

# Customs News

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## Message from Commissioner Enhanced Customs Cooperation in Pan-PRD

2007 is a year of special significance to Hong Kong Customs. Two major events will take place with great impact on the future operation of the Department.

First, we will see the **grand opening of the Shenzhen Bay Port** in mid-2007. This will be heralded in by a new mode of customs clearance - the co-location arrangement whereby Hong Kong customs and immigration facilities will sit alongside those of the Mainland.

We are liaising closely with the relevant policy bureaux and government departments for the opening of the new control point and the related boundary-crossing facilities.

The Hong Kong and Shenzhen Customs authorities are working in close collaboration on the introduction of the new clearance mode. A Shenzhen Bay Port Customs Matters Coordination Centre will be tasked to speed up cargo examination and exchange of clearance-related data. To coordinate with anti-smuggling activities in the new control point, a Shenzhen Bay Port Anti-smuggling Joint Command Centre will be put in place.

*I would like to  
wish you and your  
family happiness and  
good health  
in the  
Year of the Pig.*



To support the operation of the new control point, Hong Kong Customs has embarked upon a recruitment exercise to bring in 561 staff members, including 47 Inspectors, 502 Customs Officers and 12 Assistant Trade Control Officers.

Another landmark event of the year is the hosting in Hong Kong of the **Pan-PRD Customs Trade Facilitation Forum cum the Joint Meeting of the Customs Directors-General of the Pan-PRD Region** on 10-11 May. This will be the largest ever



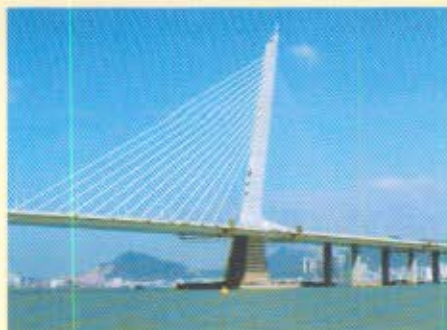
Commissioner of Customs and Excise, Mr Timothy Tong (centre) and the directorate at the press conference to review Customs work for 2006 on February 13, 2007.

From left: Assistant Commissioner (Intelligence and Investigation), Mr Tam Yiu-keung; Assistant Commissioner (Administration and Development), Mr Leung Koon-wah; Deputy Commissioner, Mr Lawrence Wong; Commissioner Tong; Assistant Commissioner (Boundary and Ports), Mr Chow Kwong; Assistant Commissioner (Excise and Operation Support), Mr Luke Au Yeung and Head of Trade Controls, Mr Cheung Sai-yan.



congregation of the most senior Mainland, Hong Kong and Macau Customs officials in the HKSAR. Deliberations will focus on the enhanced cooperation between the provincial customs services and the Hong Kong and Macau SARs.

Both the Customs General Administration (CGA) and Guangdong Sub-administration have pledged their strong support for the event. The Minister of CGA, Mr Mu Xinsheng, will personally lead a high-powered delegation comprising the chief officers from CGA and Guangdong Sub-administration, as well as the 16 Customs chiefs from the nine provinces in the Pan-PRD Region, plus the Director-General of the Macau Customs Service. We note that the conference will be honoured by the presence of the Chief Executive of the HKSAR. A large number of distinguished guests from the public and private sectors, representing the Mainland, Hong Kong and Macau are expected to attend.



*The Hong Kong-Shenzhen Western Corridor (also known as Shenzhen Bay Bridge)*



*Commissioner Tong announces the hosting of the Pan-PRD Customs Trade Facilitation Forum in Hong Kong in May 2007.*

The forum will provide a platform to foster closer working relationships among the regional customs administrations, and between the customs administrations and the business sector. Decisions are expected to be taken to launch new initiatives

in customs clearance and trade promotion. In the short term, we aim to further facilitate the movements of passengers and cargoes upon the opening of the new Shenzhen Bay Port. Our ultimate goal is to attain 'seamless' customs clearance for the entire PRD Region, buttressing regional trade, shipping and logistic development.

### Review of 2006

Last year, the Department maintained its vigorous efforts in law enforcement. We adopted an intelligence-led strategy and worked closely with our Customs counterparts and other law enforcement agencies to combat various kinds of illegal activities. We detected a total of 53, 286 cases, leading to the



*Location Map of the Customs Administrations of Hong Kong, Macao and the Nine Provinces / Regions of Pan-PRD.*



arrest of 14,952 persons. As a result of stringent enforcement, there was a visible drop in blackspots for illicit activities of various kinds.

### Anti-narcotics

In 2006, the quantity of heroin, cocaine, ecstasy, and cannabis buds seized by Customs officers rose considerably compared with 2005, whereas the seizure quantity of ketamine and "ice" fell. Effective enforcement has apparently kept drug trafficking activities under control. However, vigilance will be required at all times.

### Anti-piracy

It remains our departmental policy to root out piracy activities in full swing. The number of pirated optical disc shops in operation has dropped to 50 at present from 70 two years ago. The number of blackspots for counterfeit goods also fell from 25 in 2005 to about 15 now.

### Fight Against Illicit Cigarettes And Fuel

Illicit cigarettes and illicit fuel activities have largely been driven underground. The number of blackspots for selling illicit cigarettes dropped from about 16 in 2005 to about 10 now; and blackspots for illicit fuel fell from 23 to 21.

### Revenue Protection

The total amount of duty on dutiable commodities collected by the Department in 2006 amounted to \$6.96 billion, an increase of 5.1% over 2005. The rise in duties collected from tobacco and alcoholic liquor was 13.3% and 7.5% respectively.

### Customs Clearance

It is a prime task of Hong Kong Customs to ensure the smooth flow of people and cargo on land, sea and at the airport, thereby enabling Hong Kong to maintain its position as a world trading, transportation and logistics hub. In 2006, the Department cleared 23.2 million twenty-foot equivalent unit (TEU) cargo containers, 15.2 million cross-boundary vehicles and 202 million passengers at all control points in Hong Kong in 2006, reflecting respective increases of 2.8%, 2.1% and 5.6%.

### Consumer Protection

The Department continued to discharge its duties



Commissioner Tong (middle) notes that blackspots for illicit activities has shown a visible drop in 2006.

in ensuring that toys, children's products and consumer goods supplied on the market are reasonably safe; that the fineness of gold and platinum on jewellery are correctly marked; and that the goods sold are of the purported weights and measures.

### Commitment And Excellence

In 2007, Hong Kong Customs, always acting with commitment and arising for excellence, will continue to provide the public with quality service. We will make special efforts to upgrade cargo and passenger clearance. We task ourselves to creating a business-friendly environment compatible with the economic development of the Pan-PRD region, thereby contributing to Hong Kong's prosperity and the sustainable growth of the region.

Timothy Tong  
Commissioner

### Major Work Statistics Of 2006

Duties Collected From Dutiable Commodities	\$6.957 billion
<b>Passenger And Cargo Flow</b>	
a) Arriving passengers	101.08 million persons
b) Departing passengers	101.04 million persons
c) Incoming cargo	1.56 billion packages
d) Outgoing cargo	1.91 billion packages
<b>Major Cases</b>	
a) Narcotics and psychotropic drugs	638 cases
b) Cigarettes	35,836 cases
c) Hydrocarbon oil	1,274 cases
d) Protection of intellectual property rights (including copyright infringement cases and trade description cases)	10,114 cases
e) HK/Mainland smuggling	202 cases
f) Endangered species	142 cases
<b>Total number of cases</b>	<b>53,286 cases</b>
<b>Total number of arrest</b>	<b>14,952 persons</b>



# International Customs Day



Secretary for Security, Mr Ambrose Lee (sixth right); Secretary for Economic Development and Labour, Mr Stephen Ip (sixth left); and Commissioner of Customs and Excise, Mr Timothy Tong (fifth left), officiated at International Customs Day reception. (From left): Assistant Commissioner (Boundary and Ports), Mr Chow Kwong; Deputy Commissioner, Mr Lawrence Wong; Convenor of the Non-official Members of the Executive Council, the Honourable Leung Chun-ying; Director-General of Macao Customs Service, Mr Choi Lai Hang; Commissioner Tong; Secretary for Economic Development and Labour, Mr Stephen Ip; Secretary for Security, Mr Ambrose Lee; Vice Minister of General Administration of Customs and Director General of Guangdong Sub-Administration of the People's Republic of China, Mr Liu Wen-jie; the Commissioner of the Ministry of Foreign Affairs of the People's Republic of China in HKSAR, Mr Lü Xinhua; Assistant Commissioner (Excise and Operation Support), Mr Luke Au Yeung; Assistant Commissioner (Intelligence and Investigation), Mr Tam Yiu-keung and Assistant Commissioner (Administration and Development), Mr Leung Koon-wah.

On January 26, 2007, Hong Kong Customs held a cocktail reception to celebrate 2007 International Customs Day. The theme for this year is "No to Counterfeiting and Piracy".

Secretary for Security, Mr Ambrose Lee; Secretary for Economic Development and Labour, Mr Stephen Ip; and Commissioner of Customs and Excise, Mr Timothy Tong, officiated at a reception to mark the special occasion.

About 300 guests, including Vice Minister of General Administration of Customs and Director General of Guangdong Sub-Administration of the PRC, Mr Liu Wen-jie; Director-General of Macao Customs Service, Mr Choi Lai Hang; Executive Council members, Legislative Council members; government officials; Consuls General; foreign Customs attachés; and Customs representatives from the Mainland and Macao drank a toast to the international Customs community.

In his welcome speech, Commissioner Tong thanked Mainland counterparts, Consuls General, Customs attachés and officers from other Customs administrations for their cooperation with Hong Kong Customs in combating transnational crime.



Commissioner Tong delivering a speech at the reception.



Director of Operations, Greater China, Motion Picture Association-International, Mr Sam Ho (left) presenting an appreciation plaque to Commissioner Tong in recognition of the Customs success in anti-piracy work.





*Honorary President of the Hong Kong Performing Artists Guild, Mr Michael Hui, staging a "stand-up comedy". While commending enforcement ability of Customs Drug Detector Dogs, he joked that if genuine optical discs were added strawberry scent, it would facilitate Customs Drug Detector Dogs to detect pirated optical discs at all control points.*

The Chief Executive Officer of International Federation of the Phonographic Industry (IFPI) (Hong Kong Group), Mr Ricky Fung, presented Hong Kong Customs with a composed melody on the theme of protecting intellectual property rights.

IFPI representatives also joined Customs officers in a live band performance of the song.

In commemoration of the first Council Session of the Customs Co-operation Council which was held on January 26, 1953, World Customs Organization (WCO) in 1984 officially set January 26 as "International Customs Day" with the aim of enhancing cooperation and fostering closer working relationships among Customs authorities, and promoting international trade.

At the reception, 10 officers of Hong Kong Customs who were commended by World Customs Organization (WCO) for their significant contributions towards combating piracy and counterfeiting activities were presented WCO Certificates of Merit.

The Honorary President of the Hong Kong Performing Artists Guild, Mr Michael Hui, staged a "stand-up comedy".



*Band performance by Hong Kong Customs at the Annual Liaison Dinner, which was held after International Customs Day reception.*



*Performance by Mainland Customs at the Annual Liaison Dinner, which was held after International Customs Day reception.*

#### Information Unit



*(From sixth left): Director-General of Macao Customs Service, Mr Choi Lai Hang; Commissioner of Customs and Excise, Mr Timothy Tong; Secretary for Economic Development and Labour, Mr Stephen Ip; Secretary for Security, Mr Ambrose Lee; and Vice Minister of General Administration of Customs and Director General of Guangdong Sub-Administration of People's Republic of China, Mr Liu Wen-jie with the awardees of WCO Certificates of Merit.*



## Regional Seminar To Combat Drug Trafficking



Commissioner of Customs and Excise, Mr Timothy Tong (first row, centre), Commissioner for Narcotics, Ms Sally Wong (first row, fifth left), Deputy Commissioner of Customs and Excise, Mr Lawrence Wong (first row, fourth left); Assistant Commissioner (Intelligence and Investigation), Mr YK Tam (first row, fourth right); and Head of Customs Drug Investigation Bureau, Mr Ben Leung (first row, third right); Deputy Director General of Anti-smuggling Bureau of General Administration of Customs of PRC, Mr Liu Xiaohui (first row, fifth right); Deputy Director General of Guangdong Sub-administration and Director General of Anti-smuggling Bureau of Guangdong Sub-administration of General Administration of Customs of PRC, Mr Li Yaonan (first row, third left); with representatives from Mainland and overseas Customs administrations and drugs enforcement agencies posing for a photograph after officiating at the opening ceremony.

The Department held a "Regional Seminar on Customs Cooperation Against Drug Trafficking" in Hong Kong from January 25 to 26, 2007 for local, Mainland and overseas anti-narcotics experts to explore ways to enhance cooperation in the fight against drug trafficking, exchange the latest information and share enforcement experience.

Commissioner of Customs and Excise, Mr Timothy Tong and Commissioner for Narcotics, Ms Sally Wong, officiated at the opening ceremony and

spoke on how Hong Kong combated drug trafficking.

"Cooperation among jurisdictions, whether in the form of joint enforcement projects or sharing of information and experience, is of primary importance. It is precisely with this in mind that the seminar is held," Commissioner Tong said.

"Hong Kong Customs have had a very productive year at work, in a number of areas including drug investigation. In 2006, our enforcement officers arrested 590 persons connected with drug offences. We seized 47 kilograms of heroin, 53 kilograms of ketamine, 11 kilograms of cocaine, 103 kilograms of cannabis, and a vast variety of psychotropic drugs," he continued.

Commissioner for Narcotics, Ms Sally Wong, agreed that close cooperation and concerted efforts among countries and territories are imperative to combat drug trafficking successfully.

She pointed out that Hong Kong addressed the drug problem by adopting a five-pronged approach, namely, legislation and law enforcement, treatment and rehabilitation, preventive education and publicity, research, and last but not least, external cooperation.



Commissioner of Customs and Excise, Mr Timothy Tong, delivering a speech at the opening ceremony.



During the Seminar, Hong Kong Customs gave a presentation on the success of international cooperation in combating drug trafficking, while representatives from USA Drug Enforcement Administration and World Customs Organization Regional Intelligence Liaison Office for the Asia and Pacific (WCO RILO A/P) region briefed the participants on cocaine smuggling and new drug trends.

To forge a united front against drug trafficking, representatives held in-depth discussions on exchange of intelligence and establishment of Customs contact points. They also shared experience on controlled delivery operations.

Attendees of Seminar included representatives from the Anti-smuggling Bureau of General Administration of the Customs, the Anti-smuggling Bureau of the Guangzhou Customs District of the PRC, the Anti-smuggling Bureau of the Shenzhen



*Group Head (Drug Investigation) of Hong Kong Customs, Mr John Lee (third left), sharing with participants the success of international cooperation in combating drug trafficking.*

Customs District of the PRC, the Anti-smuggling Bureau of the Kunming Customs District of the PRC, the Drug Enforcement Administration of the United States, overseas customs attachés and the WCO RILO A/P.

**Information Unit**

## HK & Mainland Customs Hold Annual Review Meeting

Mainland and Hong Kong Customs held the Annual Review Meeting (Meeting) on February 8, 2007. The seven-member delegation from Mainland Customs was led by the Vice-Minister of General Administration of Customs, PRC, Mr Sun Song-pu.

Held in Hong Kong, the two-day Meeting was presided by Mr Sun and Commissioner of Customs and Excise, Mr Timothy Tong.

Apart from reviewing the work in 2006, both sides discussed ways to enhance cooperation. After the meeting, Mr Sun and Commissioner Tong signed the Agreed Minutes of Cooperation. The cooperation includes

- Customs clearance: study the way to facilitate customs clearance in land-boundary control points
- Anti-smuggling: strengthen exchange of intelligence and conduct joint operation
- Training: arrange more training and familiarization visits for officers of both sides, enriching their professional knowledge.



*Commissioner of Customs and Excise, Mr Timothy Tong (left) and the Vice-Minister of General Administration of Customs, PRC, Mr Sun Song-pu signing the agreed minutes of cooperation after the meeting. The scope of cooperation covers facilitation of customs clearance, anti-smuggling and training.*

**Information Unit**



## SCIT: Customs Displays Professionalism

Secretary for Commerce, Industry and Technology, Mr Joseph WP Wong, commended Hong Kong Customs for its professionalism and quality service in its diversified work when he officiated at a passing-out parade on November 24, 2006.

Addressing 93 graduated Customs officers, Mr Wong encouraged these new Customs officers to carry out their work and serve the community with upbeat, confidence and commitment.

### Effective IPRs Protection

On intellectual property rights protection, Mr Wong held high opinion of Customs work which complemented well the policy objective of Commerce, Industry and Technology Bureau.

“Customs has united all fronts to take robust



Secretary for Commerce, Industry and Technology, Mr Joseph WP Wong, presenting a "Whistle of Honour" to one of the best recruits, Customs Officer, Mr Chan Wai-ki, at the Customs passing-out parade.

actions in protecting IPRs," he said, citing the Intellectual Property Rights Protection Alliance as an effective initiative to unite the Department with the industry to fight piracy.

### Youth Ambassadors Scheme - An Initiative With Vision

Customs launched the "Youth Ambassador Against Internet Piracy Scheme" with the copyright industry and 11 local youth uniformed organisations in July, 2006.

Mr Wong said, "It is a scheme with vision, educating youngsters and heightening their awareness of IPRs protection through involving them in anti-piracy work. It pooled together 200,000 uniformed youngsters to keep watch on the Internet for reporting any BT infringement activity of copyright works."

Information Unit

## Senior Government Officials Visit Customs

Permanent Secretary for Economic Development and Labour (Economic Development), Ms Eva Cheng, said efficient clearance service provided by Customs was essential to maintaining Hong Kong as an international aviation and logistics hub.

She made the remarks after her visit to Airport Command on August 31, 2006 to see the frontline Customs operation on air cargo clearance.

Separately on January 10, 2007, Director-General of Trade and Industry, Mr Joseph Lai, together with a delegation from his department visited Ports and Maritime Command to familiarize themselves with Customs control on sea freight containers.

Head of Ports and Maritime Command, Mr Li Chun-fai, gave presentations on Customs work, including implementation of Container Security Initiative in Hong Kong in cooperation with the US Customs and Border Protection.



Head of Airport Command, Mr Chan Hon-kit (second left), introducing to Permanent Secretary for Economic Development and Labour (Economic Development), Ms Eva Cheng (first left), the Customs cargo clearance procedure.

Airport Command  
Ports and Maritime Command



# WCO Regional Seminar Facilitates Global Trade



*Deputy Commissioner of Customs and Excise, Mr Lawrence Wong, delivering a speech at the Seminar. Underlining the importance of close cooperation of all stakeholders to the successful implementation of SAFE FoS, he called on the business partners in the supply chain to actively participate in SAFE FoS implementation.*

More than 50 representatives from various Customs administrations of the Asia Pacific region and international organisations of the logistic industry gathered in Hong Kong on February 13, 2007 for the World Customs Organization (WCO) Regional Seminar on "SAFE Framework of Standards (FoS) to Secure and Facilitate Global Trade".

Logistically supported by the Hong Kong Customs and Excise Department, the four-day seminar provides a platform for Customs authorities to exchange views and experience of the implementation of standards under the FoS, particularly on Customs-Business

Partnership and Authorised Economic Operator (AEO).

Developed by WCO, SAFE FoS aims to facilitate Customs authorities to safeguard cargo security while ensuring seamless cargo flow. It offers a set of common standards for establishing Customs-to-Customs and Customs-to-Business strategic partnership.

Addressing the seminar, Deputy Commissioner of Customs and Excise, Mr Lawrence Wong, said, "SAFE FoS will substantially and significantly change the philosophies, systems and operations of Customs authorities worldwide in cargo clearance."

"The Two Pillars and the Four Core Elements of the Framework will have far-reaching implications on the international trade and the world's economy in the coming decades," he said.

He said that the seminar would help local trading community better understand how they would benefit from more efficient Customs clearance resulting from implementation of SAFE FoS.

SAFE FoS was first adopted in WCO Council Session in June 2005. As at February 2007, 144 WCO members signed the letter of intent to implement SAFE FoS. Twenty-five of these members are from Asia Pacific Region.

**Information Unit**



*Deputy Commissioner of Customs and Excise, Mr Lawrence Wong (centre, front row), with representatives from World Customs Organization (WCO), Customs administrations of the Asia Pacific region and international organizations of the logistic industry. (From left, front row): Head of Customs Liaison Bureau of Hong Kong Customs, Mr Liu Cheung-shing; Deputy Head of WCO Asia Pacific Regional Office for Capacity Building, Ms Yoko Odashima; Assistant Commissioner (Administration and Development) of Hong Kong Customs, Mr Leung Koon-wah; Technical Officer of Capacity Building Directorate of WCO, Mr Samy Gardemeister; Deputy Commissioner of Hong Kong Customs, Mr Lawrence Wong; Technical Officer of Administrateur Technique of WCO, Mr Robert Struthers; Assistant Commissioner (Excise and Operation Support) of Hong Kong Customs, Mr Luke Au Yeung; Technical Attaché of WCO Asia Pacific Regional Office for Capacity Building, Mr Lee Sanghyup and Group Head (Customs Liaison) of Hong Kong Customs, Mr Chiu Bit-yuen.*



## Consuls General Visit LMC

Nineteen attachés from different Customs administrations and representatives of overseas law enforcement agencies in Hong Kong visited Lok Ma Chau Control Point on October 24, 2006 to understand how Hong Kong Customs maintained a balance between facilitating trade and combating smuggling activities at land boundary.

They were received and briefed by Assistant Commissioner (Excise and Operation Support), Mr Luke Au Yeung on the Department's work at land boundary.

Mr Au Yeung said, "Under the 'One Country, Two Systems' principle, Hong Kong is a separate judicial entity with its own customs and immigration control. Given its world-class transportation facilities, Hong Kong can become a logistics hub as the gateway to Mainland.

To fulfill its role effectively, Hong Kong Customs strives to ensure speedy flow of passengers and legitimate cargoes while combating smuggling activities."

"In 2005, 146.6 million people and 14.9 million vehicles crossed between Hong Kong and the Mainland, equivalent to a daily average of 400,500 people and 40,777 vehicles. Given the robust economic growth in the Pan Pearl River Delta, it is expected that the Department has to handle the ever-increasing cargo and passenger flow," he said.

Mr Au Yeung said that with the help of risk management and advanced technology, such as Automatic Vehicle Recognition System, Vehicle X-ray Inspection System, the Department maintained a proper balance between control and trade facilitation.

The delegation first visited the Arrival Hall of the Control Point to understand the operation of "Red and Green Channel" passenger clearance system, which was implemented in November 2005.

They took a panorama view of the vehicle clearance at the roof of Inbound Cargo Examination Building. They were briefed on how Customs ensured efficient vehicle clearance by adopting new initiatives, such as the opening of new Customs Kiosks for private cars and the use of Automatic Vehicle Recognition System.

The group also visited Cargo Examination Compound to see the demonstration of vehicle search and cargo examination by Customs officers and Customs detector dog.

After the visit, the visitors attended a cocktail reception. Joining them were Commissioner of Customs and Excise, Mr Timothy Tong and Commissioner of the Ministry of Foreign Affairs of the People's Republic of China in HKSAR, Mr Lü Xinhua.

### Customs Liaison Bureau



Assistant Commissioner (Excise and Operation Support), Mr Luke Au Yeung (fifth left, first row) and Acting Head of Control Points Command, Mr Chow Chi-kwong (first left, second row) with the officers from Consulates at the Lok Ma Chau Control Point.



## Customs Officers Visit the Mainland With Other Disciplinary Forces



*Commissioner of Customs and Excise, Mr Timothy Tong (centre, front row) and Assistant Commissioner (Administration and Development), Mr Leung Koon-wah (fifth right, front row) with the Customs delegation at the Great Hall Of the People after their meeting with State Councillor and Minister of Public Security, Mr Zhou Yongkang.*

Led by Commissioner of Customs and Excise, Mr Timothy Tong, and Assistant Commissioner (Administration and Development), Mr Leung Koon-wah, 21 Customs officers visited Beijing and Yunnan from September 21 to 27, 2006.

Organised by the General of China Overseas Friendship Association for Hong Kong disciplinary forces members, the visit was aimed at keeping the forces members abreast of the culture and latest development in the Mainland.

Together with representatives from Fire Services Department, Hong Kong Police Force, Correctional Services Department and Immigration Department, the participants formed "Hong Kong Disciplined Services Cultural Exchange Delegation" (Exchange Delegation).

Headed by Secretary for Security, Mr Ambrose Lee, and the heads of the disciplinary forces, the Exchange Delegation met with State Councillor and Minister of Public Security, Mr Zhou Yongkang.

They briefed Mr Zhou the work of and the challenges faced by Hong Kong disciplinary forces.

To foster closer relationship with the Mainland counterparts, the Customs delegation visited the Mainland counterparts in Beijing and Kunming. Through discussions, both sides knew more about each other's enforcement areas.

"The visit helps Customs officers better understand our Mainland counterparts, facilitating mutual cooperation," Assistant Commissioner (Administration and Development), Mr Leung Koon-wah said.

During the stay in Kunming, the Exchange Delegation toured Lijiang and Dali to learn about the culture of ethnic groups in the Mainland.

**Customs Liaison Bureau**



*Assistant Commissioner (Administration and Development), Mr Leung Koon-wah (middle, front row) and the Customs delegation touring "Stone Forrest", Yunnan.*



## "Fast Action Scheme" Achieves Quick Results



*In recognition of the Department's effort in combating piracy activities in exhibitions, Chairman of the Hong Kong Brands Protection Alliance, Dr Lewis Luk (right) presenting a plaque to Commissioner Tong.*

Hong Kong Customs and Hong Kong Brands Protection Alliance (HKBPA) launched the "Fast Action Scheme" into large-scale exhibitions to combat piracy activities for better protection of intellectual property rights in 2007.

These large-scale exhibitions included the Hong Kong Toys and Games Fair 2007, which was held in January; and Hong Kong International Jewellery Show in March.

Commissioner of Customs and Excise, Mr Timothy Tong; Assistant Commissioner (Intelligence and Investigation), Mr Tam Yiu-keung, met with the Chairman of HKBPA, Dr Lewis Luk; Acting Chairman, Mr Flint Chan and other core members on December 11, 2006 to discuss cooperation for 2007.

In recognition of the achievement made by Customs in combating piracy activities, Dr Luk presented a plaque to Commissioner Tong.

Representatives of Hong Kong Trade Development Council, AsiaWorld-Expo, Hong Kong Productivity Council, and members of HKBPA organising large-scale exhibitions also attended the meeting.

"It is encouraging that not only was the Scheme rolled out swiftly by Customs and HKBPA, its implementation in two exhibitions had already led to concrete result," Commissioner Tong said.

"We believe that our strong cooperation will serve

as strong deterrent to piracy activities at exhibitions, which underlines our conviction in IPRs protection in HK," he added.

Under the Scheme, Customs pledges to take enforcement action within 24 hours after a complaint of suspected piracy activity is received.

In the Hong Kong Electronics Fair 2006 and 15th Hong Kong International Toys and Gifts Show/14th Asian Gifts, Premium and Household Products Show, which were held in October 2006, Customs successfully cracked 5 piracy cases.

Five persons were arrested, among them four were given a two months' sentences, suspended for 24 months, and a fine from \$2,500 to \$5,000.

Assistant Commissioner (Intelligence and Investigation), Mr Tam Yiu-keung, said that the Scheme facilitated Customs to take prompt enforcement action.

He said, "In one of the five cracked cases, Customs officers successfully arrested the offender and seized the concerned goods in only 5 hours."

Under the Scheme, HKBPA members will file to HKBPA the copyright or trademark information of their products before the exhibition. Customs officers can make use of the data for verification and enforcement action when complaints of piracy activity are received.

### Information Unit



*Divisional Commander (Intellectual Property Investigation Support), Mr Louis Lee (third right) pictured with Acting Chairman of Hong Kong Brands Protection Alliance (HKBPA), Mr Flint Chan (third left) and Secretary of HKBPA, Ms Simphy Ip (second left), at "Fast Action Scheme" counter of Customs, which was set up in exhibition.*



# Computer Forensic Lab Awarded ISO 9001

The Computer Forensic Laboratory (CFL) of the Department became the first government laboratory awarded the International Certificate on Quality Management System (ISO9001) and International Certificate on Information Security Management System (BS7799).

Acting Customs Commissioner, Mr Lawrence Wong, said during the certificate presentation ceremony on October 10, 2006 that the Department had long recognized the importance of digital evidence to successful investigation, particularly in piracy cases. CFL was set up in 2000 to handle digital evidence work, such as collecting, assessing, storing and adducing evidence in court.

Given its professional management and high-level security of the information system, the establishment of CFL has strengthened the credibility of evidence and professional advice given by Customs officers in court.

Mr Wong said, "The Department is committed to providing the best public service, acting with confidence, serving with courtesy and striving for excellence."

Under the two-year guidance of Hong Kong Productivity Council which served as the Department's consultant, Customs developed a set of codes in



*Superintendent of Computer Forensic Laboratory, Mr Keith Wong (right), receiving the accreditation from Director of Hong Kong and South China of Systems and Services Certification, Société Générale de Surveillance (SGS), Mr Ben Tsang Wai-ming (left).*

compliance with the international standards of ISO9001 and BS7799. It became the first government computer forensic laboratory awarded these two international certificates after examination by Société Générale de Surveillance (SGS) Hong Kong Limited.

CFL is equipped with \$5 million worth of digital evidence software and hardware, including the Optical Disc Analyser and Portable Digital Evidence Acquiring Computer.

In addition to the three core officers with computer related qualifications, the Department has set up a thirty-member Computer Analysis and Response Team to assist frontline officers in collecting digital evidence in crime scenes. While eight members have completed computer forensic course organised by the Hong Kong Polytechnic University, the remaining 22 members are under training.

Since its establishment, CFL handled 316 cases, out of which 203 were on pirated optical discs, 46 on Internet piracy (including Hong Kong's first BT case), 14 on corporate piracy, 6 on money laundering and 47 on other piracy cases. In total, CFL have examined 426 computers and 1278 pirated optical discs writers.

## Office of Information Technology

### CFL Equipment At A Glance

#### Optical Disc Analyzer

Optical discs are inserted automatically to the computer for scanning and analysis.



*Optical Disc Analyzer.*



*Portable Digital Evidence Acquiring Computer.*

#### Portable Digital Evidence Acquiring Computer

Equipped with forensic hardware and software, the portable computer enables Customs officers to conduct dynamic computer analysis in the crime scene efficiently.



## C&ED Annual Report Wins

### International Awards On Communication

*"Customs and Excise Department Departmental Review 2003-2004"* was awarded "Gold Award" in the 16th International ASTRID Awards Competition and "Bronze Award" in the 19th Annual International MERCURY 2005 Awards Competition.

The two international competitions are organised by MerComm to promote better communication by organisations around the world. Being part of the six international awards programmes under MerComm, ASTRID and MERCURY Awards Competitions aim to honour organisations for outstanding achievement in design communications and public relations respectively.

"The honour is a testimony to the Department's striving for excellence. The Department will enhance its communication with the public, serving with courtesy," a spokesman for Customs and Excise said.

In 2006, ASTRID and MERCURY Awards Competitions attracted more than 400 entries from 15 countries and over 800 entries from 14 countries respectively. Entries were judged by international panels of professionals on the basis of concept creativity, clarity and production quality.

The award-winning publication, covering major achievements and developments of Customs in 2003/04, aimed to enhance public understanding of the work of Customs.



*The Customs and Excise Departmental Review 2003-2004.*



*Certificate of Bronze Winner of MERCURY Awards Competition.*



*Certificate of Gold Winner of ASTRID Awards Competition.*

It covers enforcement of the Department in anti-smuggling, trade facilitation, narcotics interdiction, intellectual property rights protection, revenue collection and consumer protection.

To keep the publication concise and easy to read, the Editorial Board contained the most important details within 20 pages, while in-depth information was provided in a CD-Rom which was distributed with the hardcopy.

The arrangement minimised the use of paper and was environment-friendly.

The Departmental Review is distributed to Customs counterparts; enforcement agencies locally and overseas; tertiary institutes; and government departments. The softcopy is also available in the Department website at [http://www.customs.gov.hk/eng/publications\\_e.html](http://www.customs.gov.hk/eng/publications_e.html).

**Office of Departmental Administration**



### *F*amiliarization Visits To Customs

The Department received a number of visitors from our Customs counterparts and other law enforcement agencies in the last quarter of 2006.

#### **Visit By Mrs Dorrington of Australian Customs Service**

National Manager Passengers of Australian Customs Service, Mrs Jan Dorrington, visited the Airport Command on October 27, 2006 and was briefed by Divisional Commander (Air Passenger), Mr Chik Bun-hung on cargo and passengers clearance.

She was impressed by the Department's efficient cargo clearance through the use of technology, such as the Air Cargo Clearance System for preliminary assessment on cargo data to locate suspicious consignment; and the smooth passenger clearance after the implementation of "Red and Green Channel System".

Accompanying Mrs Dorrington were Counselor Customs in Beijing, Mr Tom Anderson and First Secretary of Australian Customs Service, Ms Grace Wu.

Photo 1: Group Head (Air Passenger and Apron), Mr Thomas Wu (third right) and Divisional Commander (Air Passenger), Mr Chik Bun-hung (first right) introducing to Mrs Jan Dorrington the use of the Audio and Video Recording System at the passenger cubicle.



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#### **Japan Ministry of Environment & ICAC Chief Investigators Pay Visits**

Chief of Japan's Ministry of the Environment, Mr Takahiro Hasegawa and Overseas Environmental Consulting Group Consultant, Mr Junya Kikuhara; and a group of 34 newly promoted ICAC Chief Investigators visited Kwai Chung Customhouse of the Ports and Maritime Command (PMC) on November 8, 2006 separately.

Group Head (Ports Control), Mr Liu Hon-chun outlined to the visitors the work of PMC, especially on cargo examination. Demonstration of the mobile X-ray vehicle scanning system was arranged.

Mr Liu briefed Mr Hasegawa and Mr Kikuhara on our strategies in combating the latest sea smuggling involving containerized cargoes.

The visiting ICAC Chief Investigators were shown how Customs handled cargo clearance speedily, striking a balance between facilitating trade and combating smuggling activities.

Photo 2: Group Head (Ports Control), Mr Liu Hon-chun (third right) with Chief of Japan's Ministry of the Environment, Mr Takahiro Hasegawa (second right), Overseas Environmental Consulting Group Consultant, Mr Junya Kikuhara (third left) and Inspector, Mr C H Chee (first left).

Photo 3: Mr Liu (third left) explaining to ICAC Chief Investigators our cargo clearance work.



### xchange With Mainland And International Administrations

Through active participation in workshops, meetings and international conferences, the Department has enhanced mutual co-operation with the Mainland and overseas Customs administrations. The strong international networks is beneficial to combating transnational crimes.

#### International Drug Enforcement Conference

Divisional Commander (Drug Investigation (Import and Export)), Mr Leo Sin attended the International Drug Enforcement Conference Far East Working Group Meeting. It was hosted by Indonesian National Police and US Drug Enforcement Administration in Bali from September 12 to 13, 2006.

"Fifty-five participants from 15 countries took the opportunity to strengthen cooperation in investigating syndicated drugs cases, sharing with each other useful information for launching operations," Mr Sin said.

To exemplify the importance of a united front in combating drug trafficking, Hong Kong Customs gave a presentation on the success of 'Operation ScentHound', which led to the seizure of 142 kg cocaine and the arrest of nine persons in Hong Kong and the Mainland.

Left photo shows Divisional Commander (Drug Investigation (Import and Export)), Mr Leo Sin (right), with Deputy Director of Narcotics Crime Investigation at Narcotics Central Bureau of Ministry of Public Security, Mr Xin Wu (centre) and Senior Superintendent at Narcotics Bureau of Hong Kong Police Force, Ms Evelyn Lam (left).

#### Workshop on "Project Sky Hole Patching"

Divisional Commander (Intelligence Processing) of Intelligence Bureau, Ms Susanna Koo gave a presentation on how Hong Kong Customs implemented "Project Sky Hole Patching" at the National Capacity Building Workshop for Customs Officers and Enforcement Agencies.

It was organised by the UN Environmental Programme Regional Office for Asia and the Pacific jointly with China State Environmental Protection Administration and General Administration of Customs of PRC. The workshop was held in Zhuhai from October 18 to 21, 2006.

Participants discussed how Customs handled ozone related issues, such as implementation of the next phase of "Project Sky Hole Patching". It involved hazardous waste, and regional cooperation to combat smuggling of ozone depleting substances.

Launched on September 1, 2006, "Project Sky Hole Patching" is aimed to encourage Customs administrations worldwide to set environmental issues on top of their enforcement agendum.

Representatives from India Customs, Thai Customs, Environmental Investigation Agency and US environmental legal consultant also spoke at the occasion.

Right photo shows Divisional Commander (Intelligence Processing) of Intelligence Bureau, Ms Susanna Koo (third left), with other participants.





### WCO Regional Intelligence Liaison Office Meeting

Group Head (Customs Liaison), Mr Chiu Bit-yuen, and Senior Inspector of Intelligence Bureau, Ms Ip Tung-ching, attended the 18th Administrative Meeting of National Contact Points of WCO Regional Intelligence Liaison Office for Asia and the Pacific in the capital city of Islamabad in Pakistan from October 30 to November 1, 2006.

Mr Chiu said that apart from experience sharing and annual work review, participants had set out the future direction for the coming year.

The meeting was hosted by China Customs this year.

Left photo shows Group Head (Customs Liaison), Mr Chiu Bit-yuen (third left, last row) and Senior Inspector of Intelligence Bureau, Ms Ip Tung-ching (second right, last row) with other participants.

### IPRs Roundtable Symposium

Divisional Commander (Special Task Force (Administration and Support)), Mr Ho Kai-chi and Senior Inspector of Intellectual Property Investigation Bureau, Mr Simon Wan, attended Intellectual Property Rights Roundtable Enforcement Symposium for Pan-Pearl River Delta, which was held in Macau from November 10 to 11, 2006.

"As guest speakers, we briefed participants on the achievement of Hong Kong Customs and the work of the Anti-Internet Piracy Team," Mr Ho said.

Organised by Motion Picture Association (MPA), the symposium offered a good opportunity for the 45 participants, including representatives of MPA, Macao Customs Service, Mainland Municipal Cultural Market Enforcement Authorities and Japan External Trade Organization, to share their experience in anti-piracy work.

Right photo shows Divisional Commander (Special Task Force (Administration and Support)), Mr Ho Kai-chi (third left, front row) and Senior Inspector, Mr Simon Wan (first left, second row) with other participants.





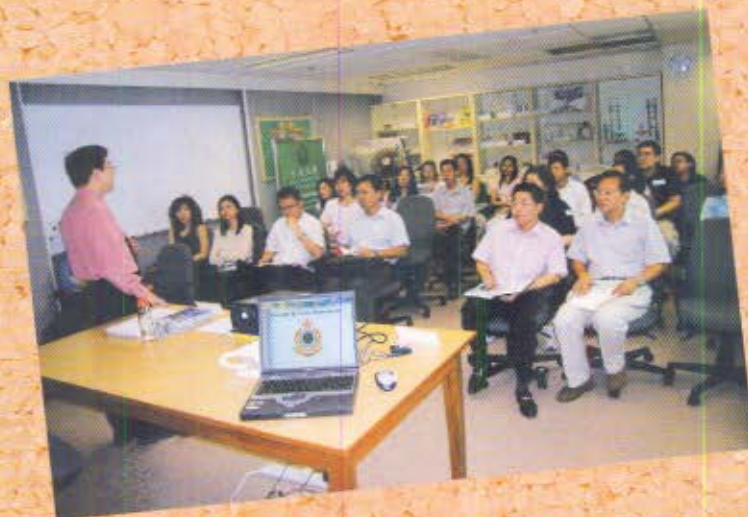
### Seminar On Product Safety For Industry

The Department conducted seminars to promote traders' awareness of product safety and obligations in complying with the related Ordinances. Representatives from 14 local enterprises, leading department stores and chained stores took part in a half-day seminar organised by Consumer Protection and Prosecution Bureau (CPPB) on September 21, 2006, to learn more about the statutory requirement for safety of toys, children's products and consumer goods and their liabilities.

Deputy Chief of Shenzhen Bureau of Quality and Technology Supervision, Mr Zhang Ping Zhong, who visited Hong Kong Customs under the staff exchange programme coordinated by Civil Service Bureau, also attended the seminar.

Taking the opportunity, Mr Zhang briefed the participants the test result on safety of toys and children's products in Shenzhen in this couple of years.

Left photo shows Senior Investigator of Consumer Protection and Prosecution Bureau, Mr Ricky Yeung, outlining statutory requirement for consumer goods safety at the seminar.



## Training

The Department provides training and development programmes for officers at all levels so that they can acquire necessary skills to perform their tasks effectively and efficiently, to improve work performance and to take on new challenges in the changing environment.

### Local And Overseas Training

#### Vehicle Valuation Training Course

Ten officers from Motor Vehicles Valuation Group attended a training course on vehicle valuation, which was organised by Hong Kong Institute of Vocational Education (IVE) on September 6, 2006, to learn more about vehicles and assessment of vehicles values.

The course was run by Department of Automotive Engineering of IVE. It covered various topics, namely identification of body types of vehicle and motorbike, detection of faded vehicle chassis, engine numbers or optional accessories, and differentiation of new and used vehicles.

Right photo shows the instructor showing different vehicle system mechanisms to the participants.





### Drug Detecting & Narcotest Kits Training

Customs Drug Investigation Bureau organised "Train The Trainer Course on the Use of Drug Detecting Devices and Narcotest Kits" on September 28, 2006. From Government Chemist's demonstration, 24 officers from various Commands learned the application of the latest detection devices and narcotest kits.

Photo shows the participants listening attentively to the Government Chemist during his demonstration of the proper use of a drug detecting device.

### Seminar On Vehicle Models & Market

Officers from Office of Dutiable Commodities Administration and Office of Training and Development attended a seminar on "Vehicle Models and Market in Hong Kong" on December 8, 2006. They learned from representatives of major motor traders more about the vehicle trade and market strategies, which would facilitate their assessment work on First Registration Tax.

Photo shows Senior Staff Officer (Dutiable Commodities Administration), Mr Albert Ho (left), presenting a souvenir to Secretary General of Motor Traders Association of Hong Kong, Mr Johnson Li (middle). Standing right is Staff Officer (Motor Vehicles Valuation), Mr Leung Shung-chi.



### Tactical Wilderness Navigation Course

Twenty-five officers of Special Task Force attended a Tactical Wilderness Navigation Course organised by the Civil Aid Service Training School on October 13, 2006. It was arranged to heighten frontline officers' safety awareness when they conducted surveillance in the wild.

Photo shows participants locating direction from the map during the field training. They had to reach a destination near Kowloon Peak by a less-travelled path covered by shrubs and bushes.



### Product Safety Enforcement Training

Senior Trade Controls Officer of Consumer Protection and Prosecution Bureau, Mr Cheng Man-wai, completed a 12-day attachment to Trading Standards Service of Manchester and Edinburgh, the United Kingdom, in January 2007.

Through the attachment, he learned from the overseas counterpart useful enforcement skills and approaches.

Photo shows Senior Trade Controls Officer of Consumer Protection and Prosecution Bureau, Mr Cheng Man-wai (left) with Assistant Chief Trading Standards Officer of Trading Standards Service of Manchester, Mr John R. Atkin.





### Briefings On Dutiable Commodities

About 80 officers of the Air Cargo Group of Airport Command had a deeper understanding of the licensing and permit control systems on dutiable commodities after attending a series of half-day training provided by Licence and Permit Division of Office of Dutiable Commodities Administration (ODCA) in November 2006.

The briefings covered a range of topics, such as control mechanism on raw tobacco leaf, and duty exemption on dutiable commodities for the use by consulates. Similar courses will be held for colleagues of Control Points Command.

Left photo shows Senior Inspector of ODCA, Mr Wong Po-to, giving a briefing.



### Training in the Mainland

The Department arranged frontline and senior officers from different formations to attend courses in the Mainland in the last quarter of 2006. It was hoped that such training could help enhance cooperation between Hong Kong and Mainland administrations.

### China Customs Training Course

Led by Assistant Superintendent, Mr Lau Tak-choi and Senior Inspector, Mr Cheung Hon-keung, 15 Customs officers attended the 15th China Customs Training Course, which was held in Shanghai Customs College from October 22 to November 4, 2006.

"The course covered the role of China Customs and the latest development in Mainland on its economy, foreign affairs and technology. Course instructors were academics, experts and senior Customs officers of Shanghai College of Administration, Shanghai Customs College and Customs General Administration in Beijing. It was an invaluable learning experience for us all," Mr Lau said.

"On our part, we gave presentations on Hong Kong Customs work, particularly on our enforcement in CEPA, anti-smuggling and IPRs protection," he added.

During visits to Yangshan Port, Pudong International Airport, Wushi Customs and Suzhou Logistics Centre, participants had a useful exchange with their frontline Customs counterparts.

Right photo shows Assistant Superintendent, Mr Lau Tak-choi (third left, front row), the course participants with the representatives from Shanghai Customs College.



## China Customs Basic Course

After attending a ten-day China Customs Basic Course organised by Guangdong Customs in Panyu from October 16 to 25, 2006, 14 frontline officers returned with a better understanding of the work of Mainland Customs, including their administration and organisational structure

Photo 1: Course participants headed by Senior Inspector, Mr Yau Yuk-ping (first row, fourth left) sharing a joyful moment with Guangdong Customs Director, Mr Lin Gao (first row, fifth left) and Deputy Director, Ms He You-lan (first row, third left) at the graduation ceremony.

## National Studies Course

Along with 33 officers from other Government departments, Deputy Head of Revenue and General Investigation Bureau, Mr Ronny Ng, and Staff Officer (Planning and Development), Ms Linda Tsui, attended a National Studies Course held by Sun Yat-sen University in Guangzhou between September 24 and 30, 2006.

“Academics from the University gave talks on legal system, government structure and recent development in the economy and infrastructure. Such information helped us maintain close liaison with our Mainland counterparts in future,” Mr Ng said.

Ms Tsui said that through field visit, the course participants gained a deeper understanding of port development and privatisation of state-owned factories.

Photo 2: Deputy Head of Revenue and General Investigation Bureau, Mr Ronny Ng, on behalf of the class, making a speech at the opening ceremony of the National Studies Course.



## Other News

### Job Shadowing Programme

Fifty secondary school students met 23 Customs Officers Trainees on December 14, 2006 and January 18, 2007 to know more about the career of Customs officer.

Under “Job Shadowing” programme organised by Junior Achievement Hong Kong, the Customs Officers Trainees served as their mentors to let the students know how skills learned in schools were applied in the workplace.

Photo 3: Participating students discussing with Customs Officers Trainees.



### Special Stamp On Customs Mobile X-ray Vehicle Scanning System

Customs Mobile X-ray Vehicle Scanning System was one of the “Government Transport” Special Stamps issued by Hong Kong Post on October 19, 2006.

The special set of stamps featured six unique vehicles from different disciplined services. The collection exemplified the professionalism, commitment and special nature of these departments in serving and protecting the community.

Photo 1: Head of Control Points Command, Mr Ko Chi-lok (third left, first row) with Postmaster General, Mr Tam Wing-pong (fourth right, first row), representatives of the six disciplined services and designer of these special stamps.



### Friendly Soccer Matches

As an annual event to foster closer cooperation between government departments, a soccer match between Customs Drug Investigation Bureau (CDIB) and Government Laboratory was held at the Customs and Excise Training School on November 5, 2006, and another one with the Narcotics Bureau of Hong Kong Police Force in the Disciplined Services Sports and Recreation Club on December 1, 2006.

“Both teams played tremendously well, demonstrating the same spirit on the pitch as in their work,” the captain of CDIB team, Mr Ben Leung said.

Photo 2: CDIB Team with Government Laboratory Team.