

Customs News

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The Commissioner Speaks

The Hong Kong Customs and Excise Department enjoys a fine reputation of being an excellent and efficient discipline service. It plays a critical role in anti-smuggling, combating drug trafficking, safeguarding the integrity of Hong Kong's Intellectual Property Right (IPR) regime and ensuring the safety of consumer products. I am very proud to be a member of it.

Since assuming the position of Commissioner on July 1, 2007, I have paid visits to different formations and operation units of the department. These visits allowed me to meet with colleagues and understand their daily operation and the difficulties and challenges which they encounter in performing their duties. I have also met with representatives of the staff associations and had frank discussions with them on issues of common concern. These meetings

and discussions left me with a deep impression of the professionalism, dedication and commitment of the department in serving the community.

Since Hong Kong is basically a "free port", there are few commodities and goods that are subject to import duties or tax. The main function of the Hong Kong Customs Service is to protect the integrity of our customs boundary and prevent illicit drugs, contraband goods and prohibited articles from entering Hong Kong, causing harm to the community. While all along the department has done an excellent job in performing its functions and responsibilities and won the trust and support of the public, the rapid development of



Commissioner of Customs and Excise, Mr Richard Yuen (middle), was briefed by the Head of Customs Drug Investigation Bureau, Mr Ben Leung (right), on how Hong Kong Customs cracked the largest cocaine case in July, 2007.



Commissioner of Customs and Excise, Mr Richard Yuen (second left), was impressed with the contribution of the Customs detector dogs in cracking down on smuggling activities.

society has brought new challenges and difficulties to our work. The growing problem of drug abuse among the youth, the rising trend of “soft-drugs”, the opening of new border control points, new IPR piracy issues created by advance in IT technology, recent public concern about the safety of consumer goods and imported food, and the imminent change of the textile quota system, to name a few, have added to make the work of Customs Service not only more complicated and diverse but also more directly related to the daily life of the community.

Faced with the challenge of an ever-changing environment, it is necessary for us to move with the times. We have to rely on our team of dedicated and committed staff to lead the department forward and face up to these challenges. My first priority, therefore, is to promote human resource development. Throughout these years, the department has achieved many impressive results which owe much to the professionalism, the organisation and planning capability and the ability to command new and advanced technology of our staff. I will endeavour to build on this strong foundation and provide more opportunities for colleagues to develop their potential and nurture a broad and future looking perspective. We need to possess a long-term vision and the ability to see things from different angles so that we are more able to anticipate the change ahead, overcome the challenge, do a better job, provide the public with a better service and at the same time create more job satisfaction for ourselves.

To cope with the increased workload arising from the opening of new control points and other new activities, we recruited some 450 new Customs Officers last year and are in the process of recruiting 32 new Inspectors. I would like to extend a warm welcome to our new colleagues. They will bring new vitality to the Service, improve the career prospect of the staff and boost the morale of the department.

I would also like to mention that on October 8, 2007 we held the foundation stone laying ceremony for the long awaited Customs Headquarters Building. It marked the official commencement of the construction work of the new building. We can all look forward to having a “new home” three years from now. The building of the new Headquarters Building represents a new milestone in the development of the Hong Kong Customs Service. I call upon all colleagues to work together, do our best and take the Hong Kong Customs Service to a new height. Together we will make Hong Kong an international exemplar of success in anti-smuggling, prevention of drug trafficking, IPR enforcement and safeguard of consumer interests.

Finally, in the beginning of a new year, I wish every one of you and your family good health and every success in your career.

Richard Yuen
Commissioner

FS Lays Foundation Stone for Customs Headquarters



Financial Secretary, Mr John C Tsang (centre), officiates at the Foundation Stone Laying Ceremony of the Customs Headquarters Building. He is accompanied by Commissioner of Customs and Excise, Mr Richard Yuen (second left); Director of Architectural Services, Mr Yue Chi-hang (second right); Chairman of Shui On Group, Mr Vincent H S Lo (first left); and Deputy Commissioner of Customs and Excise, Mr Lawrence Wong (first right).

The Customs Headquarters Building Foundation Stone Laying Ceremony was held on October 8, 2007. The Financial Secretary, Mr John C Tsang; Commissioner of Customs and Excise, Mr Richard Yuen; Director of Architectural Services, Mr Yue Chi-hang; Chairman of Shui On Group, Mr Vincent H S Lo; and Deputy Commissioner of Customs and Excise, Mr Lawrence Wong, officiated at the ceremony.

Speaking on the occasion, Mr Tsang said the Customs Headquarters Building, to be completed in mid-2010, would enhance efficiency of the Customs and Excise Department, provide better services for the public and keep pace with Hong Kong's economic development.

He commended the professionalism and quality service of the department.

Mr Yuen said at the ceremony that the construction of a dedicated headquarters for Hong Kong Customs was a milestone in the development of the department.

“To our department, a headquarters building is more than a place of work. It is

our home – a place in which all of us can be linked in a close bond and cherish a strong sense of belonging,” he said.

“The headquarters building will bring greater convenience to the public. By housing all currently dispersed public services on licence and permit applications under one roof, the building will provide one-stop service to the public at a single location,” Mr Yuen said.



Financial Secretary, Mr John C Tsang (second right); Commissioner of Customs and Excise, Mr Richard Yuen (first right); Director of Architectural Services, Mr Yue Chi-hang (second left); Chairman of Shui On Group, Mr Vincent H S Lo (third left); and Deputy Commissioner of Customs and Excise, Mr Lawrence Wong (third right), viewing the model of the Customs Headquarters Building. Briefing them is Senior Staff Officer of the Office of Project Planning and Development of Hong Kong Customs, Mr Ho Ka-ying (first left).

The 34-storey headquarters building is located at the junction of Java Road and Tin Chiu Street, North Point. About 1,800 staff members will be housed in the office space of 28,000 square metres.

The building will be equipped with an advanced radio command control centre, an information technology centre, a computer forensic laboratory, a fitness training room, an indoor firing range and two mini-ranges for computer simulated shooting exercises. General facilities include a multi-purpose auditorium, a library and a staff canteen.

There will be an exhibition centre to showcase



Commissioner of Customs and Excise, Mr Richard Yuen (right); Financial Secretary, Mr John C Tsang; and Commissioner of Independent Commission Against Corruption, Mr Timothy Tong (left), with the model of Customs Headquarters Building. Mr Tsang and Mr Tong are former Customs commissioners.

the work of Hong Kong Customs and its history, enabling the public to learn more about the department.

Information Unit

HK & Korea Customs Forge Closer Co-operation

The Commissioner of Hong Kong Customs and Excise, Mr Richard Yuen, signed agreed minutes for closer co-operation with the Commissioner of Korea Customs Service (KCS), Mr Seong Yun-kap, at an annual meeting between the two administrations in Hong Kong on November 28, 2007.

Both sides agreed to continue with the “Immediate Notification Mechanism” for prompt exchange of intelligence to combat transnational customs offences, including drug trafficking, cigarette smuggling and intellectual property rights infringements.

They will also strengthen co-operation in the

protection of intellectual property rights and the exchange of expertise, as well as organise training and reciprocal visits.

Commenting on the close relationship between Hong Kong and Korean Customs, Mr Yuen said, “The Immediate Notification Mechanism between the two administrations has proved to be effective and efficient in responding promptly to customs offences. We have successfully intercepted two containers of illicit cigarettes, with value amounting to US\$2.4 million.”

Information Unit



Commissioner of Hong Kong Customs and Excise, Mr Richard Yuen (left), and Commissioner of Korea Customs Service (KCS), Mr Seong Yun-kap, at the signing ceremony of the agreed minutes for closer co-operation.

Deputy Commissioner attends Council Sessions



Deputy Commissioner, Mr Lawrence Wong (left), and Superintendent, Mr Chiu Bit-yuen (right), at the 109th/110th WCO Council Sessions.

Deputy Commissioner, Mr Lawrence Wong; Superintendent, Mr Chiu Bit-yuen; and Acting Senior Inspector, Ms Leung Suet-kwan, attended the 109th/110th Council Sessions of the World Customs Organization (WCO) at the WCO Headquarters in Brussels, Belgium between June 28 and 30, 2007.

Various topical customs issues at global level were discussed. The Secretariat reported on the encouraging progress in the implementation of the “SAFE Framework of Standards to Secure and Facilitate Global Trade”. The first phase of the Columbus Programme was completed with more than

100 Customs administrations having received the Diagnostic Missions. The “Standards employed by Customs for Uniform Rights Enforcement (SECURE)” was endorsed by the Council as a blueprint for international collaboration in the fight against piracy.

In order to facilitate the accession of the European Communities to the WCO as a member, the Council adopted a Recommendation to amend the Convention establishing a Customs Co-operation Council.

The Panel discussions on “Customs in the 21st Century” provided a good opportunity for participants to share how Customs administrations across the globe could take advantage of the opportunities and meet the various challenges that characterised the 21st century environment. It was concluded that the broad vision for Customs in the coming century would be to support global development, security and peace by securing and facilitating international trade.

Same as 2006, trophies were presented to the winners of the competition in respect of combating counterfeiting and piracy. Though Hong Kong Customs did not participate in the competition, we were glad to learn that China Customs was awarded a special prize in recognition of its commendable efforts and determination in the fight against piracy.

Customs Liaison Bureau

IPR Enforcement Museum Opened

The Intellectual Property Rights Enforcement Museum (Museum), newly set up by the Customs and Excise Department, will help enhance the respect for intellectual property rights (IPRs) and strengthen regional co-operation.

The Secretary for Commerce and Economic Development, Mr Frederick Ma; Commissioner of Customs and Excise, Mr Richard Yuen; and Assistant Commissioner (Intelligence and Investigation), Mr Tam Yiu-keung, officiated at the inauguration ceremony for the Museum on October 30, 2007.

Mr Ma underlined the importance of creativity and innovative technology to Hong Kong’s economic development, stressing that the Government was committed to its protection.



The Secretary for Commerce and Economic Development, Mr Frederick Ma (second right), is briefed on the evolution of IPR-infringement crime and the enforcement work of Hong Kong Customs.

He is accompanied by Commissioner of Customs and Excise, Mr Richard Yuen (first left).



The Secretary for Commerce and Economic Development, Mr Frederick Ma (third right), watching a raid demonstration on a domestic pirated optical disc copying workshop after opening the IPR Enforcement Museum. He is accompanied by Commissioner of Customs and Excise, Mr Richard Yuen (second right), and Assistant Commissioner (Intelligence and Investigation), Mr Tam Yiu-keung (first right).

“Our endeavour and achievement in the protection of IPRs and the evolution of law enforcement in this aspect are showcased in the museum, enabling visitors to have a deeper understanding of the work of Hong Kong Customs,” he said.

Mr Ma said that in addition to law enforcement, Hong Kong Customs had been proactive in promoting respect for IPRs to the community, especially among the younger generation.



The Secretary for Commerce and Economic Development, Mr Frederick Ma (centre), is briefed on Customs stringent enforcement actions, including the first-ever successful criminal prosecution against the distribution of infringing copyright works by BT on the Internet. He is accompanied by Commissioner of Customs and Excise, Mr Richard Yuen (right).

He thanked the industry for its continuing support of law enforcement agencies in prosecuting IPR offences.

The 235-square metre museum, located at Kowloon Bay, displays more than 300 pieces of significant copyright-infringed items and counterfeit goods seized by Hong Kong Customs over the years.

Intellectual Property Investigation Bureau

GETTING TO KNOW MORE

IPR Enforcement Museum

Address : 10th floor, Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong

Opening hours : 9 am - 6 pm, Monday to Friday (closed on Saturdays, Sundays and public holidays)

Exhibits

The Museum displays over 300 exhibits seized since the 1970s, including

- pirated books, audio tapes, optical discs and game cartridges;
- counterfeit clothing, leather goods, foodstuffs, watches, tobacco, liquor, medicine and toys;
- tools and equipment for the production of counterfeit watches, forged trademarks, pirated books and audio tapes; and

- production line of optical discs, mould heads and stampers.

Special items include:

- cartoon statuette used by “Big Crook” in connection with the first BT prosecution case;
- seizures in relation to Operation Sniper, the first counterfeiting case to which the Organized and Serious Crimes Ordinance was applied; and
- counterfeit Olympic 2008 Fuwa souvenirs.

Visit Reservation:

Hong Kong Customs welcomes organisations and student groups from local and overseas to visit the Museum. Visit reservation can be made by writing to Intellectual Property Investigation Bureau, Customs and Excise Department, 9/F, Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong (Fax: (852) 2850 6415). For enquiries, please call (852) 2851 1600.

Record Seizure of Cocaine



Commissioner of Customs and Excise, Mr Richard Yuen (tenth left, front row), meeting with Head of Customs Drug Investigation Bureau, Mr Ben Leung (ninth right, front row), and his team. He is accompanied by Assistant Commissioner (Intelligence and Investigation), Mr Tam Yiu-keung (ninth left, front row).

The Commissioner of Customs and Excise, Mr Richard Yuen, commended the officers from Customs Drug Investigation Bureau (CDIB) and Ports and Maritime Command (PMC) for their alertness and professionalism in making a record seizure of 160 kilograms of high-grade cocaine.

The haul, seized from a container vessel from Panama on July 24, 2007, was worth \$110 million.

“This successful case has demonstrated our determination and ability to detect and prevent smuggling of narcotics and illicit substances through our port,” Mr Yuen said at a meeting with the staff at Kwai Chung Customhouse on July 27, 2007.

In July, officers of CDIB and PMC mounted a joint operation codenamed “Operation Hippo”, targeting cargoes from high-risk sources.



(Standing, from left) Group Head (Ports Control), Mr Liu Hon-chun; the Head of Customs Drug Investigation Bureau, Mr Ben Leung; and Divisional Commander (Drug Investigation (Import and Export)), Mr Donald Wong, displaying the seizure with the Customs drug detector dog and its handler.

Based on risk assessment, Customs officers selected two containers from a Panama vessel for examination on July 24, 2007. The goods were declared to be “purified water”.

With the assistance of X-ray and a Customs drug detector dog, Customs officers seized cocaine which were concealed inside 80 wooden pallets on which bottles of purified water were placed.

Five men and two women, aged between 23 and 51, were arrested.

Information Unit

Participation in International Conference

Recognising the importance of international co-operation in combating transnational crimes, the department actively participates in international conferences, exchanging views with the Mainland and overseas counterparts.

WCO Data Model Project Team Meeting

Staff Officer (Information Technology Group), Mr Sunny Ho, and Senior Inspector of Office of Information Technology, Mr Wong Cheuk-yin, attended the WCO Data Model Project Team (DMPT) Meeting and the 53rd Information Management Sub-committee (IMSC) Meeting. The meetings were held in Brussels from June 4 to 8, 2007.

The Meetings focused on global standardisation of data models used by Customs, participating government agencies, trading and logistics industries.

Photo 1: Mr Sunny Ho (right) and Mr Wong Cheuk-yin at the 53rd Information Management Sub-committee Meeting.

Asia Pacific Meeting on Money Laundering

Divisional Commander (Crime Proceeds Investigation), Mr Steve Chan, participated in the 10th Annual Meeting of the Asia/Pacific Group on Money Laundering and Technical Assistance Forum. The meeting was held in Perth, Australia from July 23 to 27, 2007. Delegates from over 50 jurisdictions

and international organisations reviewed the progress of the regional co-operation against money laundering.

Risk Assessment & Targeting Workshop

Officers from Hong Kong Customs, Australian Customs Service (ACS) and Anti-smuggling Bureau of the General Administration of Customs of the People's Republic of China (GACC) gathered in Hong Kong from August 6 to 10, 2007 for a Risk Assessment and Targeting Workshop. They exchanged ideas on risk identification and assessment as well as targeting strategies.

The workshop was organised by ACS, and Intelligence Bureau, Higher Training Division and Customs Liaison Division of Hong Kong Customs.

Photo 2: participants at the opening ceremony.

Repressing Drugs Smuggling Seminar

Head of Customs Drug Investigation Bureau, Mr Ben Leung, and Group Head (Intelligence Coordination) of Intelligence Bureau, Mr Leo Sin, exchanged intelligence with representatives from Mainland Customs and overseas law enforcement agencies at the Repressing Drugs Smuggling Seminar 2007. Hosted by the Anti-smuggling Bureau of General Customs Administration of PRC, the seminar was held in Sichuan from August 20 to 23, 2007. Photo 3: Mr Ben Leung (third right, second row) and Mr Leo Sin (third right, third row) with other delegates.



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WCO Regional Workshop on Commercial Fraud

Acting Chief Trade Controls Officer, Mr Szeto Kin-kun, and Senior Inspector, Ms Yeung Kai-fei, joined the WCO Regional Workshop on Customs Enforcement Against Commercial Fraud. The workshop, hosted by WCO and the Indian Customs, was held in Faridabad, India from August 20 to 24, 2007.

“The experience sharing session and discussion on the latest crime trend gave us insights in drawing up new initiatives to combat commercial fraud,” Mr Szeto Kin-kun said.

Photo 1: Mr Szeto (third left, second row) and Ms Yeung (second left, first row) with the other participants.

Smart and Secure Trade Lanes Working Group Meeting

Senior Staff Officer (Strategic Research),

Mr Sunny Ho, and Group Head (Ports Control), Mr Liu Hon-chun, sat in on the 6th Working Group Meeting on Smart and Secure Trade Lanes.

The meeting was held in London from September 4 to 7, 2007. It brought together representatives of the Netherlands, England and Mainland China to discuss the Smart and Secure Trade Lanes, which was a pilot scheme to be implemented by the three countries. The scheme aims to test the trade security principles with a small number of importers, exporters, carriers and port operators.

By attending this meeting, Mr Ho and Mr Liu had a good grasp of the latest development in supply chain security.

Photo 2: Mr Sunny Ho (fourth right) and Mr Liu Hon-chun (second right) with the representatives of the Netherlands, England and Mainland China.



Interflow with Mainland & Overseas Counterparts

For building a united front in fighting international crime, the department exchanges with the Mainland and overseas enforcement agencies.

APEC Delegation visits PMC

Nineteen delegates of APEC Symposium on Trade Facilitation visited Ports and Maritime Command (PMC) on June 5, 2007 to learn how the department maintained the balance of customs clearance and trade facilitation. Accompanying the delegates was Assistant Director-General of Trade and Industry Department, Ms Petty Lai.

Photo 1: Group Head (Ports Control), Mr Liu Hon-chun (second left, back row), and Assistant Director-General of Trade and Industry Department, Ms Petty Lai (third left, back row), with APEC delegates.

US Senator visits PMC

A US delegation, led by Senator Joseph Lieberman, discussed bilateral co-operation in port security with representatives of Hong Kong Government on August 9, 2007.

Deputy Secretary for Commerce and Economic Development (Commerce and Industry), Mr Christopher Wong; Deputy Commissioner of

Customs and Excise, Mr Lawrence Wong; and Deputy Director-General of Trade and Industry (Commercial Relations, Controls and Support), Mr Ngai Wing-chit; and Head of Ports and Maritime Command, Mr Li Chun-fai had a meeting with the delegation.

Photo 2: Mr Christopher Wong (fourth left), Mr Lawrence Wong (fifth left), Mr Ngai Wing-chit (third left), Mr Li Chun-fai (seventh left) at a meeting with Mr Joseph Lieberman (second right) and his delegation.

DEA Officers visit New Control Points

Accompanied by Head of Customs Drug Investigation Bureau, Mr Ben Leung, US Drug Enforcement Administration (DEA) Narcotics Attache, Mr Gene Goon, and his fellow officers visited Shenzhen Bay Port Control Point and Lok Ma Chau Spur Line Control Point on September 10, 2007.

The visit helped enforcement agencies of Hong Kong and the United States devise new anti-narcotics strategies, in light of the opening of the new control points.

Photo 3: Mr Ben Leung (seventh right) and other divisional commanders of Hong Kong Customs Drug Investigation Bureau receiving Mr Gene Goon (sixth left) and DEA officers at Lok Ma Chau Spur Line Control Point.



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Korean Delegation visits LMC & Kowloon Railway Unit

A six-member delegation from Ministry of Unification of Korea and Korea Railroad visited Lok Ma Chau Control Point and Kowloon Railway Unit in mid September of 2007.

Divisional Commander (Lok Ma Chau (Operations)), Mr Benson Lee, introduced to the visitors strategies and technologies employed by the department in conducting effective passenger and cargoes clearance.

Photo 1: the delegation with Mr Benson Lee (third left) at the cargo examination compound.

CDIB visits Office of Narcotics Control Board

Group Head (Drug Investigation), Mr John Lee, and Divisional Commander (Drug Investigation

(Import & Export)) of Customs Drug Investigation Bureau, Mr Donald Wong paid a duty visit to the Office of the Narcotics Control Board (ONCB) in Bangkok and Chiangrai, Thailand, from June 25 to 28, 2007.

They were received by the Head of the Narcotics Law Enforcement Bureau of ONCB, Mr Sukhum Opasniputh. Through the visits to Chiangrai and Golden Triangle, they had a better understanding of Thai's anti-drugs enforcement along the border and established a direct tie with their counterparts in Thailand for better intelligence exchange.

Photo 2: Mr John Lee (first left, back row) and Mr Donald Wong (second right, front row) with Mr Sukhum Opasniputh (second left, front row) and ONCB officers.



Training

The department attaches great importance to staff training and development to maintain the professionalism of the force. Officers attend courses and seminars relevant to the core competencies required by their work.

Management Course by International Law Enforcement Academy

Assistant Staff Officer (Prosecution), Ms Susan Lam; Assistant Staff Officer (Service Quality and Management Audit), Mr Lui Wing-cheung; Divisional Commander (Copyright Investigation), Mr Koon Hon-chuen, and Divisional Commander (Special Task Force (Operations)), Mr Chong Wai-ming, broadened their horizons on public administration techniques after attending the 56th Session of the Advanced Management Course.

The course was organised by the International Law Enforcement Academy in Roswell, New Mexico, between June 4 and 29, 2007.

Photo 1: (from left) Mr Chong Wai-ming; Mr Lui Wing-cheung; Site Manager, Mr Frank Taylor; Ms Susan Lam and Mr Koon Hon-chuen.

Executive Development Program by Kellogg School of Management

Senior Staff Officer (Dutiable Commodities Administration), Mr Albert Ho, gained insights in

public administration management after taking the Executive Development Program organised by Kellogg School of Management of Northwestern University in July, 2007.

He found that the concepts taught in this business-oriented course, such as leadership dynamics, customer focus audit, high-stakes decision-making and strategic marketing, were useful in personal development and public organisation management.

Photo 2: Mr Albert Ho (second right) exchanging views with the course participants.

Seminar on Court Bundles Preparation

About 140 service members and trade controls officers sharpened their skills in preparing case papers for prosecution. They attended a seminar on "Preparation of Case Papers/Bundles", organised by Consumer Protection and Prosecution Bureau and Department of Justice on August 28, 2007. A team of senior court prosecutors explained techniques in preparing court bundles, such as statement of fact, and introduced to the participants the latest development of court procedures.

Photo 3: (from left) Deputy Head (Trade Controls Prosecution), Mr Ng Ah-ming; Assistant Staff Officer (Prosecution), Ms Susan Lam, and Senior Court Prosecutors Mr Aaron Lee, Ms Angela Man and Mr William Wong.



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