



Customs News

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Sea Hawk, Spur and a Snapshot

"Many of our colleagues do find an infectious enthusiasm for their tasks. This is the driving force guiding them to pursue not merely routine operations, but more in-depth analysis, and more extensive investigations and intelligence work. In the process they motivate not only themselves, but also those by their side."

Timothy Tong



Commissioner Timothy Tong, Assistant Commissioner William Chow (second from left) and Ferdinand Leung (third from left), and Head of Trade Controls Raymond Wong (left) review results of the three operations.

Message from the Commissioner

On average, Hong Kong Customs officers detect over 50 cases and seize more than \$3 million worth of goods daily, interviewing scores of suspects, witnesses and related persons in the process. Our work normally receives good press coverage, understandably so as it aims solely to serve the community and is therefore of interest to it.

Amidst the 5 000 odd cases registered during the last quarter, three acts stood out:

Project Sea Hawk: Aided by Government Flying Service (GFS), the HKSAR and Shenzhen Customs administrations have joined hands since June to provide a robust solution to the problem of incessant smuggling off our Eastern coasts. Air reconnaissance by GFS has been helping high speed Customs pursuit crafts from both sides to intercept the notorious "tai feis" couriering untaxed gasoline and other contrabands across the sea boundary.

Operation Spur: Months of diligent investigations had led to the neutralisation in July of the biggest pirated optical disc syndicate ever. A landmark case that changed the intellectual property rights piracy landscape, with a precedent set of invoking the Organized and Serious Crimes Ordinance to freeze offenders' assets.

Operation Snapshot: A night's work at Lok Ma Chau in August saw the seizure of four lorry loads of textile consignments circumventing the Outward Processing Arrangement. The investigations into over 10 unscrupulous companies pay tribute to the tens of thousands of legitimate traders dutifully observing our textile trade rules.

Key factors to success - intelligence and determination

Whilst each of the three cases is unique by itself, two factors are common as to their successful detection: intelligence and the human factor.

Intelligence played an important role. The huge volumes of business transactions nowadays, the increasingly sophisticated ways to commit crime and the predominant need to ensure smooth traffic at the boundary, mean that Customs work in modern days must be intelligence-based. There are, of course, different ways to source and use intelligence.

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With Project Sea Hawk, intelligence was obtained through seamless co-operation amongst the law enforcement agencies. Hi-tech equipment on board of GFS "Jet Stream 41", including infra-red thermal imaging and night vision, enabled pictures to be taken from some 1 500 metres above sea level of the vessels on HK SAR/Shenzhen waters. The raw information was transmitted to our Ports and Maritime Command and its Shenzhen counterparts for development, that is, to identify the vessels and ascertain the purposes of their activities. Jointly they would plan specific interceptions to be carried out respectively on the two sides.

For Operation Spur, the techniques employed to collect and process intelligence were more traditional. Over 150 officers from the Special Task Force, Financial Investigation Group, Intelligence Bureau, and the Computer Forensic Laboratory had contributed to this exercise. They patiently surveilled the activities of many pirated optical disc replicating centres, storage houses, and retail outlets. Only after a laborious process of piecing together many apparently unrelated information were they able to come up with the necessary intelligence to detect the case.

The success of Operation Snapshot owed much to the use of powerful computer systems. Before the operation, officers from the Textiles Tactical Investigation Bureau and Intelligence Bureau painstakingly scanned all available data under the Outward Processing Arrangement System and the Textile Trader Intelligence System. Out of thousands of textile consignments, suspicious cases involving outward processing were identified for targeting. The information was passed to a special team assigned to the boundary to conduct a surprise search.

Human factor is crucial to successful operations

Yet crucial to the success of the operations was the human factor. Marine enforcement has long been recognised as one of the toughest areas of Customs work. Not only are our marine colleagues known for their perseverance. They are also to be commended for their

constructive approach in engaging new technologies and forging new business partnerships, and truly they progress with time. Like Project Sea Hawk, Operation Spur took the Department to new height, albeit in a metaphysical rather than physical sense. The Special Task Force was originally established as a strike team only to deal with street-level offences on a day-to-day basis. Its brilliant performance in Operation Spur, however, confirms that over time it has matured into a full-fledged investigative entity fully capable of dealing with organised and serious crimes. The many merits of the officers in and behind Operation Snapshot must also be recognised. Professional skills aside, the timing, management and execution of this exercise have reflected sound judgement and crisp command.

Looking ahead, let us see how the experiences gained from these operations may help us in our future work. What we learnt through these cases, and from the subsequent de-briefings of related persons, has had reinforced colleagues' professionalism and expertise. Moreover, successful operations do give us new insights into the changing patterns of crime, and sharpen our sensitivity to emerging crime trends. They instill new perspectives into our strategic planning next time.

Law enforcement is mission-directed, team-oriented, and often self-propelling on the part of individual officers. Many of our colleagues - in all ranks - do find an infectious enthusiasm for their tasks. This is the driving force guiding them to pursue not merely routine operations, but more in-depth analysis, and more extensive investigations and intelligence work. In the process they motivate not only themselves, but also those by their side, and they would reinforce each other, so that all would march towards a common vision. This is probably the spirit behind Project Sea Hawk, Operation Spur and Operation Snapshot.

Let us take this spirit forward.

Timothy Tong
Commissioner

Project Sea Hawk

Date/Time: June 15 - August 31 (19 operations)

Place: Waters near the boundary

Officers involved: Hong Kong Customs (Marine Enforcement Group), aided by Government Flying Service, and Shenzhen Customs

In the 22 smuggling cases cracked down by Hong Kong Customs officers, about \$9 million worth of goods including palm oil, frozen poultry, VCDs, marked oil, cigarettes and motor spirits, were seized and 27 persons were arrested.

In three cases detected by the Shenzhen Customs officers, poultry and electrical appliances, worth about \$1 million, were seized and two persons were arrested.

“Anti-smuggling sea operation with aerial support is a brand new experience to me, and my team mates. We are all excited to have the opportunity to participate in Project Sea Hawk and continuously equip ourselves with new skills like operating image-catching equipment onboard fixed wing aircraft. With the adoption of new strategy, we have moved another step forward in the war against smugglers.”



"Tai fei" captured by the hi-tech equipment on board the fixed wing aircraft.



Acting Senior Inspector of Marine Enforcement Group Yeung Ka-ming

Operation Spur

Date/Time: Oct 2003 to July 7, 2004

Officers involved: Over 150 Customs officers from Special Task Force, Intelligence Bureau, Financial Investigation Group, and the Computer Forensic Laboratory.

Following one-year-long investigation, Customs smashed on July 7 a major local piracy syndicate that had been operating a number of discs replicating centres, storage centres and a huge network of retail outlets in Sham Shui Po and Wan Chai for about four years. During the operation, Customs officers seized over 50 000 pirated discs and some replicating and printing equipment worth more than \$1.5 million with the arrest of eight persons including the syndicate head and her accomplices.

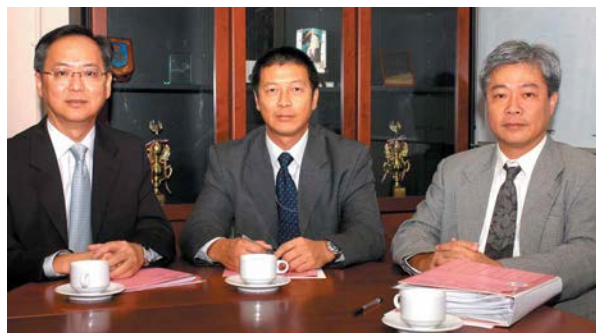
After the crackdown, Customs for the first time applied the Organized and Serious Crimes Ordinance on intellectual property rights related crime to freeze the assets of the syndicate worth nearly \$20 million.

“For nine months in Operation Spur, we (officers of Special Task Force (STF), Intelligence Bureau and Financial Investigation Group (FIG)) fought side-by-side on the road against this cunning piracy syndicate.

Operation Spur was challenging and required high professionalism in intelligence collection, surveillance and financial investigation. It also demanded us total concentration, courage, fidelity and patience. We knew that no matter how good our opponent was, it would be bound to make mistakes. We had to remain vigilant at all times so as to take advantage of such mistakes. It was this faith that supported us to wait for such a day to come. Finally, we succeeded on July 7. We are proud of our officers in this pioneer case, who have well demonstrated our enforcement capability. They are all encouraged by the achievements in smashing the pirated optical discs syndicate and freezing its proceeds.”



The seized pirated optical discs and disc replication equipment displayed at the press conference on Operation Spur.



(From left) Head of Intelligence Processing Group Philip Law; Head of STF Albert Chan; and Head of FIG Eric Ho

Operation Snapshot

Operation: Operation Snapshot

Date/Time: 9.30 pm on August 26 to 6.30 am on August 27

Place: Lok Ma Chau Control Point

Officers involved: Officers from the Textiles Tactical Investigation Bureau and Intelligence Bureau

Four drivers were arrested and over 10 unscrupulous companies were under investigation. A large quantity of substandard garments and garment cut-pieces on four lorries bound for the Mainland were seized. They were intended to obtain false export endorsements on 53 sets of Outward Processing Arrangement (OPA) documents for sending about 130 000 Mainland origin garments, worth \$7.3 million, to overseas markets, as if they were products of Hong Kong origin.

“As the Commander of Operation Snapshot, I was impressed by the high morale and professionalism the officers had displayed in the operation. All officers volunteered to participate. I am proud of the officers' extraordinary sense of commitment and ardent zeal of work that make the operation a great success.”



Head of Textiles Tactical Investigation Bureau Marcus Lau holding a press conference on the Operation Snapshot.



Chief Trade Controls Officer of Textiles Tactical Investigation Bureau Lo Bo-kin

HK Customs hosts first WCO anti-cigarette smuggling meeting

Hong Kong Customs hosted the First Meeting of World Customs Organization (WCO) Contact Points for Anti-Cigarette Smuggling Operations in Asia Pacific Region between June 9 and 12, 2004. Commissioner Timothy Tong officially opened the meeting, which was well-attended by 27 delegates from 16 member administrations. Two representatives from the Regional Intelligence Liaison Office for Asia Pacific (RILO A/P) also attended as observers.

Through exchange of enforcement experience and views, the meeting aimed at mapping out concrete enforcement actions to clamp down on transnational cigarette smuggling activities, and to speedily share confidential intelligence to identify common targets for joint investigations and joint operations.

In his opening speech, Commissioner Tong said, "Smuggling is a cross-boundary crime, to which the only cure lies in international co-operation. We must act in concert under the auspices of RILO Asia Pacific."

At the meeting, the representatives had unanimously endorsed an action plan, entitled "Project Crocodile", which aimed at fighting against transnational cigarette smuggling activities, particularly the "merry-go-round" mode (i.e. transnational smuggling by means of circumlocutory paths).

The Action Plan commenced on August 1 and would be put on trial for five months. It comprises three major parts, namely, a monitoring system, a notification system, and

investigation and prosecution. Through the implementation of the Action Plan, participating Customs Administrations will join effort to monitor the movement of all suspicious cigarette shipments when they are imported, re-exported or transshipped across Customs territories.

The 16 Customs Administrations participating in this Meeting are Australia, Brunei, China, Hong Kong China, Indonesia, Japan, Korea, Macao China, Malaysia, New Zealand, the Philippines, Papua New Guinea, Singapore, Sri Lanka, Thailand and Vietnam.

Anti-Illicit-Cigarette Investigation Division
Revenue and General Investigation Bureau



Commissioner Timothy Tong (front row middle) and Deputy Commissioner Lawrence Wong (front row third from right) with other participants of the First Meeting of WCO Contact Points for Anti-Cigarette Smuggling Operations in Asia Pacific Region.

Commissioner attends WCO Council Sessions

Commissioner Timothy Tong, accompanied by Assistant Commissioner Chow Kwong and Senior Superintendent Luke Au Yeung, attended the 103rd/104th World Customs Organization (WCO) Council Sessions at Brussels from June 24 to 26, 2004. The delegation also visited the UK Customs in London on June 22 and 23 before the Council Sessions.

Commissioner Tong expressed in the Council Sessions that the challenges facing Customs administrations in the 21st Century was to maintain the right balance between trade facilitation and effective enforcement, citing Hong Kong as a successful example. He also pledged Hong Kong's support and

readiness to take part in any of the WCO initiatives to enhance compliance.

Before the conclusion of the Council Sessions, Commissioner Tong signed a Memorandum of Understanding with the WCO to establish a WCO Regional Training Centre

in Hong Kong. Under the agreement, Hong Kong Customs will make available the training facilities at the Customs and Excise Training School for use by the WCO for regional training and meetings, and for other Customs-related events.

Before attending the WCO meeting, the Hong Kong delegation paid a visit to the UK Customs. Both administrations updated each other on their latest organisational changes and operational strategies. Delegation members also received briefings by the UK Customs on imminent issues such as VAT frauds to enrich our background knowledge in the study on the Goods and Services Tax.



Commissioner Timothy Tong presenting a Hong Kong Customs plaque to Mr Terry Byrne, Director General of Law Enforcement of the UK Customs.



Commissioner Timothy Tong and the Secretary General of the WCO, Mr Michel Danet, signing the Memorandum of Understanding to establish a WCO Regional Training Centre in Hong Kong.

Management Support Team

CDIB's efforts recognised by overseas counterparts

For years, the Customs Drug Investigation Bureau (CDIB) has been participating actively in international anti-drug operations with overseas law enforcement agencies.

On May 18, 2004, Mr John Paul Lehmann, Co-ordinator of Joint Asian Crime Group (JACG) and his deputy Mr David Nelson, paid a courtesy visit to CDIB and presented Certificates of Appreciation to three CDIB investigators - Senior Inspectors Wong Tai-chiu, Lai Lau-pak and Lee Kam-wing, in recognition of their valuable assistance and contribution made during a joint anti-drug operation since 2000. During the presentation ceremony, Mr Lehmann praised the officers' professionalism and excellent investigation techniques displayed throughout the joint operation. The Sydney-based JACG is a joint task force comprising officers of the Australian Federal Police (AFP), New South Wales Police, Australian Customs Service, and Australian Crime Commission. Targeting major organised crimes of Asian syndicates in New South Wales is the main role of JACG.



JACG Co-ordinator Mr John Paul Lehmann, (front row second from right), and Assistant Commissioner William Chow (front row second from left) pictured with officers of AFP and CDIB after the presentation ceremony.

Also attending the ceremony, Assistant Commissioner William Chow reassured JACG and AFP that Hong Kong Customs would continue its efforts in combating transnational drug crimes.

Customs Drug Investigation Bureau

CDIB officers attend DEA Meeting in Washington



Senior Superintendent Yu Koon-hing (middle row centre) pictured with the representatives of DEA, and the Panamanian and Mexican law enforcement officers.

The Drug Enforcement Administration (DEA) of the US Department of Justice held a Planning/Strategy Meeting of Operation Cold Remedy in Washington D.C. on June 23 and 24. Senior Superintendent Yu Koon-hing and Inspector Ma Kam-hung of the Customs Drug Investigation Bureau (CDIB) represented the Department to attend the meeting.

Recently, there is a new trend that Mexican drug traffickers purchase pharmaceutical pseudoephedrine tablets from legitimate sources and extract the ingredient of pseudoephedrine through a

simple chemical process for the production of "Ice". To suppress the diversion and illicit use of the pharmaceutical product, a joint operation named "Operation Cold Remedy" has been conducted by Hong Kong Customs, the Department of Health and the DEA Hong Kong Country Office since July 2003 to track the movements of pseudoephedrine combination shipments exported from Hong Kong to some high risk countries and areas.

As a result of our efforts, illicit shipments were successfully tracked and seized. The DEA meeting in Washington aimed to better co-ordinate and consolidate the investigation findings by various enforcement authorities for successful prosecution actions to uproot the trafficking syndicates.

The meeting was attended by over 30 representatives from Hong Kong, Mexico, Panama and the US. It provided a meaningful and useful forum for investigators to share and exchange their intelligence and foster a closer communication. The effort put forth by the Hong Kong Customs in suppressing the diversion trend was highly praised by all representatives in the meeting.

Customs Drug Investigation Bureau

HK Customs attends Data Model Meeting

The World Customs Organization (WCO) Customs Data Model (Data Model) is a joint effort by member administrations to standardise and harmonise Customs information requirements for clearance of goods in the international cross-border trade. The Hong Kong Customs, realising the importance of keeping pace with WCO in this regard, has formed a WCO Customs Data Model Working Group earlier this year to vibrantly participate in WCO forums and keep in view the progress of development of the Data Model.

When the Data Model first initiated in January 2002, the WCO assigned its Information Management Sub-Committee (IMSC) to examine the number of data maintenance requests (DMRs) from the member administrations to be included. This work was being carried out by the Data Model Project Team (DMPT), which gauged all requests and made recommendations to the IMSC for inclusion of new data elements into the Data Model.

Senior Superintendent Ben Leung and Assistant Superintendent Jose Tong, together with Chief Systems Manager Ms Joyce Mok, represented Hong Kong to participate in the DMPT Meeting and the 47th IMSC Meeting held in June in Brussels. Over 470 DMRs from



The Hong Kong Delegation (from left) - Chief System Manager Ms Joyce Mok, Senior Superintendent Ben Leung and Assistant Superintendent Jose Tong.

member administrations were discussed and finalised during the DMPT Meeting between June 3 and 9. The concluded 154 DMRs were accepted at the 47th IMSC Meeting held on June 10 and 11. It is expected that the finalised technical structure for the Data Model will be ready in January 2005.

Though participating in the meetings, we have gained thorough understanding on the development of the Data Model and will be able to prepare ourselves for the introduction of the finalised Data Model to the local trading community.

Office of Information Technology

Financial Investigation Course in UK



Senior Inspector Wong Hung-san (front row centre) with instructors and participants of the Financial Investigation Course.

I attended a Financial Investigation Course organised by the Asset Recovery Agency in Bristol, the UK from February 23 to 27, and was attached to the HM Customs in London from March 1 to 5.

This is the first time for the Department to nominate an officer to attend the training course. The course addresses to the collection of financial intelligence, confiscation of crime proceeds and the new powers under the Proceeds of Crime Act 2002.

The training materials were delivered by experienced investigators.

The course instructors made use of case studies, group discussions and practical exercises to illustrate the concepts. The course was conducted in an interactive manner which allowed sharing of experience amongst participants.

Upon the completion of the training course, I was attached to the Financial Intelligence Unit and the Financial Investigation Unit of the HM Customs. The attachment provided an excellent opportunity for me to acquire a thorough understanding of how financial investigators manage cases and conduct investigations. It also allowed me to have an in-depth understanding on how offences involving Value Added Tax were investigated.

A better understanding of the anti-fraud work and the related legislation of the UK helped strengthen the Department's co-operation with overseas law enforcement agencies. I would like to take this opportunity to express my gratitude to the management for nominating me to attend training course.

Senior Inspector Wong Hung-san
Customs Drug Investigation Bureau

WTO Workshop in Shanghai

Inspector Yeung Wing-yan and I attended a regional workshop on the Implementation of WTO Valuation Agreement and Post-Clearance Audit (PCA) in Shanghai between May 17 and 21, 2004. The workshop was organised by the APEC Sub-committee on Customs Procedures.

The objective of this workshop was to build up the capacity of APEC Customs administrations in dealing with the difficulties in Customs valuation and PCA so as to facilitate the smooth implementation of related procedures under the WTO Valuation Agreement.

Twenty-five officers from 14 different Customs administrations participated in this workshop. Amongst them, four experts from the US, Canada and Japan were present to provide professional advice and suggestions to the difficulties and problems facing each Economy.

The discussions in the workshop not only strengthen our co-operation with other Customs counterparts, but also enhance our



Inspector Yeung Wing-yan (first from right) and Fong Kwok-pan (third from right) with Customs experts from the US, Canada and Japan.

understanding on the principles and related procedures under the WTO Valuation Agreement. The workshop also helps boost our confidence in facing the challenges ahead in relation to Customs Valuation and PCA. We treasure the invaluable opportunity

given by the Department to attend this workshop.

Inspector Fong Kwok-pan
Office of Dutiable Commodities Administration

Chief Investigators Course



Assistant Superintendent Sin Wai-sun (first from left) pictured with Course Director Mr James Neil Parkinson (third from left) and other course-mates before taking a helicopter ride for field exercise.

I attended the Chief Investigators Command Course organised by ICAC from May 24 to June 25. The course's objective is to help participants optimise their personal effectiveness, to develop their management and leadership skills and to foster and facilitate professional liaison with local and international law enforcement agencies.

A total of 25 participants, including officers from ICAC, Immigration Department, Correctional Services Department, Customs, Police, and other enforcement officers from the Mainland, Macao, Australia, Singapore, Thailand and Mauritius, attended the course.

The programmes were well designed. There were discussion sessions on stress management, and leadership and management skills. The course included a two-day field trip to Sai Kung by helicopter for developing team spirit and co-operation and exploring abilities in collective decision making, problem solving and situational leadership. It also included a one-week trip to Shanghai with visits to the People's Procuratorate and the Public Security Bureau.

I was particularly impressed by the lecture on law enforcement strategies and leadership development skills delivered by Mr Tim Turner, the Supervisory Special Agent of the US Federal Bureau of Investigation Academy Leadership Development Unit. During his lectures, simple examples were given to explain complex management theories.

I am thankful to the management for nominating me to attend the course, from which I have gained invaluable experience and widened my perspectives on various aspects.

Assistant Superintendent Sin Wai-sun
Customs Drug Investigation Bureau

New Initiatives to Promote Integrity

Deputy Commissioner and Chairman of the Integrity Steering Committee (ISC), Lawrence Wong, is glad to announce that the Department will shortly roll out a number of new initiatives to further promote integrity and healthy lifestyle among staff of the Department.

"An honest and clean Customs force is most essential for securing public confidence in the Department's principal role in law enforcement. In order to keep pace with the rapidly changing social environment and better meet the needs of our colleagues, we have substantially improved the representation of the ISC through the restructuring of its composition and the establishment of three dedicated working groups to assist the ISC in integrity management and promotion," Deputy Commissioner Wong said.

High standard to meet public expectation

Integrity has long been recognised as one of the core values of the Department in delivering its services and achieving enforcement goals. The Department, while takes pride on having staff with high standard of ethic and integrity, has also been facing immense pressure for changes when the public expects better services; the media demands greater transparency whereas the community requires more accountability of civil servants in recent years. To properly exercise its powers and faithfully discharge its duties, the Department must sustain efforts to embed an ethical culture in the workplace.

In support of a strong culture of professional ethic and probity in the Department, the management is fostering the fundamental values of integrity, honesty and healthy lifestyle among Customs staff in a more comprehensive approach through the re-structuring of the ISC. The ISC, with Deputy Commissioner as the Chairman and Assistant Commissioner (Administration and Excise), Head of Trade Controls and Customs Civil Secretary as the key members, has recently strengthened its composition by enlisting two more Branch Heads - Assistant Commissioner (Boundary and Ports) and Assistant Commissioner (Intelligence and Investigation) - as standing members to actively participate in integrity management. As the total number of staff in the Boundary and Ports Branch and the Intelligence and Investigation Branch amounts to more than 70 per cent of the Department's total establishment, the restructuring of the ISC has greatly enhanced its representation and substantially strengthened its efficiency in integrity management.

Three Working Groups established

Furthermore, three dedicated Working Groups have also been established as the executive arms of the ISC to help promote staff integrity, benchmark international practices of integrity management and update the Department's Code on Conduct and Discipline. Major new initiatives to be delivered by the respective Working Groups in due course include:

1. Working Group on Code on Conduct and Discipline

- Review of the Department's Code on Conduct and Discipline;
- Production of a VCD on the Code; and
- Introduction of an e-learning programme for the Code.

2. Working Group on Promotion of Healthy Lifestyle and Staff Integrity

- Production of a VCD and publication of a booklet on financial prudence;
- Issue of quarterly newsletter on healthy lifestyle; and
- Installation of healthy lifestyle notice boards in major workplaces.

3. Working Group on International Best Practices of Integrity

- Survey on international best practices of integrity management ;
- Benchmarking integrity management with public utility companies; and
- Promotion of the Code to business counterparts.



Deputy Commissioner and Chairman of ISC Lawrence Wong

Favourable comments received

At a recent meeting with the Civil Service Bureau and ICAC on the Civil Service Integrity Entrenchment Programme, Deputy Secretary for the Civil Service, Mr Christopher Wong, commented favourably on Customs efforts in the promotion of staff integrity. He remarked that the Civil Service Bureau had all along regarded the Customs and Excise Department as one of the showcases on integrity management in the Government.

Despite the CSB's favourable comments, the Chairman of ISC, Lawrence Wong, opined that there was absolutely no room for complacency and sustainable efforts were needed to strengthen integrity management. In order to further entrench integrity in the Department, he asked members of the ISC to reinforce their efforts in promoting healthy lifestyle and financial prudence among staff at all levels.

If you have any views or comments about the ISC and its work, please write to the Chairman of ISC, Lawrence Wong.

Integrity Steering Committee

90% passengers satisfied with Customs clearance services



Deputy Commissioner Lawrence Wong receiving the survey report from Dr Stephen Ng (left) and Dr Robert Chung (right).

A customer satisfaction survey, aiming at finding out how passengers feel about our clearance services, was successfully completed in April.

This is the first formal

customer satisfaction survey conducted by the Department. The survey covered passenger clearance in five control points, namely, Lo Wu, Lok Ma Chau, Kowloon-Canton Railway Station, HK-Macau Ferry Terminal and Ocean Terminal.

The survey, a joint project of the Management Support Team (MST), the Control Points Command and the Ports and Maritime Command was conducted by the Poon Kam Kai Institute of Management (PKKI) of the University of Hong Kong. A total of 1 141 incoming passengers were successfully interviewed face-to-face in the survey.

Let us share with you some of the significant and interesting findings of the survey:

* We score high on clearance services. About 90 per cent of the respondents were satisfied with our services, including efficiency, officers' politeness, attitude and capability. They were also satisfied with the equipment used in clearance, and were happy with the newly introduced examination cubicles;

* The satisfaction level for cubicle/counter users and non-users was more or less the same. What's more satisfying was the finding that cubicle/counter users were happy with our officers' politeness;

* Our performance was amongst the top one-third of the Government departments which had similar satisfaction survey conducted by PKKI; and

* Comparing the passenger clearance services with neighbouring countries, we were in the second place with 81 marks rated by respondents, just one mark below Singapore, which tops the score. Japan was in the third place with five marks behind us.

As a provider of customer service, we are highly encouraged by the findings of the survey, which is a big credit attributed to the professionalism and unrelenting efforts of our frontline officers. More importantly, the stimulating score offers the Department a solid drive to make further improvements in the provision of quality customer service.

If you are interested in the findings of this survey, you can read more about it in the MST Bulletin.

Management Support Team

Customs world-class performances recognised by overseas authorities

To Hong Kong Customs officers, March 5, 2003 and November 13, 2002 were two memorable days.

On these two days, the Department was respectively credited by two internationally-renowned bodies, namely CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) and BSA (the United States-based Business Software Alliance), for helping make Hong Kong a role model in the protection of the world's endangered species, and intellectual property rights.

With full alertness, a team of eight officers of Customs Launch No.9 under the command of Senior Inspector Raymond Tam found on October 13, 2002, 81 pieces of precious elephant tusk inside a concealed compartment on board a fishing vessel. The seizure weighted 506 kilograms and carried a market value of more than \$1 million in Southeast Asia.

Awarding a Certificate of Commendation to the Department in March 2003, CITES noted the ivory seizure "demonstrated the close working relationship that clearly exists between the CITES Management Authority of Hong Kong and the Customs officers of Hong Kong".

This recognition added to the encouragement resulting from the BSA's presentation of the Cyber Champion Award in November 2002 to the former Secretary for Commerce, Industry and Technology and now the Financial Secretary, Mr Henry Tang. The



Customs' achievements outlined in the book published by the Civil Service Bureau - Showcasing the Achievements of the Hong Kong Civil Service.

HKSAR Government was honoured by the prestigious award in recognition of its solid legislative framework and vigorous enforcement actions in combating the illegal use of software.

The achievements of the Hong Kong Customs were praised in 2001 when the Department received the Global Anti-Counterfeiting Award at the 10th Authentication and Counterfeiting Protection Conference in Prague. The Department was cited as a role model for intellectual property rights law enforcement.

Come share the joy by reading the vivid accounts in a newly published book compiled by the Civil Service Bureau (CSB) which showcases how our Department and many others have achieved world-class standard in various fields. The e-version is now available at CSB's website (<http://www.csb.gov.hk>).

Information Unit

IB committed to developing risk management tools

Customs administrations around the world are facing the same challenge. That is to provide speedy Customs clearance services while maintaining the effectiveness in deterring and detecting smuggling activities through accurate identification of high-risk travellers and cargoes for inspection. Owing to limitation in resources which renders 100 per cent inspection impossible, Customs administrations therefore apply risk management tools in the process of Customs clearance to achieve the objective of "Hit more with Less".

To identify high-risk targets amongst the voluminous flows of travellers and cargoes through risk assessment is not a new concept. Risk management is only a systematic approach for risk assessment application, including development of risk indicators, risk gradings and risk profiles.

In July 2002, the Intelligence Bureau (IB) was established. To promote the application of risk management techniques, the IB has devised and developed various types of risk management application tools, such as Single Trader Database (STD) and Risk Management intranet website (RM.net). On top of these, the Priority Setting Engine and Vehicle and Road Mode Cargo Clearance System are also in the pipeline.

Single Trader Database

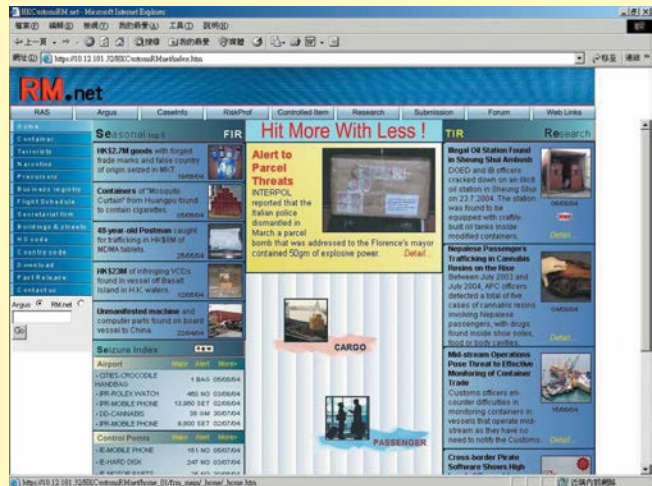
In March 2003, the STD was successfully rolled out. It was developed under the Cargo Data Module in Customs Clearance System (CCS). The database incorporated 10 departmental trader databases as well as trader data from other Government departments, facilitating risk assessment on individual traders. The STD also provides updated summary on traders' background and business, including the frequency of shipments, import and export markets and the most-traded commodities. At present, the STD contains over 180 000 records of traders, which is around three folds of the number in July 2002. It is an effective tool for frontline officers to identify and select high-risk cargoes for examination.

Risk Management Intranet

To prepare for the development of an IT-supported intelligence system, the IB has developed an experimental intranet website - RM.net. The intranet website provides a series of risk management products and tools to facilitate frontline officers in Customs clearance, investigation, intelligence analysis and research on smugglers' modus operandi and crime trends. In addition, RM.net also provides different functional tools to frontline officers, including validation of container numbers, enquiry of terrorist list, controlled items, business registration numbers, risk profiles and flight itineraries.

Priority Setting Engine

The Electronic Data Interchange System for Cargo Manifest (EMAN) provides a channel for carriers to submit electronic cargo manifests to relevant Government departments. To cope with the



RM.net Home Page.

development of EMAN Phase 2 (EMAN2) and to process the manifests in an electronic environment, the IB is developing a risk management tool, namely the Priority Setting Engine in the EMAN2 system. Basing on the risk indicators, the tool will prioritise the risk levels of individual shipments in order to assist our frontline officers to expedite the cargo clearance process.

Vehicle and Road Mode Cargo Clearance System

The IB has commissioned the Electrical and Mechanical Services Department to conduct a feasibility study on the hi-tech supported Vehicle and Road Mode Cargo Clearance System. The study will provide crucial information on the application of advanced technologies to collect data of significant risk factors on cross-boundary vehicles at the land boundary control points. This is to tie in with the future Electronic Data Interchange System for Road Manifest (ROMAN) to identify high-risk vehicles for inspection.

Way forward

To strengthen the intelligence-led and risk management based mode of operations, the IB will spare no effort in developing different kinds of risk management tools and products. Through the application of risk management techniques, together with the support of information technology and advanced equipment, more effective and accurate interceptions on high-risk targets can be achieved, and thus meeting the "Hit more with Less" objective.

Intelligence Bureau

PS for S visits Airport Command

Permanent Secretary for Security, Mr Stanley Ying Yiu-hong visited the Airport Command (APC) on June 16, 2004. Accompanied by Commissioner Timothy Tong, and other senior officers, Mr Ying was briefed on the achievements of APC, the challenges ahead and the strategy to meet the increasing demand of quality clearance services.

Mr Ying, accompanied by Deputy Secretary for Security Miss Cheung Siu-hing, Principal Assistant Secretary (Security) Mrs Margaret Chan Cheng Wan-yuk and Assistant Secretary (Security) Miss Wai Yee-yan, visited the Passenger Terminal Building and Super Terminal One cargo terminal where he saw for himself Customs operations on passenger clearance under the cubicle mode, apron and midfield control, cargo selection through the Air Cargo Clearance System and cargo examination.

Mr Ying fully recognised the meritorious efforts of APC frontline officers in detecting and deterring smuggling. He showed particular



Permanent Secretary for Security Mr Stanley Ying Yiu-hong (third from right) being briefed on the operation of the specialised equipment for cargo examination.



Accompanied by Commissioner Timothy Tong, Permanent Secretary for Security, Mr Stanley Ying Yiu-hong (second from right) watching a demonstration of Customs Drug Detector Dog performing baggage examination duties.

interest in our special training programme - the Quality Service Assurance Programme, on its innovative and effective approach to develop officers' competence in the operation of the X-ray checker, and the Multilingual Information System installed at the personal search room.

At the end of the visit, Mr Ying said he was glad to have the opportunity to meet officers of APC and the visit had helped him gain a better understanding of Customs work. He was impressed by our officers' professionalism, dedication, high standard of clearance services and the effective use of resources.

Airport Command

AIPT - Cyber Investigators

AIPT stands for Anti-Internet Piracy Team, which was set up in April 2000 under the Intellectual Property Investigation Bureau (IPIB). AIPT, which currently comprises seven members, aims to delve proactively into the cyber world for detecting and deterring piracy activities.



A snapshot at the investigation workshop of AIPT.

In late 1999, with the rapid growth of Internet coverage and e-business worldwide, the Department started to explore and develop strategies to tackle the potential trend of piracy activities through the

Internet. Later, it was recognised that investigation of Internet piracy required not only criminal investigation techniques but also professional skills and know-how. Hence, AIPT was formed in IPIB in April 2000 to shoulder the responsibility for fighting Internet piracy.

To acquire skills on cyber crime investigation as well as to gain technical know-how in computer forensic, AIPT members attended training courses at both local and overseas professional institutions. Besides, the team is equipped with the latest investigation tools and undercover Internet access facilities with a view to detecting

complicated Internet crime in the ever-changing digital world. In this area of investigation, one of the difficulties is to identify those Internet piracy offenders. In order to do so, AIPT members very often have to disguise themselves as overseas Internet users and communicate with suspects mostly after midnight by using notebook computers and special softwares.



AIPT members communicating with suspects through undercover Internet access line.

Up to July 2004, AIPT detected 36 Internet piracy cases covering various modes of application, resulting in the arrest of 58 persons with seizure value over \$2 million. Despite these successful cases, we will not be complacent and will continue to explore every possible way to strengthen our capability to face the challenges ahead.

Anti-Internet Piracy Team
Intellectual Property Investigation Bureau

SCDS visits Customs

On July 8, 2004, members of the Standing Committee on Disciplined Services Salaries and Conditions to Service (SCDS) led by the Chairman, Mr Bernard Chan, visited the Department for familiarisation with our daily operation. SCDS has been established since 1989, with the main role to advise and make recommendations to the Government on matters concerning the pay and conditions of service of the disciplined service.



Accompanied by Commissioner Timothy Tong, Chairman of SCDS Mr Bernard Chan watching Customs officers performing ship rummaging duties at the Yau Ma Tei Public Cargo Working Area.

Commissioner Timothy Tong, Deputy Commissioner Lawrence Wong and other senior officers greeted the SCDS members at the office of the Revenue and General Investigation Bureau. They briefed the members on the daily operation of the Department and the difficulties encountered by frontline officers while executing their duties. After briefing, the members were accompanied by Commissioner Tong and other senior officers to pay a site visit to the Yau Ma Tei Public Cargo Working Area to learn more about



Serier Inspector Lau wai-yip (third from left) briefing Chairman Mr Bernard Chan (centre) and other SCDS members on Customs cargo examination operations.

Customs work. The members were deeply impressed by our performance and apprehended more our responsibilities and practical duties.

After the site visit, the members met representatives of our staff unions to listen to staffs' views on the salaries and conditions of service.

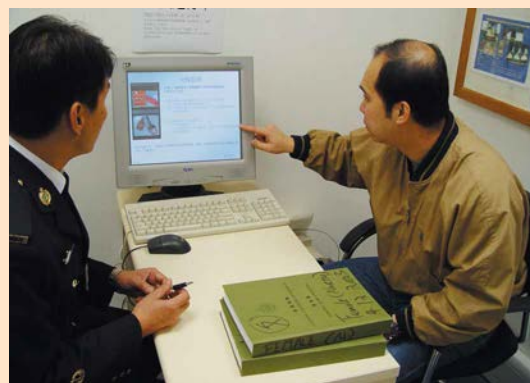
Through this visit, the SCDS members have enhanced their knowledge and understanding of the operation of the Department, and such will also assist them in giving advice and making recommendations.

Office of Service Administration

Multilingual IS installs at Airport

To further improve the customer services at the airport and to facilitate the process of personal search, the Airport Command installed a Multilingual Information System in the personal search rooms of the Customs Arrival Hall in March 2004 to replace the previous multi-language information booklet.

The System, with its touch-screen LCD display function, enables passengers to make quicker reference to Customs clearance requirements, the relevant laws and their rights in 20 commonly-used languages. Besides, information on duty free concessions, prohibited articles and avenues for enquiry is also provided. Since its implementation, the System has found to be effective in eliminating communication barriers, minimising misunderstanding between officers and passengers as well as alleviating the negative sentiments on personal search from travellers.



Travellers can make use of the touch screen LCD display function of the Multilingual Information System to make instant enquiry.

Airport Command

11 Customs staff in Honours List

The 2004 Honours List was gazetted on July 1, 2004. This year, the Chief Executive has accorded awards to a total of 376 persons. Among the recipients, 11 Customs staff members were awarded honours in recognition of their significant contribution and dedicated public service.

The list of Customs recipients are as follows:

Hong Kong Customs and Excise Medal for Distinguished Service (CDSM)

Deputy Commissioner Lawrence Wong
Assistant Commissioner Chow Kwong
Assistant Commissioner William Chow

Hong Kong Customs and Excise Medal for Meritorious Service (CMSM)

Acting Assistant Commissioner Luke Au Yeung
Senior Superintendent William Ng
Senior Superintendent Tam Yiu-keung
Superintendent Wong Man-ming
Superintendent Ho Yick-tung
Chief Customs Officer Li Man-chi
Chief Customs Officer Cheng Kam-muk

Medal of Honour (MH)

Principal Trade Controls Officer Raymond Wong

Office of Service Administration

11位海關人員獲授勳

2004年授勳名單已於7月1日在憲報刊登。今年的授勳名單中，共有376人獲行政長官頒授勳銜。部門亦有11位同事獲授勳，以表彰他們於部門工作的卓越表現。

獲授勳的同事分別為：

香港海關卓越獎章

副關長黃秀培
助理關長周廣
助理關長周藹桐

香港海關榮譽獎章

署理助理關長歐陽可樂
高級監督吳偉明
高級監督譚耀強
監督王文明
監督何奕東
總關員李民智
總關員鄭甘穆

榮譽勳章

貿易管制處處長黃任民

部隊行政科

黃任民接任 貿易管制處處長

按照公務員敘用委員會的建議，首席貿易管制主任黃任民於2004年7月10日獲批准接任為貿易管制處處長。黃Sir在海關服務了31年，對於部門發展貢獻良多，並於今年榮獲行政長官頒授榮譽勳章。就黃Sir的繼任，貿易管制處全體人員均感興奮，並相信在黃Sir的領導下，貿易管制處的發展將邁向另一高峰。

貿易管制處一般調查及制度科

New Head of Trade Controls

On the advice of the Public Service Commission, Principal Trade Controls Officer Raymond Wong has been appointed to take up the post as Head of Trade Controls with effect from July 10, 2004. Mr Wong made remarkable contributions to the Department during his 31 years of service and was awarded a Medal of Honour by the Chief Executive this year. All colleagues of the Trade Controls Branch (TCB) were excited about the appointment.



Commissioner Timothy Tong presenting the appointment letter to new Head of Trade Controls Raymond Wong.

General Investigation and Systems Bureau
Trade Controls Branch

關長湯顯明頒發委任信予新任貿易管制處處長黃任民。

Rank insignia wearing position changes

Starting from this winter, our Chief Customs Officer (CCO) and Senior Customs Officer (SCO) will have a new look. Rank insignia wearing position on CCO and SCO working dress will be relocated from forearm to shoulder strap.



Officers wearing rank insignia at the new position.

金屬職級徽章新位置。

The existing rank insignia wearing position on CCO and SCO uniform has an inherent defect. The metal rank insignia easily hooks other objects while officers are performing their duties. Such position also causes operational inconvenience and poses potential hazards to officers and our clients. The new wearing position will help align the positions of the rank insignia with all ranks and also enhance occupational safety.

To fit the shoulder strap for placement of rank insignia, the size of 3-Chevrons (Metal) for SCO will reduce while the size of Armorial Bearing (Metal) for CCO will remain unchanged.

Office of Service Administration

金屬職級徽章移上肩膀位置

由本年冬季起，總關員及高級關員的制服將會有一個全新的面貌。屆時，原先佩戴於工作服兩邊手袖上的金屬職級徽章，將轉移至肩膀帶位置上。新的佩戴位置，除可劃一所有職級徽章的佩戴位置外，亦提高了職業安全。

在執行工作時，佩戴在制服兩臂上的金屬職級徽章很容易損壞在海關人員身邊經過旅客的衣服，對佩戴人員和旅客做成一定的不便，新的佩戴位置可進一步確保海關人員及旅客的安全。

為配合放置職級徽章於工作服的肩膀帶上，新的高級關員金屬三劃徽章將會縮細，而總關員職級人員的金屬紋徽章大小則維持不變。

部隊行政課

Farewell Reception for Andrew Wong 歡送黃清蔚酒會

The Senior Officers' Mess hosted a cocktail reception on June 30, 2004 to bid farewell to Head of Trade Controls Andrew Wong. We had the honour of having the Commissioner of ICAC, Mr Raymond Wong, other senior Government officials, foreign Consuls, Customs attachés and local dignitaries attended the function.



Commissioner Timothy Tong, the Commissioner of ICAC, Mr Raymond Wong, and the Director of Information Services, Miss Yvonne Choi, pictured with Head of Trade Controls Andrew Wong.

關長湯顯明、廉政專員黃鴻超及新聞處處長蔡瑩璧與貿易管制處處長黃清蔚合照。

At the outset of the reception, Commissioner Timothy Tong gave an amusing account of Mr Wong's 36-year service in the Department, then followed by the presentation of souvenirs to Mr Wong by representatives of the Department and other organisations.

General Investigation and Systems Bureau
Trade Controls Branch

高級官員會所於2004年6月30日為貿易管制處處長黃清蔚舉行榮休歡送酒會。當日，出席的嘉賓冠蓋雲集，衣香鬢影，更承蒙廉政專員黃鴻超及多個政府部門首長、外國駐港使節、外國海關駐港代表及社會賢達的蒞臨，令酒會生色不少。酒會開始前，關長湯顯明以風趣生動的方式講述了黃Sir在海關36年的服務歷程。接着，部門及多個與會團體代表分別致送紀念品予黃Sir。在黃Sir一番感人的致詞後，歷時約兩小時的酒會正式開始。



Head of Trade Controls Andrew Wong, pictured with the Director of the General Investigation and Systems Bureau, at the cocktail reception.

貿易管制處處長黃清蔚與部門首長級人員在酒會中合照。

一般調查及制度科，
貿易管制處，

Farewell Banquet for Andrew Wong 300人參加黃清蔚榮休晚宴



Head of Trade Controls Andrew Wong (front row sixth from left), Commissioner Timothy Tong (front row centre) and Commissioner of Macao Customs Service Mr Choi Lai-hang (front row sixth from right) pictured with guests at the Farewell Dinner Party.

貿易管制處處長黃清蔚（前排左六）、關長湯顯明（前排中）及澳門海關關長徐禮恆（前排右六）與眾賓客在晚宴中合照。

Head of Trade Controls Andrew Wong made remarkable contribution to the Department during his 36 year service in the Department. Upon his retirement, Trade Controls Branch (TCB) staff organised a banquet on June 30, 2004 to bid farewell to him.

About 300 participants, including colleagues, senior Government officials, Customs attachés and representatives from the trade attended the dinner party held at a restaurant in North Point.

The organising committee arranged a series of entertaining programmes, which included a snapshot on Mr Wong's career in the Department, TCB choir performance and karaoke performance. Besides, the committee had invited famous singers, Miss Nadia Chan and Miss Wancy Tai, to give a wonderful show.

During the dinner, Mr and Mrs Wong proposed a toast and said goodbye to all the guests.

We wish Mr Wong every success and a happy retirement.

General Investigation and Systems Bureau
Trade Controls Branch

貿易管制處處長黃清蔚在香港海關服務36年，對部門貢獻良多。在他快將離開部門並邁向人生另一階段之際，貿易管制處同事在6月30日籌備了一個歡送晚宴，向黃Sir致以最崇高的敬意。

當日傍晚，約300位同事、政府要員、其他海關及業界代表，齊齊出席為黃Sir而設的榮休晚宴。

當晚籌委會預備了豐富的表演節目，當中包括透過相片剪輯，介紹黃Sir在海關的工作歷程、貿易管制處合唱團的表演及嘉賓的卡拉OK表演。另外，更邀請了著名歌星陳松伶及戴辛蔚蒞臨獻

席間，黃Sir和黃太向各嘉賓祝酒及道別。黃Sir依依不捨的心

我們在此謹祝黃Sir退休後生活愉快、萬事如意！

一般調查及制度科，
貿易管制處，