represent proceeds of an indictable offence”. Realizable assets totalling HK\$240 million were restrained under the Organized and Serious Crimes Ordinance, Cap 455.

After evidence-taking at the Shenzhen Municipal Intermediate People’s Court and subsequent criminal hearing in Hong Kong, all defendants were convicted on 16 January 2013 of “Conspiracy” while three were acquitted of one count of “Money Laundering”. They were sentenced to imprisonment ranging from 3.5 to 6 years, being the highest sentence passed down under the Import and Export Ordinance, Cap 60. This is the first case of its kind with evidence-taking done in the Mainland and crime proceeds derived from smuggling of marked oil restrained under the Organized and Serious Crimes Ordinance.

Dangerous Drug Case

On 9 November 2012 at the Court of First Instance, a female arriving from Malaysia was convicted after trial for one count of “Trafficking in a dangerous drug” and sentenced to 24 years’ imprisonment. The narcotics concerned were 3.45

kilogrammes of heroin valued at HK\$3.6 million wrapped in slabs concealed inside the false compartments of her suitcase and four story books.

Intellectual Property Right Case

On 17 May 2012 at the Tsuen Wan Magistrates' Courts, a man was convicted on his own plea for one count of "Possessing for the purpose of trade an infringing copy of a copyright work without the licence of the copyright owner" after being arrested in a test-buy operation. The seizure involved were 6 333 infringing DVD/MDVD, one DVD player and one LCD monitor valued at HK\$127,455. The defendant was sentenced to 15 months' imprisonment.

Trade Descriptions Case

On 17 May 2012 at the Tsuen Wan Magistrates' Courts, a frozen meat trader was convicted on his own plea for one count of "Applying a false trade description (false origin markings) to goods" as well as one count of "Attempting to apply a false trade description to goods" and was fined HK\$50,000. The offending goods that comprised 62 990 kilogrammes of frozen pork feet, 97 664 kilogrammes of frozen pork heads, 5 280 kilogrammes of frozen pork hocks, 5 690 kilogrammes of frozen pork bladders and 28 000 kilogrammes of frozen pork snouts valued at HK\$2.6 million were returned to the defendant upon payment of HK\$1.2 million.

Anti-Money Laundering Case

On 13 December 2012 at the Kowloon City Magistrates' Courts, a money service operator was convicted on his own plea for one count of "Operating money service without a licence" and was fined HK\$5,000. This is the first prosecution case under the new Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance since its enactment on 1 April 2012.

Licensing Fraud Case

On 27 December 2012 at the Kwun Tong Magistrates' Courts, an importer was convicted on his own plea for 13 counts of "Importing prohibited articles not under and in accordance with a licence" and three counts of "Exporting prohibited articles not under and in accordance with a licence". A courier and two forwarders were also each convicted on their own plea for one count of "Exporting prohibited articles not under and in accordance with a licence". Besides, a carrier was convicted on his own plea for one count of "Accepting prohibited articles for export without a licence". They were fined totally HK\$386,000. The offending goods involved 170 210 pieces

of polyester/cotton/nylon/canvas bags valued at HK\$1.3 million.

Sentence

On 6 November 2012 at the District Court, upon prosecution's application coupled with sufficient expert evidence, deterrent sentence was passed on a dangerous drug case involving 17.93 grammes of cocaine and 2 010 tablets containing 24.83 grammes of nimetazepam. Although trafficking in Nimetazepam has hitherto been treated in similar way as diazepam for which the sentencing tariff involving 500 grammes was below 6 months' imprisonment, the court considered that 6 months' imprisonment would be appropriate in this case and made 6 years as the starting point for sentence. After a one-third discount given for guilty plea, the defendant was finally sentenced to 4 years' imprisonment for one count of "Trafficking in a dangerous drug".

Review

On 16 July 2012 at the Tuen Mun Magistrates' Courts, review of sentence was successfully granted for an illicit cigarette case upon the prosecution's application whereby the defendant, a PRC female, was charged with one count of "Dealing with dutiable goods" (1st offence) in respect of 227 200 cigarettes and one count of "Breach of condition of stay" (2nd offence). The original sentence was one month's imprisonment for the 1st offence and two months' imprisonment for the 2nd offence, both sentences to run concurrently. Having considered the prosecution's submission, the court agreed to adopt a new starting point of six months' imprisonment for the 1st offence. After a one-third discount given for guilty plea, sentence for the 1st offence was revised to four months' imprisonment.

Appeals

Dangerous Drug Case

On 7 May 2012, an application for leave to appeal against conviction by the defendant convicted of one count of "Conspiracy to traffic in a dangerous drug" back in 2002 was dismissed by the Court of Final Appeal. In this case, an undercover agent's conversation with the defendant was secretly recorded and adduced as evidence. In 2003, the defendant lodged an appeal to the Court of Appeal on the ground that the recording was made in violation of his constitutional right to privacy and its use at the trial was an error of law which was dismissed. The Court of Final Appeal saw the need to address the issue and introduced a test which stated that "evidence obtained in breach of a defendant's constitutional rights can nevertheless be received if, upon a

careful examination of the circumstances, its reception (i) is conducive to a fair trial, (ii) is reconcilable with the respect due to the right or rights concerned and (iii) appears unlikely to encourage any future breaches of that, those or other rights.”

Applying the test in the present case, the court considered that “the recording was not adverse to the defendant having regard to how his case was run. At the time when the recording was made, there was no sufficient legal framework in place for the interception of communications and surveillance. Since then the Interception of Communications and Surveillance Ordinance, Cap 589 has supplied the necessary framework, and a recording such as this one can certainly be authorized under that Ordinance. Even if the recording had been adverse to the defendant and even on the assumption that there existed a sufficient expectation of privacy in the circumstances, the discretion could nevertheless have been properly exercised to receive it in evidence.” The appeal against conviction was thus dismissed by the Court of Final Appeal.

Forfeiture Proceedings

Apart from prosecuting criminals, the Department would also pursue forfeiture of articles, vehicles or vessels used in connection with the offences, where appropriate. Upon the application by the Department, the Court would exercise its judicial discretion to decide if the seized items are liable to forfeiture and whether they should or should not be forfeited having regard to all circumstances of the case. The forfeiture proceedings play a significant function in furthering the objects of the statutes concerned. In 2012, 145 forfeiture cases were handled by the Department as compared to 202 in 2011. Goods worth HK\$44.5 million were forfeited by the courts, as compared to HK\$44.4 million in 2011. Among various types of seizures, 18 vessels, 19 vehicles and other popular smuggling items such as electrical and electronic goods, machinery and equipment, and foodstuff and drinks were forfeited.

Prosecution in Figures

Please refer to Appendix 14, 15 and 16.

Cooperation with Department of Justice

To further enhance the communication and foster a closer cooperation with the Department of Justice, officers of the Service Prosecution Group of the Office of Prosecution and Management Support attended the Departmental Prosecutors’ Meeting chaired by the Director of Public Prosecutions and paid courtesy calls to judges and liaison visits to the Prosecutors’ Office in the Magistrates’ Courts.

Briefings and site visits were also arranged to inform the Magistrates of various Magistrates' Courts of the related law provisions and the Customs clearance procedures under the Road Cargo System at the land boundary control points. Besides, familiarization visit to the Customs Headquarters Building was also arranged for Government Counsels. During the visit, officers of the Service Prosecution Group and other formations introduced the operations and challenges faced by Customs.

Chronicle

2012

January 2012

- Seized 2.5 kilograms of ketamine with a retail value of HK\$ 0.3 million and arrested 1 person in Fanling.
- Seized 2.6 kilograms of ketamine on board a taxi in Causeway Bay and 1 kilogram of ketamine from 2 fishing vessels berthed at Aberdeen with a total retail value of HK\$ 0.4 million and arrested 4 persons.
- Smashed a large-scale transnational cyber locker syndicate in cooperation with the U.S. authorities. Seized a large number of digital evidence and restrained over HK\$330 million worth of crime proceeds.



Entrance to the syndicate's office in a hotel room.

- Seized 1.37 kilograms of heroin with a retail value of HK\$1.1 million from 2 incoming passengers at the Airport. They smuggled the drugs by way of internal concealment.



Heroin in pellet form were swallowed by the offender.

February 2012

- Seized 1.8 kilograms of methamphetamine with a retail value of HK\$ 1.7 million from the baggage of 2 passengers departing for Japan at the Airport.
- Seized 1.9 kilograms of methamphetamine with a retail value of HK\$ 1.7 million from the baggage of a passenger arriving from South Africa in transit to Thailand at the Airport.

- Seized 2 734 cartons of counterfeit shoes bearing forged trademark and 46 cartons of counterfeit mobile phones and accessories from a warehouse in Kwai Chung. Follow-up investigation resulted in additional seizure of 4 328 cartons of counterfeit shoes from seven 40-foot containers in a container yard at Tsing Yi. Total seizures included 84 832 pairs of counterfeit shoes, 2 064 counterfeit mobile phones and 19 975 pieces of counterfeit mobile phone accessories valued at HK\$19 million. 3 persons were arrested.



Seizure of counterfeit shoes, mobile phones and mobile phone accessories.

- Seized 502 nos. of \$500 and 500 nos. of \$1,000 counterfeit "Reserve Bank of India" banknotes (total \$751,000 Rupee, which is equivalent to HK\$117,681.7) from a transshipment cargo consignment from Pakistan at the Airport.

Counterfeit "Reserve Bank of India" banknotes.



- With the implementation of first stage of reduction of the Frontier Closed Area, the Customs Check Post at Shek Chung Au, Sha Tau Kok was relocated to the entrance of the Sha Tau Kok Town.

March 2012

- Set up the Office of Supply Chain Security Management (OSCS) to undertake the implementation of the Hong Kong Authorized Economic Operator (AEO) Programme.
- Launched the Central Information Repository System – Data Warehouse (CIRS-DW) on 31 March 2012. It consolidates operational data of major application systems of the Department to facilitate the formulation of enforcement strategy and operational planning.
- Seized 2.4 kilograms of methamphetamine with a retail value of HK\$ 2 million from the baggage of 2 passengers departing for Japan at the Airport.
- Seized 11.15 kilograms of heroin and 3.16 kilograms of cocaine with a retail value of HK\$11.8 million from 11 air passengers at the Airport by way of internal concealment. 3 out of the offenders also concealed the drugs in sanitary napkin, inside baggage and body packing respectively.



Pellets of heroin were found concealed inside the sanitary napkin.



Pellets of cocaine wrapped around body trunk by a piece of bandage.

April 2012

- Launched the Hong Kong AEO Programme officially.

Launched the Hong Kong AEO Programme officially on 2 April 2012.



- Seized 3.6 kilograms of cocaine with a retail value of HK\$ 5.2 million from the baggage of a passenger arriving from Colombia at the Airport.

3.6 kilograms of cocaine soaked in cotton interlinings of the travel bag of an air passenger.



- Seized 4.8 kilograms of heroin with a retail value of HK\$ 4.3 million from the baggage of a passenger arriving from Pakistan at the Airport.
- Seized 2.5 kilograms of ketamine and 2.6 kilograms of cannabis buds with a total retail value of HK\$ 0.7 million and arrested 2 persons in Yuen Long.
- Seized 2 408 bottles of misrepresented fish oil soft gels (overstatement on DHA and/or EPA contents) valued at HK\$0.78 million from 1 importer, 9 wholesalers and 13 retailers.



2 408 bottles of misrepresented DHA and EPA content fish oil soft gels in six brands were seized.

- Seized 3.1 million sticks of illicit cigarettes with a retail value of HK\$ 7.8 million from a cross-boundary lorry at the Western Wholesale Food Market. The seizures were camouflaged with fresh fruits.



3.1 million sticks of illicit cigarettes camouflaged with fresh fruits.

- Seized 136.8 grams of heroin, 70.8 grams of methamphetamine and 6.1 grams of cocaine with a retail value of HK\$170,000 and arrested an incoming local passenger at Lo Wu Control Point.

Seizures of 136.8 grams of heroin, 70.8 grams of methamphetamine and 6.1 grams of cocaine.



- Seized 15 414 nos. of counterfeit watch, handbag and ornament in an outbound air cargo. The total seizure value was HK\$4.08 million.



Seizures of counterfeit watch, handbag and ornament.

May 2012

- Seized 7.6 kilograms of ketamine with a retail value of HK\$ 0.9 million and arrested 2 persons in Yuen Long.
- Seized 402 kilograms of ketamine with a retail value of HK\$ 47.8 million from a Malaysia-bound transshipment container consigned from Guangzhou at Kwai Chung Container Terminal.
- Seized 2.2 million sticks of illicit cigarettes with a retail value of HK\$5.5 million from a factory store. The seizures were found concealed in the hollow space of a stack of carton papers.

2.2 million sticks of illicit cigarettes concealed in the hollow space of a stack of carton papers.



- Seized 27 819 pieces of counterfeit sport wears valued at HK\$3.48 million from postal packets as well as an office and a warehouse in Kwun Tong operated by a syndicate sending counterfeit sport wears to overseas customers via postal channel. 4 persons were arrested.



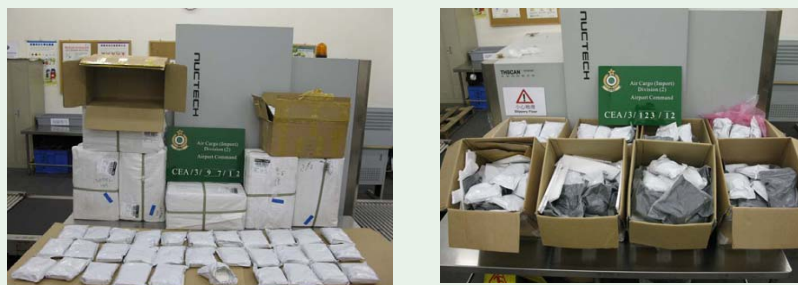
Seizures of counterfeit sport wears at an office and a warehouse in Kwun Tong.

- Seized 1 kilogram of ketamine with a retail value of HK\$108,000 and arrested an incoming local passenger at Lo Wu Control Point.

Seizure of 1 kilogram of ketamine.



- Seized 333.6 kilograms of pseudoephedrine from two import cargo consignments from Singapore at the Airport fetching a retail value of HK\$10.2 million if being converted into methamphetamine.



Seizure of 333.6 kilograms of pseudoephedrine.

- Seized 7 800 sheets of banknote of RMB100 concealed inside gear wheels with a value of HK\$0.96 million from an import cargo consignment from Taiwan at the Airport.



7 800 sheets of banknote of RMB100 concealed inside gear wheels.

- Seized 5.5 kilograms of heroin hidden in 275 pieces of video camera batteries with a retail value of HK\$4.27 million found inside the checked-in suitcase of an incoming passenger at the Airport.



Heroin concealed inside video camera battery.

- Seized 4.6 kilograms of cocaine with a value of HK\$5.17 million soaked in cotton wrapped by tinfoil and sponge concealed inside false compartment of a travel bag from an incoming passenger at the Airport.



Cocaine concealed inside the false compartment of a travel bag.

June 2012

- Seized 4 kilograms of ketamine with a retail value of HK\$ 0.5 million and arrested 1 person at Lok Ma Chau Control Point.

- Seized 10 bottles of fake human serum albumin for intravenous injection with a retail value of HK\$5,000 from a dispensary in Sham Shui Po and arrested a proprietor and a salesman.



10 bottles of suspected fake human serum albumin.

- Seized 7 packs of pork chest, neck vertebrae or limb bones misrepresented as pork tail bones valued at HK\$140 from a chain supermarket.



7 packs of misrepresented pork tail bones were seized from a chain supermarket.

- Mounted a parallel operation with the Macao Customs and neutralized a syndicate distributing infringing music files over an on-line discussion forum. Seven servers of the discussion forum were seized in Hong Kong while 5 sets of computers were seized and 4 persons were arrested in Macao.
- Seized 122 grams of heroin with a retail value of HK\$91,988 and arrested an incoming local passenger at Lo Wu Control Point.



Seizure of 122 grams of heroin.

- Seized 7.89 kilograms of cocaine with a retail value of HK\$9.18 million from a series of anti-narcotic operation at the Airport between 4.6.2012 and 21.6.2012. Drugs were concealed inside rucksacks with the same brand name, 7 air passengers were arrested.

Cocaine concealed inside the false compartment of a rucksack.



July 2012

- Seized 541 kilograms of cocaine with a retail value of HK\$ 759 million from a container from Ecuador at Kwai Chung Container Terminal and arrested 3 persons.
- Seized 2.7 kilograms of heroin with a retail value of HK\$ 2.1 million from 2 passengers departing for Australia at the Airport.
- Seized 116.4 grams of cocaine with a retail value of HK\$136,071 and arrested an incoming local passenger at Lo Wu Control Point.



116.4 grams of cocaine seized from an incoming local passenger at Lo Wu Control Point.

- Seized 1.69 kilograms of heroin and 1.86 kilograms of cocaine with a retail value of HK\$4.15 million from 2 air passengers employing false compartment of story books, handbags, specially designed underpants and shoes at the Airport.



Heroin concealed inside the false compartment of handbags and story books.



Cocaine concealed inside the specially designed underpants.

- A notorious gang selling counterfeit goods in Temple Street was smashed with arrests of its two masterminds and 6 other members. From the several retail and storage locations 566 pieces of counterfeit goods were seized. Financial investigation of the gang resulted in the restraint of \$4.2 million worth of assets. The Organized and Serious Crimes Ordinance (OSCO) was invoked for prosecutions against the gang members and forfeiture of the assets. Trial of the case would be heard in the District Court.

August 2012

- Seized 2 kilograms of ketamine with a retail value of HK\$ 0.2 million and arrested 1 person in Fanling.
- Seized 442 bottles of beauty and skincare products valued at HK\$58,000 from an online seller, and arrested the seller for supplying Mainland origin products falsely represented as “Made in Switzerland”.



442 bottles of misrepresented beauty and skincare products were seized from an online seller.

- Seized 1.2 million sticks of illicit cigarettes with a retail value of HK\$3.0 million from a cross-boundary container truck. The seizures were found concealed in a false compartment onboard the vehicle.
- Seized 2.2 kilograms of methamphetamine with a retail value of HK\$1.6 million from three outbound postal parcels at the Airport.



Methamphetamine was camouflaged as bath salt.

- Seized 13.62 kilograms of rhinoceros horn with a retail value of HK\$2.45 million from a transshipment cargo consignment from Mozambique, Africa at the Airport.



13.62 kilograms of rhinoceros horn with a value of HK\$2.45 million.

- Seized 2.37 kilograms of cocaine and 2.22 kilograms of heroin with a retail value of HK\$4 million from 4 air passengers at the Airport by way of internal concealment. 3 of the offenders also concealed the drugs in socks, underwear and inside baggage respectively.



Sacs of cocaine in liquid form were swallowed by the offender.



Pellets of cocaine were found inside the socks which the offender was wearing.

September 2012

- Seized 1.9 kilograms of ketamine with a retail value of HK\$ 0.2 million and arrested 2 persons in Sheung Shui.
- Seized 6 kilograms of heroin with a retail value of HK\$ 4.4 million from an express air cargo consignment from South Africa at the Airport.
- Seized a 3.1-kilogram tiger sculpture composed of cocaine and wax with a retail value of HK\$ 3.2 million from the baggage of a passenger arriving from Malaysia at the Airport.

Tiger sculpture composed of cocaine and wax found from the baggage of an air passenger.



- Seized 60 kilograms of khat leave, 3.5 kilograms of methamphetamine and 2.54 kilograms of cocaine with a retail value of HK\$5.14 million from 5 air passengers employing suitcase, false compartment, body packing and internal concealment methods at the Airport. It was the first detection of khat carried by air passenger.



20 kg of khat leave was seized from an incoming passenger.



Cocaine was found concealed inside the brassiere which the offender was wearing.

- Seized 6.3 kilograms of cocaine and 2.32 kilograms of heroin from 3 air passengers at the Airport with a retail value of HK\$8.38 million concealed inside the false compartment of the suitcases and 37 nos. of mobile phone chargers.



Cocaine was found concealed inside the false compartment of a suitcase.



Heroin was found concealed inside the mobile phone charger.

October 2012

- Signed a Co-operative Arrangement regarding Co-operation and Mutual Administrative Assistance in Customs Matters with the Customs General Administration of Mongolia.
- Seized 6 kilograms of cocaine with a retail value of HK\$ 6.4 million from the baggage of a passenger arriving from Brazil in transit to the Mainland at the Airport.
- Seized 214 tael of fake spirulina (螺旋藻) valued at HK\$4,280 from a retail booth.



214 tael of fake spirulina were seized from a booth.

November 2012

- Seized 3.3 kilograms of liquid cocaine with a retail value of HK\$ 3.9 million from the baggage of a passenger arriving from Argentina at the Airport.

- Seized 1.2 million sticks of illicit cigarettes with a retail value of HK\$3.1 million from a cross-boundary container truck. The seizures were found concealed in a false compartment onboard the vehicle.
- Seized 37 kilograms of methydone with a retail value of HK\$21 million from 22 outbound air postal parcels at the Airport.



Methydone in one of the postal consignments.

- Seized 6.62 kilograms of heroin and 3.66 kilograms of liquid cocaine with a retail value of HK\$8.63 million from 4 air passengers at the Airport. Drugs were concealed inside the false compartment of the suitcases and inside the bath products.



Heroin was found concealed inside the false compartment of a suitcase.



Liquid cocaine was found concealed in shampoo, conditioner and lotion bottles.

December 2012

- Signed the Action Plan on Mutual Recognition Arrangement (MRA) of AEO programme with Korea Customs Service.
- Seized 4.1 kilograms of ketamine with a retail value of HK\$ 0.5 million and arrested 2 persons in Tseung Kwan O.

- Seized 2.68 kilograms of heroin with a retail value of HK\$2.31 million from 2 incoming air passengers, which were concealed along the hem and embroideries of Indian traditional dresses and inside the false compartments of a handbag.

Heroin was found concealed along the hem and embroideries of Indian traditional dresses.



Appendices



香港海關 CUSTOMS AND EXCISE DEPARTMENT

部門組織 Organization Chart of the Customs and Excise Department

附錄一 Appendix 1

截至二零一二年十二月三十一日止
As at 31 December 2012

海關關長
Commissioner



張雲正
Clement CHEUNG Wan-ching

海關副關長
Deputy Commissioner



歐陽可樂
Luke AU YEUNG Ho-lok

服務質素及管理審核科
Office of
Service Quality and
Management Audit
編制
Establishment = 13

內部核數組
Internal Audit Division
編制
Establishment = 5

海關助理關長(行政及人力資源發展)
Assistant Commissioner
(Administration and Human Resource Development)



郭雁萍
KWOK Ngan-ping
(Ms)

海關助理關長(邊境及港口)
Assistant Commissioner
(Boundary and Ports)



俞官興
YU Koon-hing

海關助理關長(稅務及策略支援)
Assistant Commissioner
(Excise and Strategic Support)



方大維
FONG Tai-wai

海關助理關長(情報及調查)
Assistant Commissioner
(Intelligence and Investigation)



譚耀強
TAM Yiu-keung

貿易管制處處長
Head of Trade Controls



陳志強
CHAN Chi-keung

檢控及管理支援科
Office of Prosecution and
Management Support
編制
Establishment = 57

部隊行政科
Office of
Service Administration
編制
Establishment = 80

訓練及發展科
Office of
Training and Development
編制
Establishment = 94

內務行政科
Office of
Departmental Administration
編制
Establishment = 103

財務管理科
Office of
Financial Administration
編制
Establishment = 87

投訴調查課
Complaints Investigation
Group
編制
Establishment = 6

機場科
Airport Command
編制
Establishment = 876

陸路邊境口岸科
Land Boundary
Command
編制
Establishment = 1213

港口及海域科
Ports and Maritime
Command
編制
Establishment = 756

鐵路及渡輪口岸科
Rail and Ferry
Command
編制
Establishment = 504

海關事務及合作科
Office of Customs Affairs
and Co-operation
編制
Establishment = 29

應課稅品科
Office of Dutiable
Commodities Administration
編制
Establishment = 136

資訊科技科
Office of
Information Technology
編制
Establishment = 82

項目策劃及發展科
Office of Project Planning
and Development
編制
Establishment = 16

供應鏈安全管理科
Office of Supply Chain
Security Management
編制
Establishment = 11

新聞組
Information Unit
編制
Establishment = 1*

海關毒品調查科
Customs Drug
Investigation Bureau
編制
Establishment = 248

版權及商標調查科
Intellectual Property
Investigation Bureau
編制
Establishment = 231

情報科
Intelligence Bureau
編制
Establishment = 100

稅收及一般調查科
Revenue and General
Investigation Bureau
編制
Establishment = 203

特別項目隊
Special Project Team
編制
Establishment = 3

特遣隊
Special Task Force
編制
Establishment = 176

緊密安排及貿易觀察科
CEPA and Trade Inspection
Bureau
編制
Establishment = 79

消費者保障科(一)
Consumer Protection
Bureau (1)
編制
Establishment = 105

消費者保障科(二)
Consumer Protection
Bureau (2)
編制
Establishment = 87

金錢服務監理科
Money Service
Supervision Bureau
編制
Establishment = 31

貿易報關及制度科
Trade Declaration and
Systems Bureau
編制
Establishment = 96

商品說明條例特別籌劃組
Trade Descriptions Ordinance
Special Planning Group
編制
Establishment = 29

貿易調查科
Trade Investigation
Bureau
編制
Establishment = 75

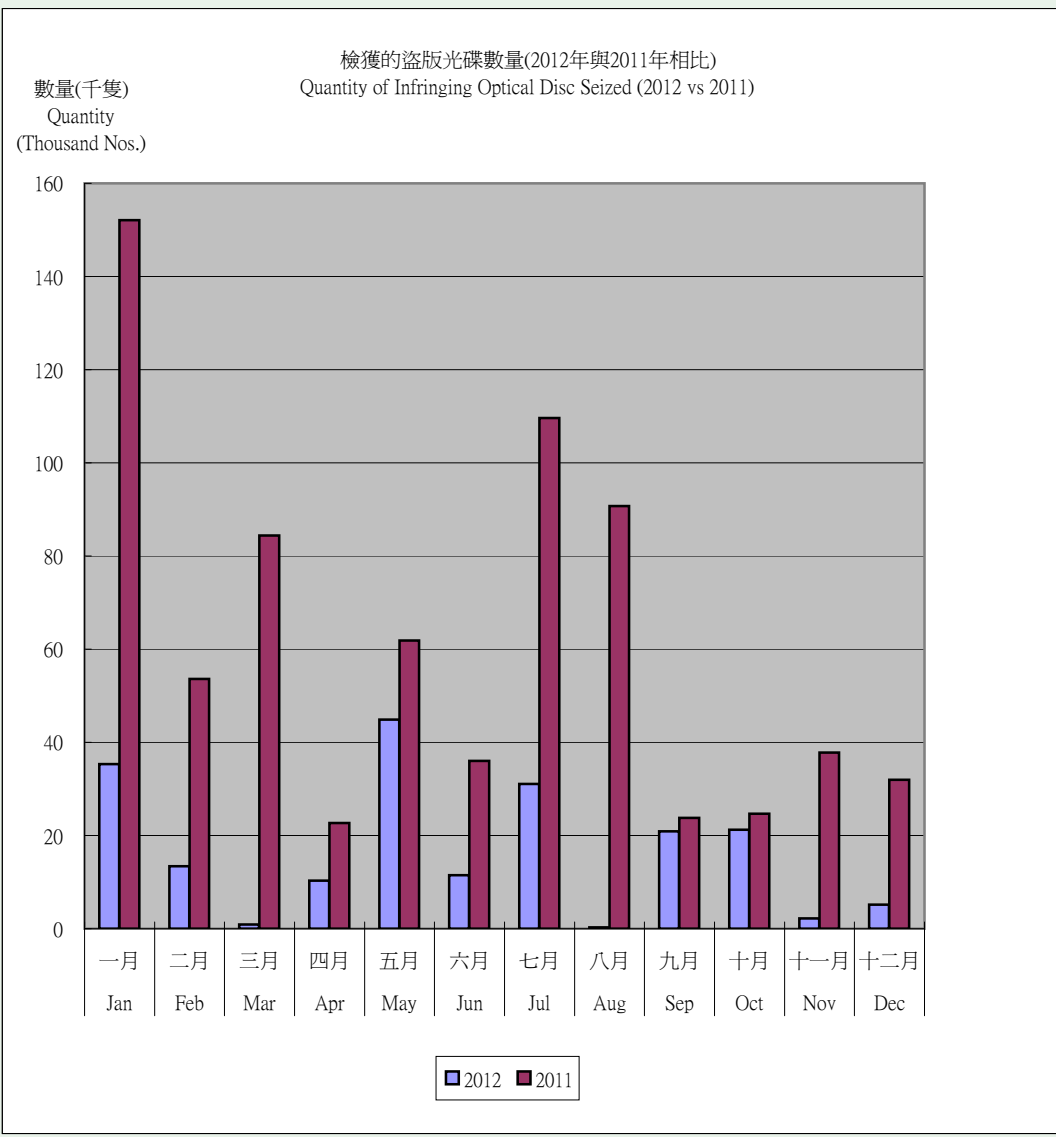
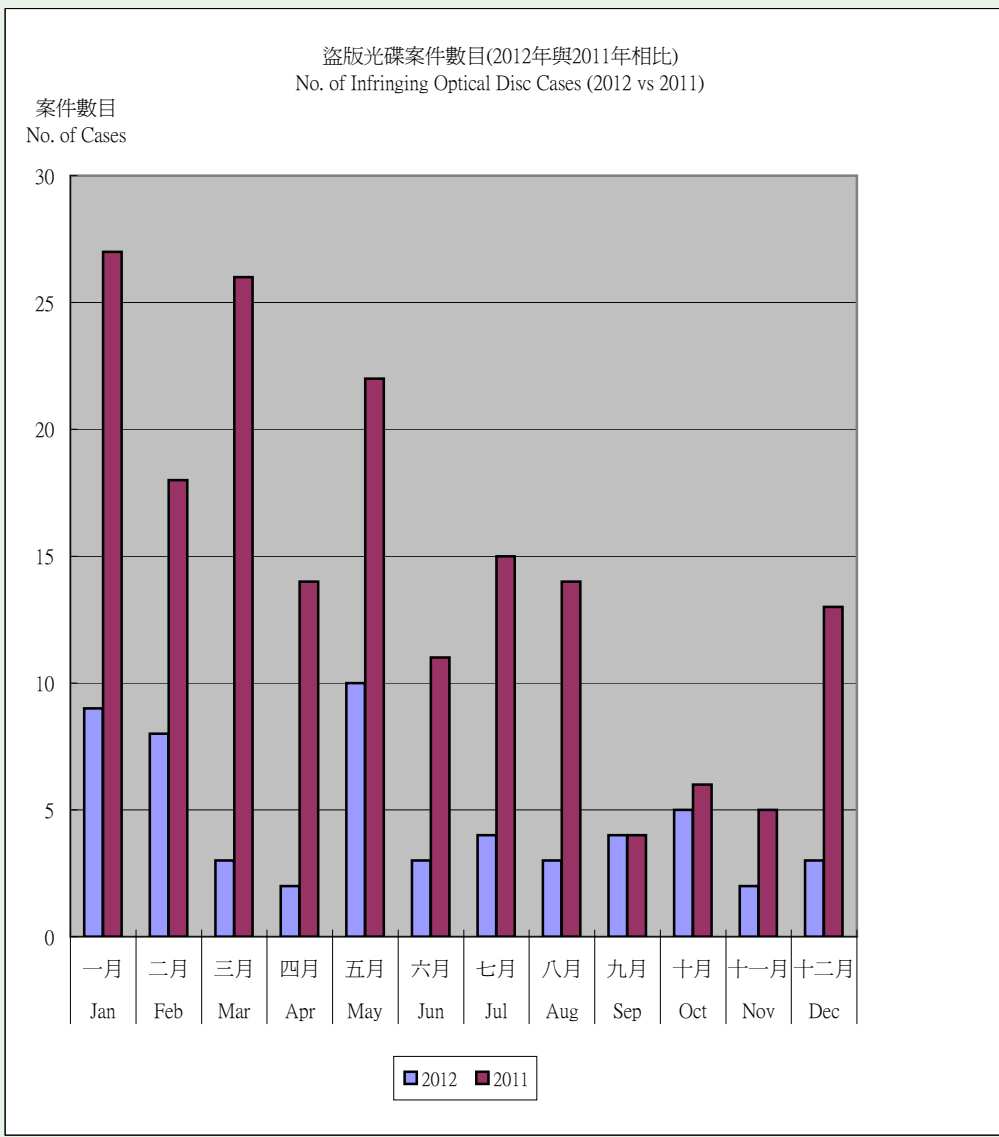
*Excluding 3 posts on loan from
Information Services Department

*4 posts on secondment to Security Bureau and Commerce and Economic Development Bureau

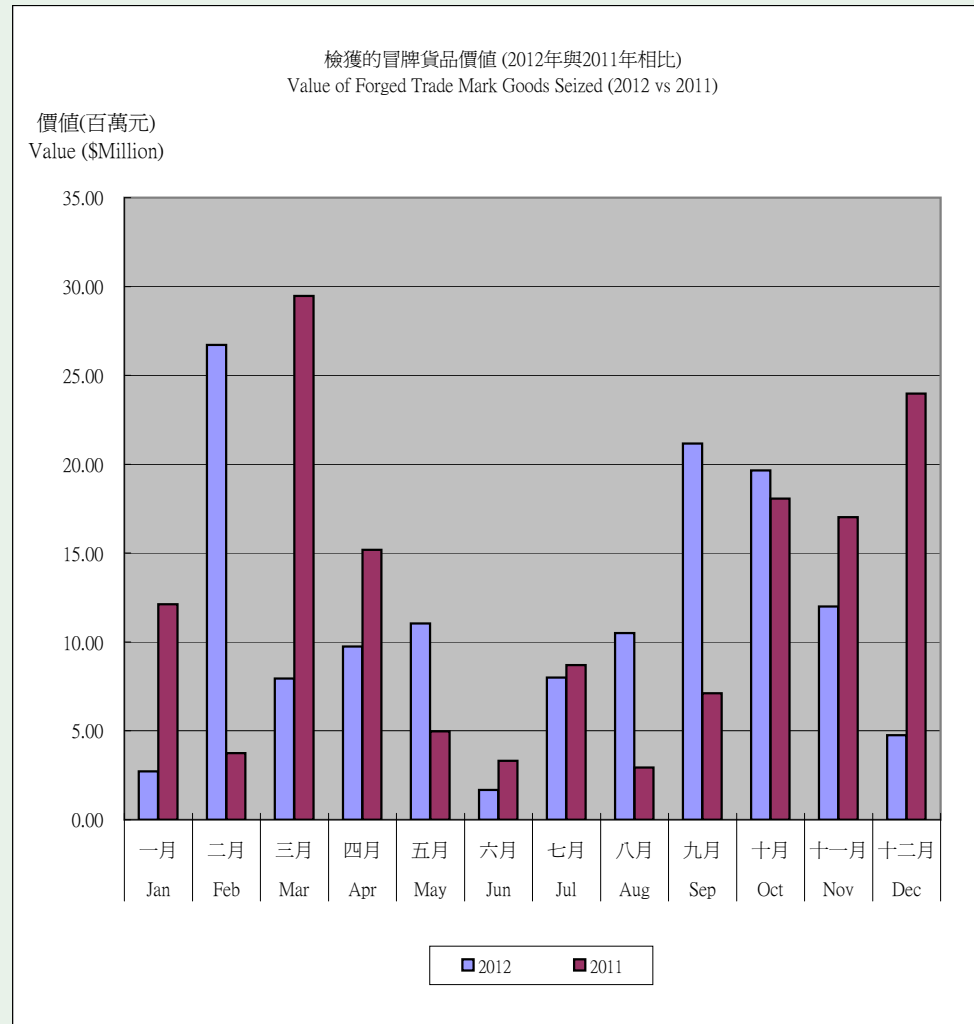
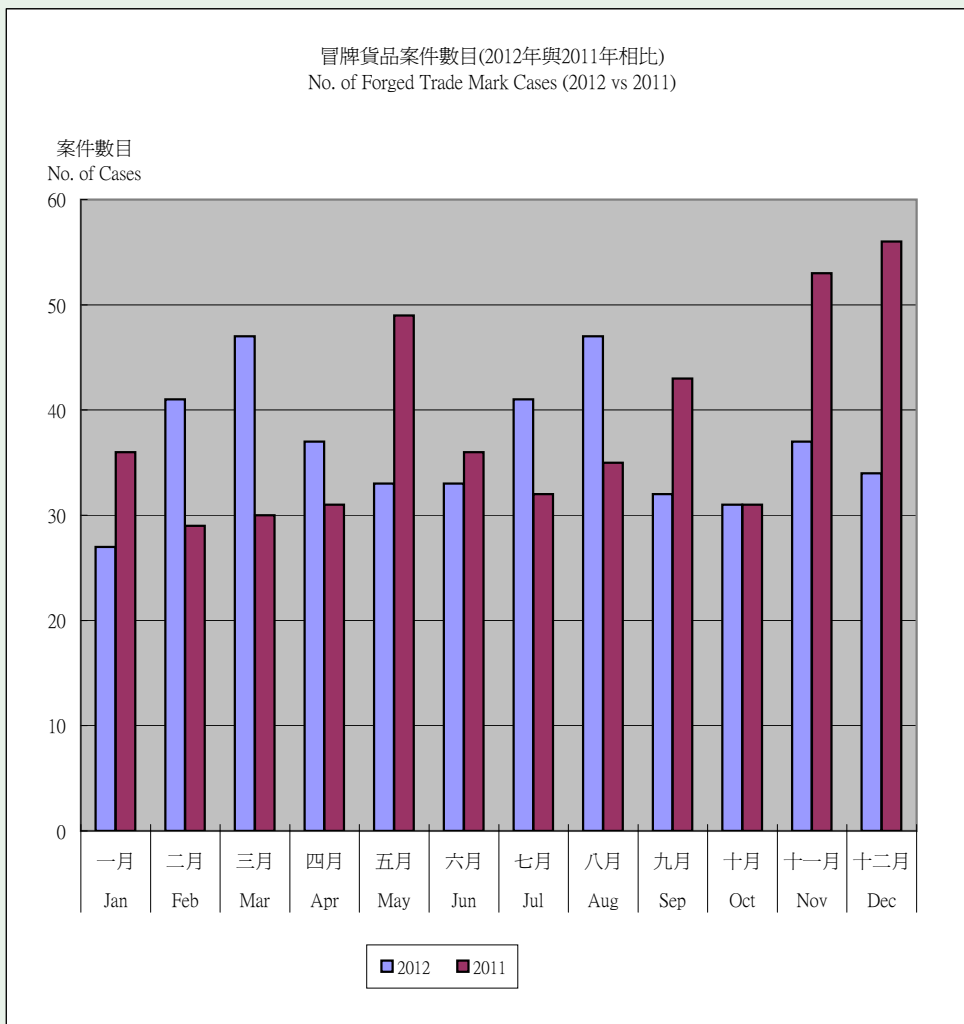
編制及在職人數 Establishment and Strength Position

類別/職系 Category/Grade	2011 (截至2011年12月31日止) (as at 31 December 2011)		2012 (截至2012年12月31日止) (as at 31 December 2012)	
	編制 Establishment (數目No.)	在職人數 Strength (數目No.)	編制 Establishment (數目No.)	在職人數 Strength (數目No.)
首長級職位 Directorate Posts	9	9	9	9
小計 Sub-total	9	9	9	9
部門職系 Departmental Grades				
海關監督/督察職系 Superintendent/Inspector of Customs and Excise Grades	849	824	858	852
關員職系 Customs Officer Grade	3,618	3,498	3,670	3,668
貿易管制主任職系 Trade Controls Officer Grade	463	444	458	453
小計 Sub-total	4,930	4,766	4,986	4,973
一般及共通職系 General and Common Grades				
行政主任/訓練主任職系 Executive Officer/Training Officer Grades	30	29	28	28
庫務會計師/會計主任職系 Treasury Accountant/Accounting Officer Grades	12	13	13	12
法定語文主任/繕校員職系 Official Languages Officer/Calligraphist Grades	19	19	19	19
統計師/統計主任職系 Statistician/Statistical Officer Grades	5	5	5	5
秘書職系 Secretarial Grades	51	50	50	49
文書人員職系 Clerical Grades	270	265	272	262
物料供應人員職系 Supplies Grades	55	57	55	56
其他 Others	202	192	206	188
小計 Sub-total	644	630	648	619
合計 Total	5,583	5,405	5,643	5,601

盜版光碟案件統計數字 Statistics on Infringing Optical Disc Cases

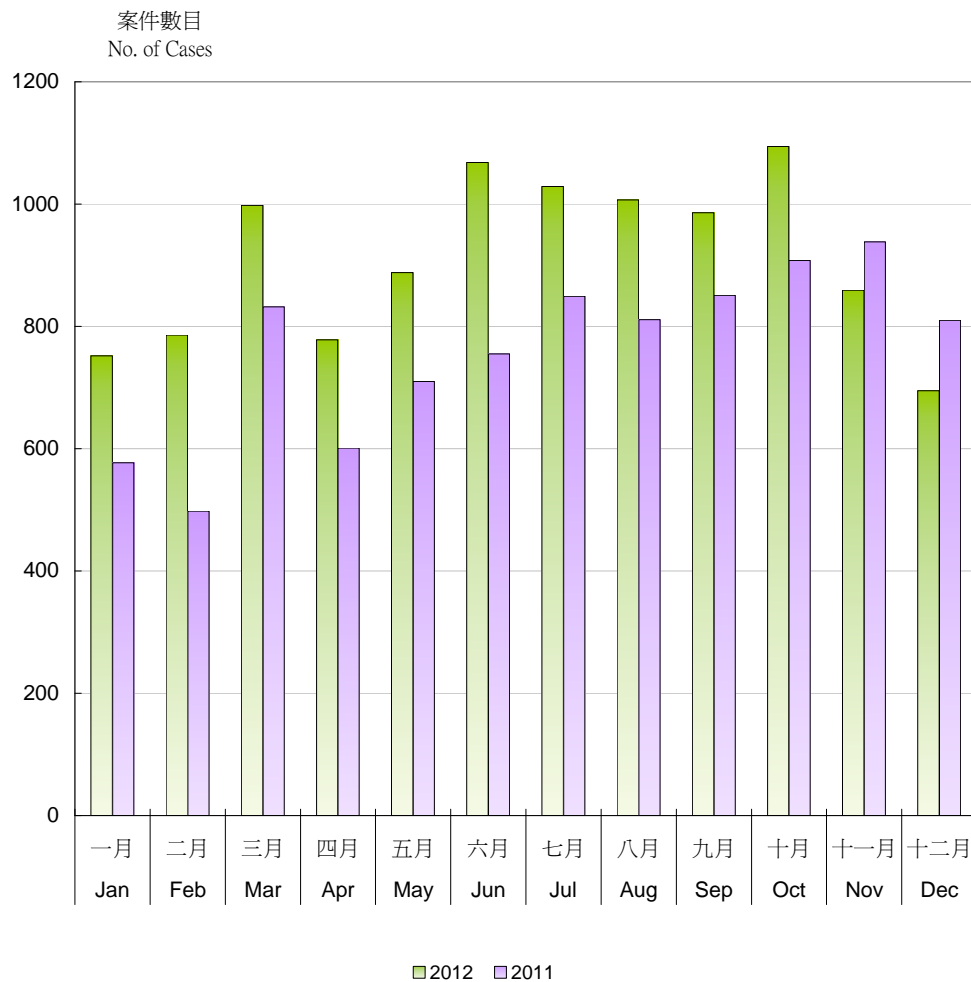


冒牌貨品案件統計數字 Statistics on Forged Trade Mark Cases

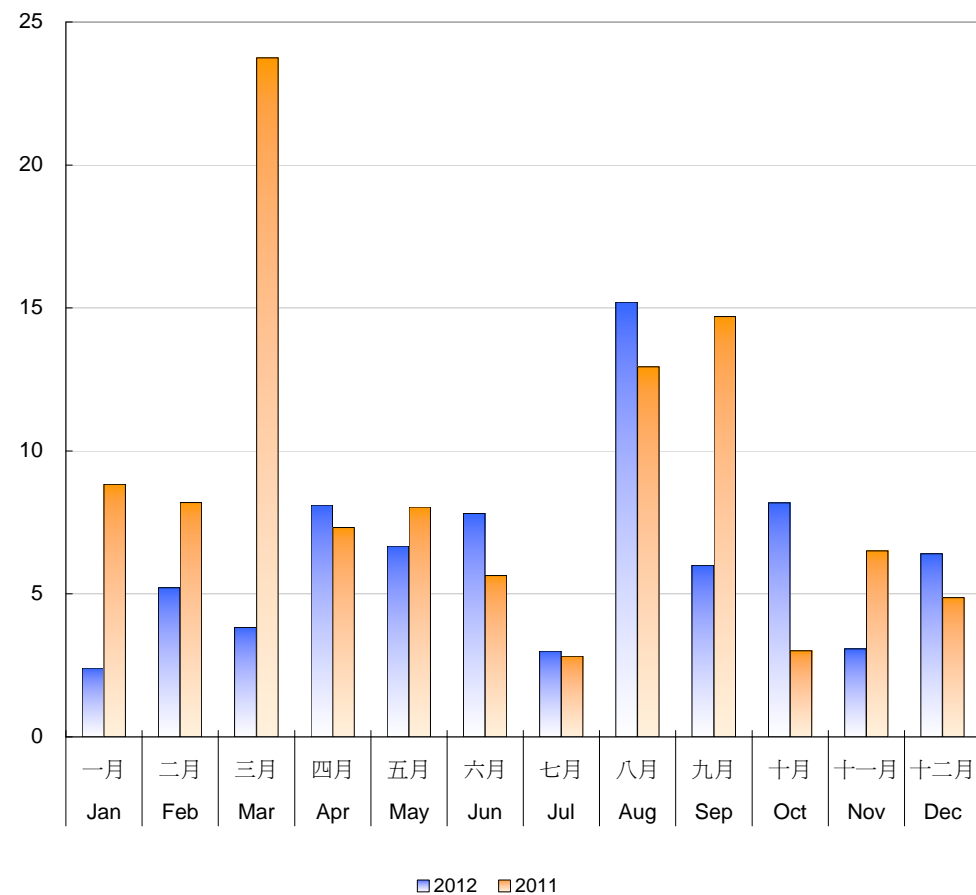


反走私香煙行動的成效 Result of Anti-cigarette Smuggling Operations

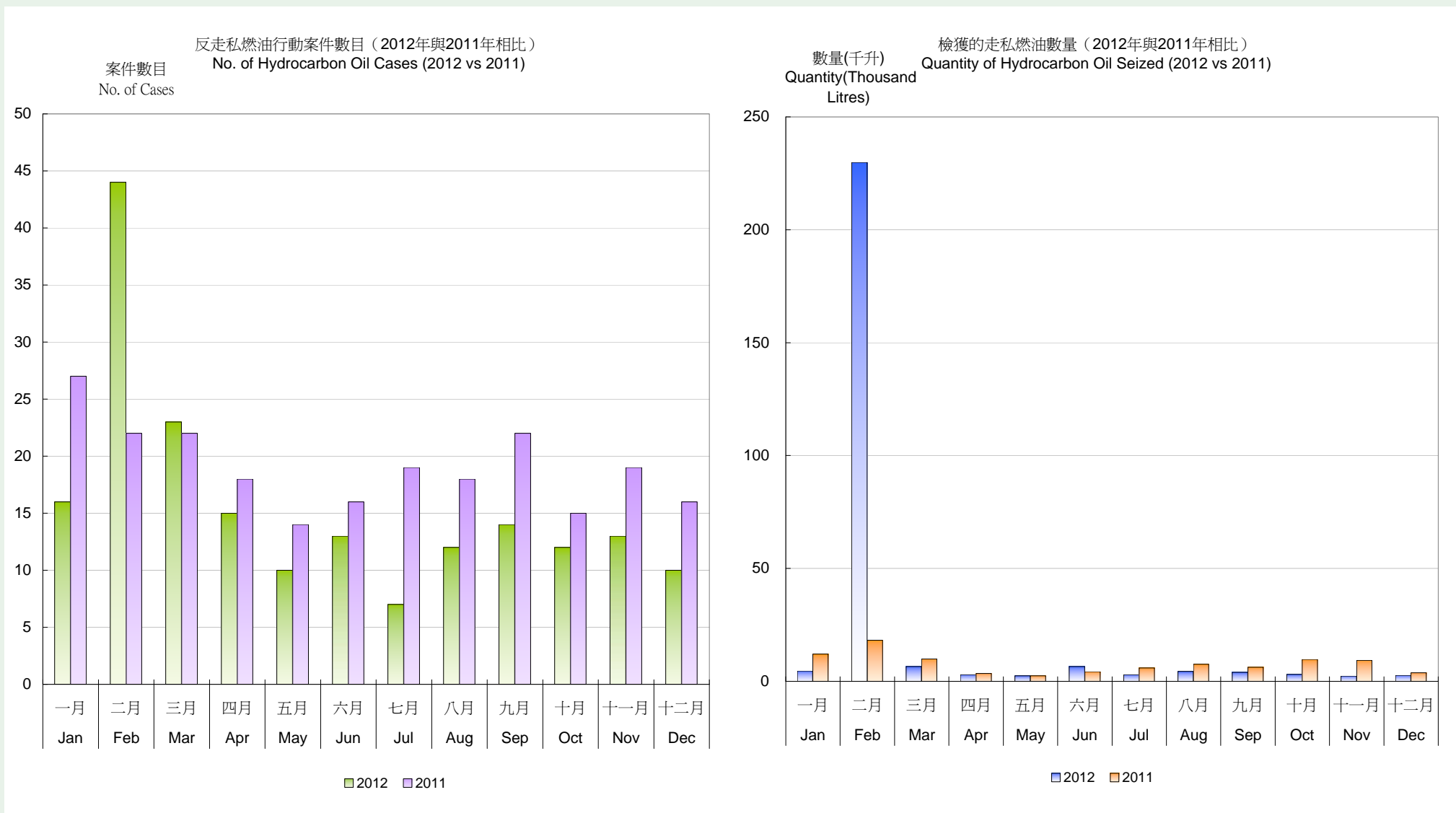
反走私香煙行動案件數目 (2012年與2011年相比)
No. of Cigarette Smuggling Cases (2012 vs 2011)



檢獲的走私香煙數量 (2012年與2011年相比)
Quantity of Smuggled Cigarettes Seized (2012 vs 2011)
數量(百萬支)
Quantity
(Million Sticks)



反走私燃油行動的成效 Result of Hydrocarbon Oil Enforcement Operations



香港海關執行的法例 Legislation under which Customs staff can act

1	《釋義及通則條例》 Interpretation and General Clauses Ordinance	第1章 Cap. 1
2	《進出口條例》 Import and Export Ordinance	第60章 Cap. 60
3	《度量衡條例》 Weights and Measures Ordinance	第68章 Cap. 68
4	《郵政署條例》 Post Office Ordinance	第98章 Cap. 98
5	《電訊條例》 Telecommunications Ordinance	第106章 Cap. 106
6	《應課稅品條例》 Dutiable Commodities Ordinance	第109章 Cap. 109
7	《入境條例》 Immigration Ordinance	第115章 Cap. 115
8	《公共收入保障條例》 Public Revenue Protection Ordinance	第120章 Cap. 120
9	《公眾衛生及市政條例》 Public Health and Municipal Services Ordinance	第132章 Cap. 132
10	《除害劑條例》 Pesticides Ordinance	第133章 Cap. 133
11	《危險藥物條例》 Dangerous Drugs Ordinance	第134章 Cap. 134
12	《抗生素條例》 Antibiotics Ordinance	第137章 Cap. 137
13	《藥劑業及毒藥條例》 Pharmacy and Poisons Ordinance	第138章 Cap. 138
14	《公眾衛生(動物及禽鳥)條例》 Public Health (Animals and Birds) Ordinance	第139章 Cap. 139
15	《化學品管制條例》 Control of Chemicals Ordinance	第145章 Cap. 145
16	《刑事罪行條例》 Crimes Ordinance	第200章 Cap. 200
17	《植物(進口管制及病蟲害控制)條例》 Plant (Importation and Pest Control) Ordinance	第207章 Cap. 207
18	《武器條例》 Weapons Ordinance	第217章 Cap. 217
19	《裁判官條例》 Magistrates Ordinance	第227章 Cap. 227
20	《警隊條例》 Police Force Ordinance	第232章 Cap. 232
21	《火器及彈藥條例》 Firearms and Ammunition Ordinance	第238章 Cap. 238
22	《海魚(統營和輸出)規例》 Marine Fish (Marketing and Exportation) Regulations	第291A章 Cap. 291A
23	《危險品條例》 Dangerous Goods Ordinance	第295章 Cap. 295
24	《儲備商品條例》 Reserved Commodities Ordinance	第296章 Cap. 296
25	《空氣污染管制條例》 Air Pollution Control Ordinance	第311章 Cap. 311
26	《船舶及港口管制條例》 Shipping and Port Control Ordinance	第313章 Cap. 313
27	《工業訓練(製衣業)條例》 Industrial Training (Clothing Industry) Ordinance	第318章 Cap. 318
28	《非政府簽發產地來源證保障條例》 Protection of Non-Government Certificates of Origin Ordinance	第324章 Cap. 324
29	《汽車(首次登記稅)條例》 Motor Vehicles (First Registration Tax) Ordinance	第330章 Cap. 330
30	《香港海關條例》 Customs and Excise Service Ordinance	第342章 Cap. 342
31	《廢物處置條例》 Waste Disposal Ordinance	第354章 Cap. 354
32	《商品說明條例》 Trade Descriptions Ordinance	第362章 Cap. 362
33	《吸煙(公眾衛生)條例》 Smoking (Public Health) Ordinance	第371章 Cap. 371
34	《淫褻及不雅物品管制條例》 Control of Obscene and Indecent Articles Ordinance	第390章 Cap. 390
35	《保護臭氧層條例》 Ozone Layer Protection Ordinance	第403章 Cap. 403
36	《販毒(追討得益)條例》 Drug Trafficking (Recovery of Proceeds) Ordinance	第405章 Cap. 405
37	《狂犬病條例》 Rabies Ordinance	第421章 Cap. 421
38	《玩具及兒童產品安全條例》 Toys and Children's Products Safety Ordinance	第424章 Cap. 424
39	《有組織及嚴重罪行條例》 Organized and Serious Crimes Ordinance	第455章 Cap. 455
40	《消費品安全條例》 Consumer Goods Safety Ordinance	第456章 Cap. 456
41	《逃犯條例》 Fugitive Offenders Ordinance	第503章 Cap. 503
42	《刑事事宜相互法律協助條例》 Mutual Legal Assistance in Criminal Matters Ordinance	第525章 Cap. 525
43	《大規模毀滅武器(提供服務的管制)條例》 Weapons of Mass Destruction (Control of Provision of Services) Ordinance	第526章 Cap. 526
44	《版權條例》 Copyright Ordinance	第528章 Cap. 528
45	《聯合國制裁條例》 United Nations Sanctions Ordinance	第537章 Cap. 537
46	《防止盜用版權條例》 Prevention of Copyright Piracy Ordinance	第544章 Cap. 544
47	《商船(本地船隻)條例》 Merchant Shipping (Local Vessels) Ordinance	第548章 Cap. 548
48	《中醫藥條例》 Chinese Medicine Ordinance	第549章 Cap. 549
49	《廣播條例》 Broadcasting Ordinance	第562章 Cap. 562
50	《聯合國(反恐怖主義措施)條例》 United Nations (Anti-Terrorism Measures) Ordinance	第575章 Cap. 575
51	《化學武器(公約)條例》 Chemical Weapons (Convention) Ordinance	第578章 Cap. 578
52	《防止兒童色情物品條例》 Protection of Child Pornography Ordinance	第579章 Cap. 579
53	《保護瀕危動植物物種條例》 Protection of Endangered Species of Animals and Plants Ordinance	第586章 Cap. 586
54	《截取通訊及監察條例》 Interception of Communications and Surveillance Ordinance	第589章 Cap. 589
55	《食物安全條例》 Food Safety Ordinance	第612章 Cap. 612
56	《打擊洗錢及恐怖分子資金籌集(金融機構)條例》 Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance	第615章 Cap. 615

2011-12年度及2012-13年度實際收入

	實際收入	
	2011-12	2012-13
	HK\$'000	HK\$'000
稅項		
碳氫油類	3,146,665	3,273,439
煙草	4,206,609	5,312,566
含酒精飲品	363,547	383,269
甲醇及其他含酒精產品	7,921	7,236
小計	7,724,742	8,976,510
根據應課稅品條例徵收的各項費用		
牌照費	4,269	4,311
出勤費	391	411
酒精變質費	800	395
儲存費	0	6
小計	5,460	5,123
貿易報關費		
進出口報關費	1,645,379	1,138,203
成衣稅服務費(註)	83	63
罰款	103,240	99,443
小計	1,748,702	1,237,709
雜項	70,074	103,308
合計	9,548,978	10,322,650
註： 代製衣業訓練局徵收的成衣業訓練附加稅	832	558

Actual revenue for 2011-12 and 2012-13

	Actual Revenue	
	2011-12	2012-13
	HK\$'000	HK\$'000
Duties		
Hydrocarbon Oils	3,146,665	3,273,439
Tobacco	4,206,609	5,312,566
Alcoholic Beverages	363,547	383,269
Methyl Alcohol & Other Alcoholic Products	7,921	7,236
Sub-total	7,724,742	8,976,510
Fees charged under Dutiable Commodities Ordinance		
Licence Fees	4,269	4,311
Attendance Fees	391	411
Denaturing Fees	800	395
Storage Fees	0	6
Sub-total	5,460	5,123
Trade Declaration Charges		
Imports and Exports Declaration Charges	1,645,379	1,138,203
Clothing Levy Service Charges (see Note)	83	63
Penalties	103,240	99,443
Sub-total	1,748,702	1,237,709
Miscellaneous	70,074	103,308
Total	9,548,978	10,322,650

Note : Clothing Industry Training Levy collected on behalf of the
Clothing Industry Training Authority

832 558

2011-12年度及2012-13年度實際開支

	實際開支	
	2011-12	2012-13
	HK\$'000	HK\$'000
經營帳目		
個人薪酬		
薪金	1,943,563	2,075,636
津貼	50,194	52,490
工作相關津貼	8,191	8,632
小計	2,001,948	2,136,758
其他支出		
與員工有關連的開支	49,387	57,691
酬金及特別服務	9,884	9,281
一般部門開支	418,443	474,850
土地使用費	3,749	3,821
香港海關福利基金補助金	265	263
檢獲物品的管理	40,993	39,777
小計	522,721	585,683
非經營帳目		
機器、車輛及設備	11,160	23,421
小型機器、車輛及設備	13,941	22,764
小計	25,101	46,185
合計	2,549,770	2,768,626

Actual expenditure for 2011-12 and 2012-13

	Actual Expenditure	
	2011-12	2012-13
	HK\$'000	HK\$'000
Operating Account		
Personal Emoluments		
Salaries	1,943,563	2,075,636
Allowances	50,194	52,490
Job-related allowances	8,191	8,632
Sub-total	2,001,948	2,136,758
Other Expenses		
Personnel related expenses	49,387	57,691
Rewards and special services	9,884	9,281
General departmental expenses	418,443	474,850
Land usage cost	3,749	3,821
Grant to the Customs and Excise Service Welfare Fund	265	263
Seizure management	40,993	39,777
Sub-total	522,721	585,683
Capital Account		
Plant, vehicles and equipment	11,160	23,421
Minor plant, vehicles and equipment	13,941	22,764
Sub-total	25,101	46,185
Total	2,549,770	2,768,626

案件統計 (2011年)³

條例	案件數目	拘捕人數	檢獲物品 估計總值 (千元)
抗生素	1	1	4
消費品安全	34	-	128
化學品管制	6	5	4
淫褻及不雅物品管制	3	3	1,544
版權 / 防止盜用版權	323	436	32,367
刑事罪行	5	4	1
香港海關	26	28	3,109
危險藥物	447	416	202,387
危險品	22	38	762
應課稅品	19 709	9 525	216,649
火器及彈藥	19	11	2,284
入境	186	224	26,744
進出口	412	259	518,087
商船(本地船隻)	23	45	20
有組織及嚴重罪行	2	1	1
保護臭氧層	1	1	340
除害劑	1	-	1,567
藥劑業及毒藥	39	40	6,708
植物(進口管制及病蟲害控制)	8	4	19
防止虐畜	1	1	5
保護瀕危動植物物種	151	127	45,466
公眾衛生及市政	1 179	1 030	389
公眾衛生(動物及禽鳥)	5	5	7
狂犬病	15	13	14
儲備商品	6	1	418
電訊	1	-	71
玩具及兒童產品安全	78	-	21
商品說明	647	543	197,085
廢物處置	48	-	5,902
武器	71	16	256
度量衡	161	-	204
其他	85	228	313
所有條例*	23 277	12 541	1,057,299

* 實際案件數目。一宗案件可能牽涉多於一條法例。因此，法例總和與實際案件數目可能有差異。

Case Statistics (2011)

Ordinance	Number of Cases	Number of Arrests	Estimated Value of Seized Items (HK\$'000)
Antibiotics	1	1	4
Consumer Goods Safety	34	-	128
Control of Chemicals	6	5	4
Control of Obscene & Indecent Articles	3	3	1,544
Copyright / Prevention of Copyright Piracy	323	436	32,367
Crimes	5	4	1
Customs & Excise Service	26	28	3,109
Dangerous Drugs	447	416	202,387
Dangerous Goods	22	38	762
Dutiable Commodities	19 709	9 525	216,649
Firearms & Ammunition	19	11	2,284
Immigration	186	224	26,744
Import & Export	412	259	518,087
Merchant Shipping (Local Vessels)	23	45	20
Organized & Serious Crimes	2	1	1
Ozone Layer Protection	1	1	340
Pesticides	1	-	1,567
Pharmacy & Poisons	39	40	6,708
Plant (Importation & Pest Control)	8	4	19
Prevention of Cruelty to Animals	1	1	5
Protection of ES of Animals & Plants	151	127	45,466
Public Health & Municipal Services	1 179	1 030	389
Public Health (Animals & Birds)	5	5	7
Rabies	15	13	14
Reserved Commodities	6	1	418
Telecommunication	1	-	71
Toys & Children's Products Safety	78	-	21
Trade Descriptions	647	543	197,085
Waste Disposal	48	-	5,902
Weapons	71	16	256
Weights & Measures	161	-	204
Other Ordinances	85	228	313
All Ordinances*	23 277	12 541	1,057,299

* Actual total. A case may involve more than one ordinance. Hence, the total of all ordinances cannot add up to the actual total.

案件統計 (2012年)

條例	案件數目	拘捕人數	檢獲物品 估計總值 (千元)
消費品安全	10	-	9
化學品管制	11	-	102
淫褻及不雅物品管制	2	4	383
版權 / 防止盜用版權	116	166	6,934
刑事罪行	7	5	416
香港海關	30	35	2,310
危險藥物	473	430	1,024,828
危險品	14	15	3,456
應課稅品	21 947	11 425	177,458
火器及彈藥	20	14	191
入境	136	166	13,472
進出口	382	233	383,049
商船(本地船隻)	15	29	4,365
刑事事宜相互法律協助	1	-	287
有組織及嚴重罪行	2	2	27,697
保護臭氧層	3	1	1,092
藥劑業及毒藥	28	21	2,032
植物(進口管制及病蟲害控制)	5	5	7
保護瀕危動植物物種	166	126	52,823
公眾衛生及市政	576	555	10,340
公眾衛生(動物及禽鳥)	7	4	6
狂犬病	11	11	5
儲備商品	5	1	390
船舶及港口管制	17	18	24
電訊	5	2	832
玩具及兒童產品安全	114	-	28
商品說明	533	506	158,226
廢物處置	17	-	1,868
武器	22	11	311
度量衡	124	1	112
其他	91	69	12
所有條例 *	24 593	13 559	1,740,457

* 實際案件數目。一宗案件可能牽涉多於一條法例。因此，法例總和與實際案件數目可能有差異。

Case Statistics (2012)

Ordinance	Number of Cases	Number of Arrests	Estimated Value of Seized Items (HK\$'000)
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Copyright / Prevention of Copyright Piracy	116	166	6,934
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Dangerous Drugs	473	430	1,024,828
Dangerous Goods	14	15	3,456
Dutiable Commodities	21 947	11 425	177,458
Firearms & Ammunition	20	14	191
Immigration	136	166	13,472
Import & Export	382	233	383,049
Merchant Shipping (Local Vessels)	15	29	4,365
Mutual Legal Assistance in CM	1	-	287
Organized & Serious Crimes	2	2	27,697
Ozone Layer Protection	3	1	1,092
Pharmacy & Poisons	28	21	2,032
Plant (Importation & Pest Control)	5	5	7
Protection of ES of Animals & Plants	166	126	52,823
Public Health & Municipal Services	576	555	10,340
Public Health (Animals & Birds)	7	4	6
Rabies	11	11	5
Reserved Commodities	5	1	390
Shipping and Port Control	17	18	24
Telecommunication	5	2	832
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Weights & Measures	124	1	112
Other Ordinances	91	69	12
All Ordinances *	24 593	13 559	1,740,457

* Actual total. A case may involve more than one ordinance. Hence, the total of all ordinances cannot add up to the actual total.

主要檢獲物品

條例	2011		2012	
	數量	檢獲物品 估計總值(千元)	數量	檢獲物品 估計總值(千元)
主要檢獲物品				
危險藥物				
海洛英 (公斤)	140.8	115,080	69.0	60,202
鴉片 (公斤)	9.4	321	1.0	294
大麻 (公斤)	35.2	4,498	17.4	1,916
氯胺酮 (公斤)	75.7	9,039	496.2	59,042
可卡因 (公斤)	30.1	38,051	602.6	840,571
甲基安非他明 (冰) (公斤)	31.2	23,476	35.9	28,411
搖頭丸 (片)	2	-	63	3
其他精神科藥物 (片)	75 166	4,254	7 127	2,850
應課稅品⁽¹⁾				
香煙 (千枝)	108 895	262,092	77 757	191,751
其他煙草 (公斤)	11 035	31,156	8 987	27,412
碳氫油類 (千公升)	93	1,162	273	2,241
酒類 (千公升)	14	6,022	9	4,693
進出口				
電視機 (台)	1 163	890	88	29
汽車 (輛) ⁽²⁾	36	3,432	49	6,222
船隻 / 快艇 (艘)	51	1,553	28	1,791
版權				
光碟 (千隻)	729	16,328	197	4,704
書刊及印刷品 (件)	132	17	58	6
冒牌貨品				
成衣及配件 (千件)	260	14,446	518	28,599
皮革製品 (千件)	106	17,018	89	14,530
手錶及零件 (千件)	80	24,318	56	13,268
鞋類 (千對)	55	7,039	280	33,755
藥物 (千件)	198	3,445	13	1,670
電子、電器及電腦產品 (千件)	1 153	48,652	1 121	29,831
其他				
象牙及有關產品 (公斤)	3 217	22,116	5 545	39,139
炮竹 (公斤)	-	-	1	-
色情光碟/錄影帶 (千件)	1	13	6	117
槍械及零件 (件)	-	-	5	1

(1) 包括所有條例

(2) 不包括已拆散/壓縮的汽車及單車。

Major Seized Items

Ordinance Major Seized Item	2011		2012	
	Quantity	Estimated value of seized items (HK\$'000)	Quantity	Estimated value of seized items (HK\$'000)
Dangerous Drugs				
Heroin (kg)	140.8	115,080	69.0	60,202
Opium (kg)	9.4	321	1.0	294
Cannabis (kg)	35.2	4,498	17.4	1,916
Ketamine (kg)	75.7	9,039	496.2	59,042
Cocaine (kg)	30.1	38,051	602.6	840,571
Methamphetamine (kg)	31.2	23,476	35.9	28,411
MDMA (tablet)	2	-	63	3
Other psychotropic drugs (tablet)	75 166	4,254	7 127	2,850
Dutiable Commodities⁽¹⁾				
Cigarette (mille)	108 895	262,092	77 757	191,751
Other tobacco (kg)	11 035	31,156	8 987	27,412
Hydrocarbon oil ('000 litre)	93	1,162	273	2,241
Liquor ('000 litre)	14	6,022	9	4,693
Import & Export				
Television set (no.)	1 163	890	88	29
Motor vehicle (no.) ⁽²⁾	36	3,432	49	6,222
Vessel / speedboat (no.)	51	1,553	28	1,791
Copyright				
Optical disc ('000 no.)	729	16,328	197	4,704
Book and printing material (no.)	132	17	58	6
Counterfeit Goods				
Garment and accessories ('000 pc)	260	14,446	518	28,599
Leather goods ('000 pc)	106	17,018	89	14,530
Watch and parts ('000 no.)	80	24,318	56	13,268
Footwear ('000 pairs)	55	7,039	280	33,755
Pharmaceutical products ('000 no.)	198	3,445	13	1,670
Electronic, electrical & computer goods ('000 no.)	1 153	48,652	1 121	29,831
Others				
Ivory & related products (kg)	3 217	22,116	5 545	39,139
Fireworks (kg)	-	-	1	-
Pornographic optical disc/ video tape ('000 no.)	1	13	6	117
Firearms and parts (no.)	-	-	5	1

(1) Include all ordinances

(2) Exclude dismantled/compressed vehicles and bicycles.

截停、搜查和路障截查 Stop & Search of Persons / Vehicles and Road Block Operations

		2011	2012
1. 在出入境管制站 At control points			
(i)	被截查人數 No. of persons stopped and searched	79 440	82 840
(ii)	被搜查車輛數目 No. of vehicles checked	704 280	572 460
2. 路障及路上截查行動 Road Block and Road Check Operations			
(i)	行動次數 No. of operations	19	-
(ii)	被搜查車輛數目 No. of vehicles checked	99	-

項目	課程數目	
	2011	2012
入職及持續培訓		
入職課程:		
為見習督察提供的入職課程	0	4
為見習關員提供的入職課程	2	15
為見習助理貿易管制主任提供的入職課程	4	1
持續培訓課程:		
為見習督察提供的持續培訓課程	2	3
職責才能		
為海關部隊人員提供的培訓		
督察級法律培訓工作坊	1	0
突擊行動技巧課程	1	2
刑事情報分析訓練課程	3	1
標準偵緝訓練課程	3	3
財富調查課程	0	1
基本調查及防止意外課程	1	2
基本安全管理課程	0	1
行政法研討會	2	0
突擊行動技巧工作坊	12	5
化學品安全處理課程	1	1
安全使用顯示屏幕設備課程	0	1
體力處理操作合格證書課程	2	1
海運業務課程	2	1
出入口貿易實務課程	2	1
使用放射性檢測設備培訓者培訓	1	0
如何避免在工作中被狗隻咬傷課程	1	2
貨運剖析及挑選技巧研討會	1	0
認識輻射及處理貨物安全措施簡報會	1	0
辦公室安全課程	1	0
如何預防在酷熱環境工作中中暑課程	1	1
警覺防衛駕駛課程	4	2
如何引用有組織及嚴重罪行條例講座	1	0
精神健康急救訓練	4	2
i2 Analysts及iBridge應用課程	1	2
基礎資訊安全訓練	2	1
精神健康急救延伸培訓	1	4
處理問題賭博工作坊	2	2
準備個案文件/宗卷講座	1	0
使用顯示屏幕設備的職業健康簡義	0	1
職業安全及健康基本培訓課程	0	1
職業安全健康經驗分享研討會	0	1
認人程序工作坊	1	1
打擊有組織及嚴重罪行的實戰經驗講座	1	0
安全觀察課程	1	2
基本職業健康課程	1	1
輻射安全意識研討會	0	1
放射源的保護和管理培訓課程	0	1
急救的護理常識(包括包紮示範)	0	1
基本風險評估課程	1	1
線人管理課程	1	0
在裁判法院海關案件的預備及檢控講座	0	1
大亞灣應變計劃經驗分享會	0	2
情報及調查課程	3	4
貨物處理課程	7	4
旅客處理課程	6	4
步操教官訓練課程	0	1
槍械及特別設備訓練課程	57	52
使用伸縮警棍訓練	5	0
使用胡椒噴劑訓練	17	10
靶場管理訓練	0	1
清潔槍械訓練	1	2
HK MP5輕機槍訓練課程	0	1
週年HK MP5輕機槍檢修課程	3	3
散彈槍訓練課程	0	4
週年散彈槍檢修課程	16	16
HK 53輕機槍訓練課程	1	1
週年HK 53輕機槍檢修課程	6	6
大腿手拔式槍袋訓練課程	2	2
大腿手拔式槍袋檢修課程	6	6
為海關部隊人員及貿易管制主任級人員提供的培訓		
情報及調查進階課程	0	1

Programme	No. of classes	
	2011	2012
Induction and Continuation		
Induction Course:		
For probationary Inspectors	0	4
For probationary Customs Officers	2	15
For probationary Assistant Trade Controls Officers	4	1
Continuation Course:		
For probationary Inspectors	2	3
Functional Competency		
For C&E Service members		
Legal Training Workshop for Inspectorate Officers	1	0
Raiding Techniques Course	1	2
Criminal Intelligence Analysis Training	3	1
Standard Criminal Investigation Course	3	3
Financial Investigation Course	0	1
Accident Investigation & Prevention Course	1	2
Basic Safety Management Course	0	1
Seminar on Administrative Laws	2	0
Raiding, Apprehension and Escort (RAE) Course for Frontline Officers	12	5
Safe Handling of Chemicals Course	1	1
Safe Use of Display Screen Equipment Course	0	1
Certificate of Competence in Manual Handling Course	2	1
Seafreight Operation Course	2	1
Import and Export Trade Practices Course	2	1
Train-the-trainer Session on the Use of Radioactive Detection Equipment	1	0
Dog Bite Safety Course	1	2
Seminar on Freight Profiling and Targeting Techniques	1	0
Briefing on Radiation and Safety Precautions in Cargo Processing	1	0
Office Safety Course	1	0
Prevention of Heat Stroke at Work in a Hot Environment Course	1	1
Alert Defensive Driving Course	4	2
Seminar on Application of Organized and Serious Crimes Ordinance	1	0
Mental Health First Aid Course	4	2
i2 Analysts Notebook and iBridge User Training Course	1	2
Information Security Essentials: Trends & Latest Updates	2	1
Mental Health First Aid Standard Course Extension - Peer Counseling & Skills	1	4
Workshop on Handling of Problem Gambling	2	2
Seminar on Preparation of Case Papers / Bundles	1	0
Health Hints on the Use of Display Screen Equipment	0	1
General Training Course on Occupational Safety and Health	0	1
Experience Sharing Seminar on Occupational Safety and Health	0	1
Workshop on Identification of Suspects	1	1
Seminar on Experience Sharing in Combating Organized and Serious Crimes	1	0
Safety Inspection Course	1	2
Basic Occupational Health Course	1	1
Radioactive Source Security Awareness Seminar	0	1
Training Course on the Physical Protection and Security Management of Radioactive Sources	0	1
First Aid Care (Including Demonstration of Bandaging)	0	1
Basic Risk Assessment Course	1	1
Source Management Course	1	0
Seminar on Preparation and Prosecution of C&E Cases in the Magistrates' Courts	0	1
Experience Sharing Session on Daya Bay Contingency Plan Exercise	0	2
Intelligence & Investigation Course	3	4
Cargo Processing Course	7	4
Passenger Processing Course	6	4
Foot Drill Instructor Course	0	1
Firearms and special equipment training courses	57	52
Use of extendible baton	5	0
Use of Oleoresin Capsicum foam	17	10
Range Management Course	0	1
Arms Cleaning Course	1	2
HK MP5 Sub-machine Gun Training Course	0	1
Annual HK MP5 Sub-machine Gun Refresher Course	3	3
Shotgun Training Course	0	4
Annual Shotgun Refresher Course	16	16
HK 53 Sub-machine Gun Training Course	1	1
Annual HK 53 Sub-machine Gun Refresher Course	6	6
Thigh Draw Holster Training Course	2	2
High Draw Holster Refresher Course	6	6
For both C&E Service members and TCOG officers		
Enhanced Intelligence and Investigation Course	0	1

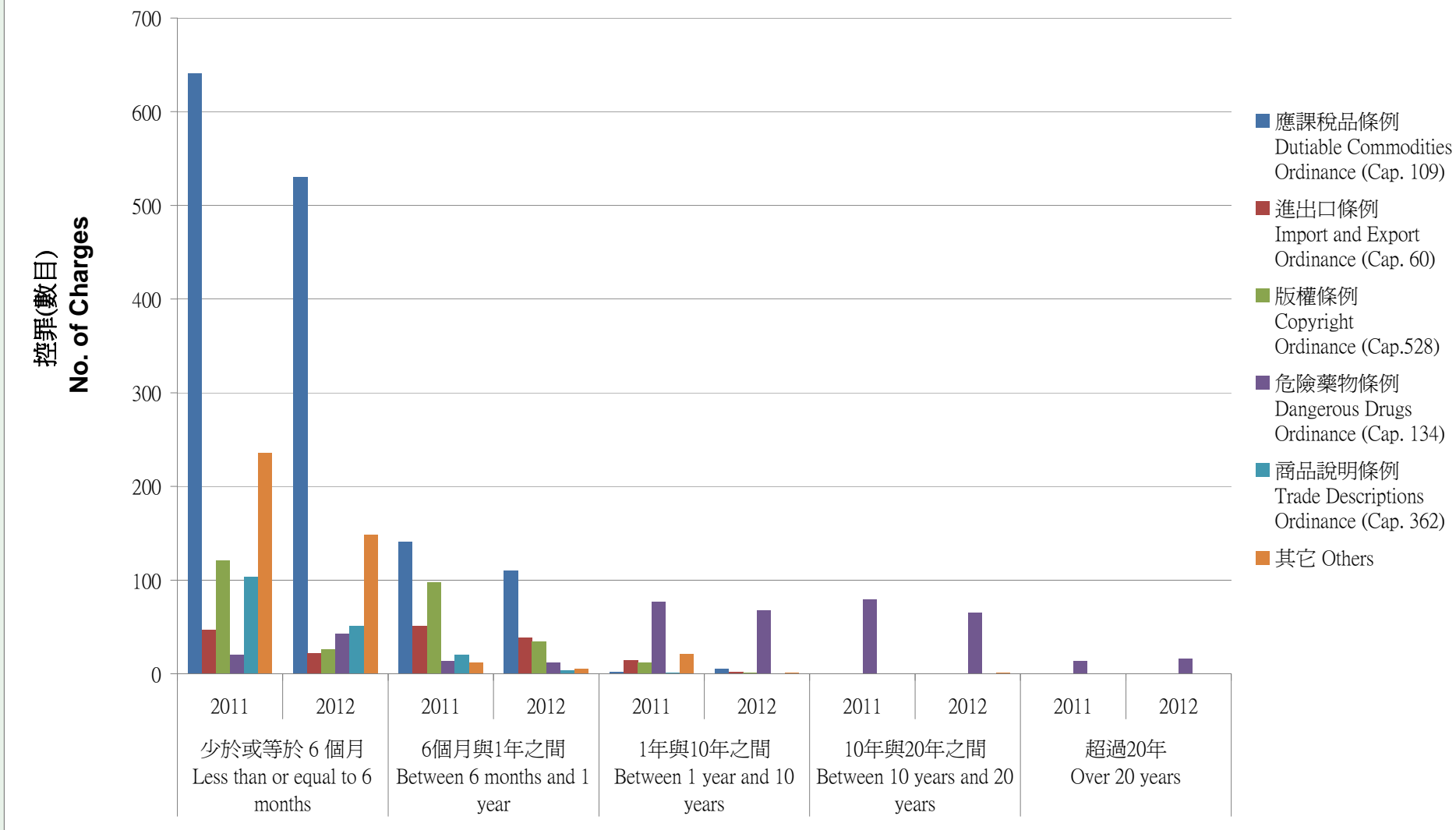
培訓及發展活動

項目	課程數目	
	2011	2012
為貿易管制主任級人員提供的培訓		
模擬法庭訓練課程(貿易管制主任職系)	0	1
演講技巧工作坊	2	0
基本拘押技巧課程(貿易管制主任職系)	4	2
個人資料(私隱)條例研習班	1	0
出入口業務及中國貨物清關課程	0	2
(打擊洗錢及恐怖分子資金籌集(金融機構)條例)和相關監管議題課程	0	1
為金融服務經營者舉辦的打擊洗錢講座	0	1
消費資訊系列(一)反台職務簡介會	0	2
候召及巡查工作時處理商品說明條例相關案件工作坊	0	6
基本急救班及自動外置式心臟去纖顫器使用	0	1
管理發展		
<i>為海關部隊人員提供的培訓</i>		
關員敬督導課程	3	2
關員發展課程	2	2
處理利益衝突訓練員課程	0	2
持廉守正研討會	2	2
<i>為海關部隊人員及貿易管制主任級人員提供的培訓</i>		
海關管理發展課程	1	1
海關指揮課程	1	1
認識性騷擾講座	0	37
了解平等機會研討會	1	1
<i>為貿易管制主任級人員提供的培訓</i>		
初級管理人員課程 - EQ 顯績效	0	1
初級管理人員課程 - 發揮影響力和談判技巧	0	1
團隊建立及領導才能課程	1	1
香港海關(主持甄選面試)(一天)課程	0	1
自我誠信管理	1	2
	2	1
變革管理課程	0	1
人和管理及處理衝突工作坊	0	1
工作啟導和輔導工作坊		
溝通技巧		
<i>為海關部隊人員提供的培訓</i>		
初級普通話複修課程	0	1
<i>為海關部隊人員及貿易管制主任級人員提供的培訓</i>		
初級普通話課程	0	1
中級普通話課程	0	2
<i>為貿易管制主任級人員提供的培訓</i>		
會議應用普通話課程	2	1
貿易管制主任職系實用普通話	1	1
為防港海關人員提供的培訓		
通關監管培訓課程	0	1
海關管理發展課程	0	1
人力資源管理課程	0	1
風險管理培訓課程	1	0
反走私及緝毒培訓課程	0	1
中國海關管理課程	1	0
保護知識產權培訓班	1	0

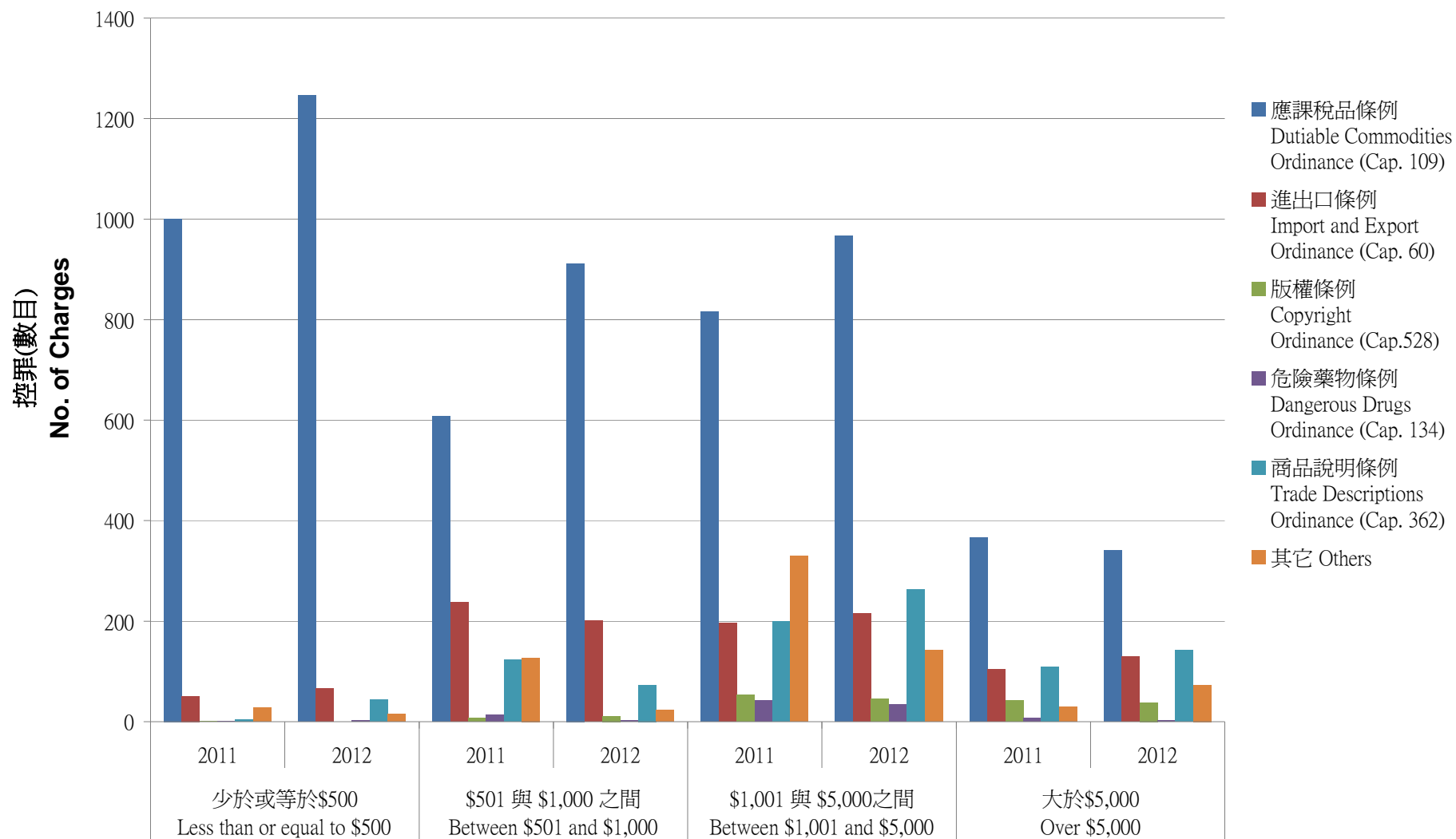
Training and Development Activities

Programme	No. of classes	
	2011	2012
<i>For TCOG officers</i>		
Mock Court Training for TCOG Officers	0	1
Presentation Skills Workshop for TCOG Officers	2	0
Basic Control Tactics (RAE) Course for TCOG Officers	4	2
Training Session on Personal Data (Privacy) Ordinance	1	0
Import and Export Practices and China Cargo Customs Clearance Procedures Course	0	2
Course on Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance and Related Regulatory Issues	0	1
Anti-Money Laundering Seminar for Money Service Operator	0	1
Briefing Session on CPB(2) On-call Duties	0	2
Workshop on Handling TDO Related Cases during On-call & Patrol Duty	0	6
Basic First Aid and Use of Automated External Defibrillator Course	0	1
Management Development		
<i>For C&E Service members</i>		
CQG Supervisory Course	3	2
Customs Officer Development Course	2	2
Train-the-trainers Course on Conflict of Interest	0	2
Integrity Awareness Seminar	2	2
<i>For both C&E Service members and TCOG officers</i>		
Customs Management Development Course	1	1
Customs Command Course	1	1
Seminar on Sexual Harassment	0	37
Valuing Diversity in Workplace	1	1
<i>For TCOG officers</i>		
Management & Personal Development Programme for TCO - Performing Through EQ	0	1
Management & Personal Development Programme for TCO - Effective Influence and Negotiation Skills	0	1
Course on Team Building and Leadership	1	1
Workshop on Conducting Selection Interview	0	1
Managing Self Integrity	1	2
Change Management Course	2	1
People Skills & Conflict Management Workshop for STCO/TCO	0	1
Coaching and Peer Counseling Skill Workshop for STCO/TCO	0	1
Communication		
<i>For C&E Service members</i>		
Elementary Putonghua Refresher Course	0	1
<i>For both C&E Service members and TCOG officers</i>		
Elementary Putonghua Course	0	1
Intermediate Putonghua Course	0	2
<i>For TCOG officers</i>		
Putonghua in Meeting for TCOG Officers	2	1
Practical Putonghua for Trade Controls Officer Grade Officers	1	1
Training for Visiting Customs Officials		
Customs Clearance Monitoring Course for Mainland Customs	0	1
Customs Management Development Course	0	1
Human Resource Management Course for Mainland Customs	0	1
Risk Management Course for Mainland Customs	1	0
Anti-smuggling and Narcotic Control Course for Mainland Customs	0	1
Customs Management Course for Mainland Customs	1	0
Intellectual Property Rights Protection Course for Mainland Customs	1	0

判刑年期 (2012年與2011年相比)
Range of Sentences (2012 vs 2011)



罰款金額 (2012年與2011年相比)
Range of Fines (2012 vs 2011)



與檢控相關的訴訟事項 (2012年與2011年相比)
Court Actions (2012 vs 2011)

