



CUSTOMS NEWS

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THE COMMISSIONER SPEAKS

Hong Kong Customs performs the roles of law enforcement, trade facilitation, revenue protection and consumer protection. It is a great honour for me to join the Department and to work together with colleagues in the delivery of such crucial services.

Since I took up the post as Commissioner on August 20, I have visited various formations and operation units to understand different work streams and to communicate with colleagues

and staff representatives. The Department's sustained and concerted efforts in providing services of a diversified nature to cater for public needs have always been highly commended and recognized.

I am also impressed by the collaborative networks built up with international and regional counterparts and relevant industries. The exchange of intelligence, risk management and joint efforts with them all contribute to the Department's fulfilling performance.



Globalization has brought about rapid world-wide development. The blooming e-commerce with vibrant personnel and courier movements has on one hand facilitated legitimate activities, while on the other hand, also demands reinforcement in border management to combat illegal activities, in particular the surging trafficking of drugs and prohibited articles.

Another rapidly changing aspect relates to technological advances. Infringing acts notably in areas of intellectual property rights and online activities are ever-changing. The strategy of combating technology crime with technology saves substantial manpower for online



Mr Roy Tang (left) visits the Customs Data Centre.



The Commissioner (left) visits the Air Mail Centre.

monitoring round the clock and also increases the efficacy in detecting suspicious cases.

On trade facilitation, clearance benefits offered to Authorized Economic Operators in Hong Kong and signatory economies with mutual recognition arrangements (MRAs) are well received. It is encouraging that six MRAs, including the one signed with the Mainland and



The Commissioner (second right) is briefed on Customs operations at Lowu Control Point.



The Commissioner on board a Customs Sector Launch during his visit to the Ports and Maritime Command.

the latest one near completion with Malaysia, have been arranged in just four years.

It can be foreseen that the rapidly increasing cross-boundary flow of passengers and goods will continue to call for intensified and coordinated border management. New border check points are also coming onto stream. The Department is facing with challenges to make the optimal use of resources to meet



Mr Roy Tang (middle) visits Lok Ma Chau to see for himself facilities and operation of the control point.

such demands. I believe that colleagues would continue to make every endeavor to bring this work to fruition.

The positive progress in various aspects is a result of

staff’s collective efforts over the years. New recruits are expected to join the force in the coming year. Training and development will continue be vital for staff to keep pace with the times and unleash their

potential. Through enhanced communication, we could always have exchange on issues of mutual concern and suggestions for the benefit of the Department.

In view of the geographical advantage, Hong Kong will play a prime role under the “One Belt One Road” initiative. Looking ahead, Customs should take advantage of the opportunities and expedite efforts that promote connectivity and trade facilitation.

With Christmas just around the corner, may I wish all of you and your families a Merry Christmas and a Happy New Year!

Roy Tang
Commissioner



Mr Roy Tang (centre) visits the Computer Forensic Laboratory.

CONNECTIVITY AND WIN-WIN DEVELOPMENT – FORUM FOR CUSTOMS ADMINISTRATIONS ALONG THE BELT AND ROAD

A five-member delegation of Hong Kong Customs attended a high-level international Customs forum on the “Belt and Road” initiative between May 27 and 28, 2015 in Xi’an. The forum was hosted by the General Administration of Customs of the People’s Republic of China (GACC) against the backdrop of the “Belt and Road” initiative.

The “Belt and Road” initiative (the “Silk Road Economic Belt” and the “21st Century Maritime Silk Road”) was proposed by the Mainland in 2013 to promote trade links, capital flows, infrastructural investment and policy coordination among different places in Asia, Europe and Africa.

To take forward the initiative, GACC invited relevant Customs administrations as well as international and regional organizations, including the World Customs Organization (WCO), to attend this event. It was aimed to strengthen connectivity and to promote trade facilitation and regional economic development of countries or areas located along

the “Belt and Road”. The forum provided a platform for direct interaction between participants to explore opportunities for future collaboration.

Vice Premier of the State Council, Mr Wang Yang, Minister of the GACC, Mr Yu Guangzhou, Party Secretary of the Shaanxi Provincial Committee, Mr Zhao Zhengyong and WCO Secretary General, Mr Kunio Mikuriya, officiated at the opening session of the forum and delivered their keynote speech. Focusing on Customs cooperation, Mr Yu suggested that all Customs administrations along the “Belt and Road” should be committed to achieve: (i) win-win cooperation and common development; (ii) mutual respect and equity; (iii) cooperation in law enforcement and crime prevention; and (iv) strengthening of exchanges and mutual learning.

The delegation of Hong Kong Customs gave a presentation on “One Belt, One Road – Implications for Integration” to illustrate the geographical advantages of Hong

Kong under the “Belt and Road” initiative. It was believed that the initiative would further enhance cooperation among relevant Customs administrations.

The two-day forum was attended by more than 300 Customs officials and representatives from 64 countries and eight international and regional organizations. Participants took the opportunity for constructive exchange of views and experience. At the closing session, the participants adopted the “Xi’an Statement on Strengthening of Connectivity by Customs Administrations along the Belt and Road Supported by WCO Instruments and Tools”.

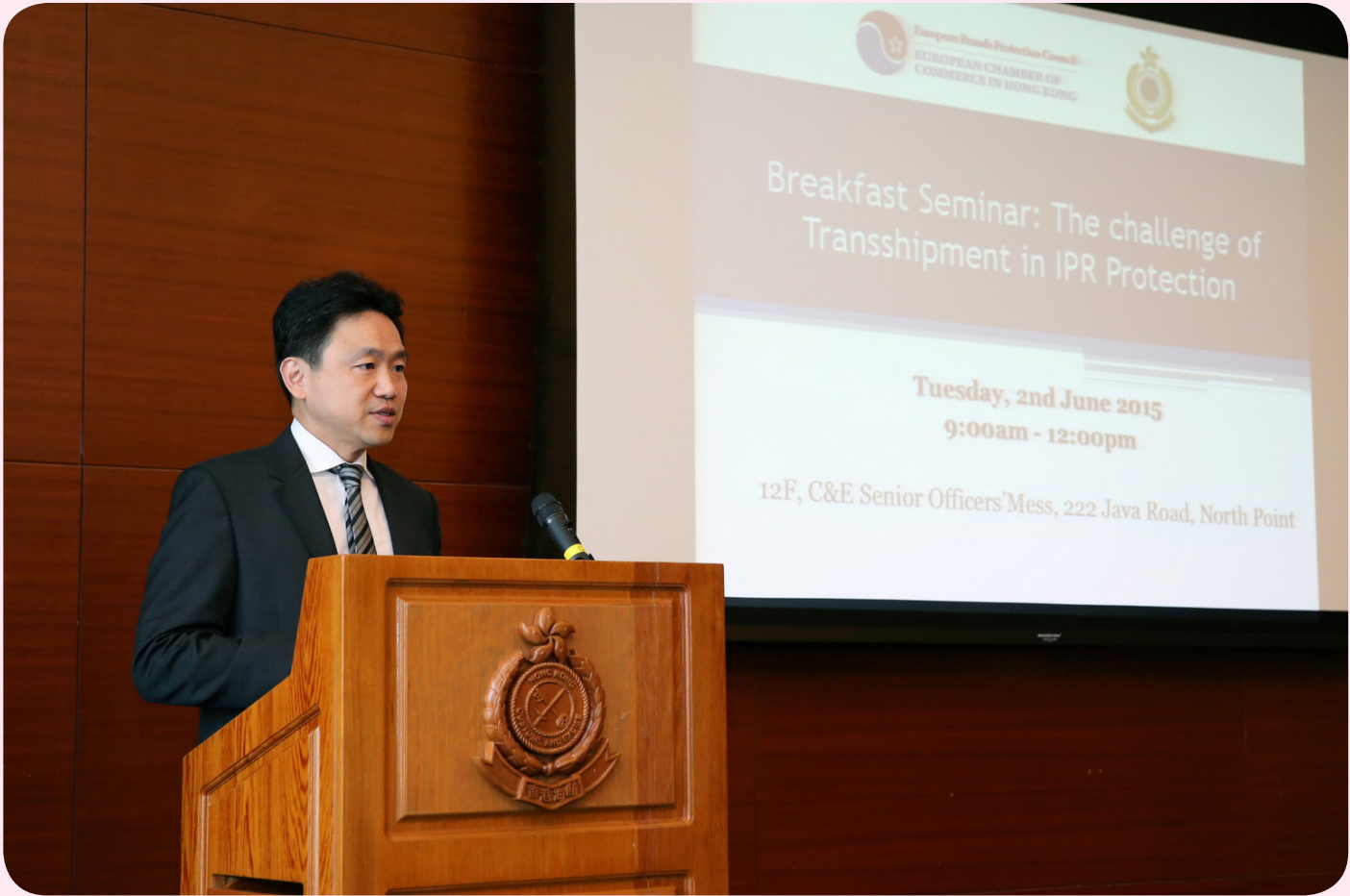
In addition, Mr Yu and GACC Vice Minister, Mr Sun Yibiao, met with the delegations from Hong Kong Customs and the Macao Customs Service to discuss latest issues of mutual concern.

Office of Customs Affairs and Cooperation



Mr Yu Guangzhou (front row, centre) and principal participants in a group photo.

HK CUSTOMS JOINS HANDS WITH EUROPEAN CHAMBER OF COMMERCE TO HOST INTELLECTUAL PROPERTY RIGHTS SEMINAR



The Assistant Commissioner (Intelligence and Investigation), Mr Albert Ho, delivers an opening speech at the seminar.

Hong Kong Customs and the European Chamber of Commerce (Eurocham) in Hong Kong joined hands in organizing a Seminar on “The Challenge of Transshipment in IPR Protection” on June 2 to promote protection of intellectual property rights (IPR). Law enforcement agencies and the IPR industry were glad to share valuable experience and expertise in tackling global challenges posed by transshipment of IPR infringing goods. Over 40 participants from 34 brand owners, legal professionals, organizations in the industry and Eurocham members took part in the seminar at the Customs Headquarters Building.

Speaking at the opening ceremony, the Assistant Commissioner (Intelligence and Investigation), Mr Albert Ho, said that many efficient logistic hubs in the world, like Hong Kong, were facing increasing challenges of transshipment of IPR infringing goods through postal and courier traffic. He pointed out that various initiatives were being taken by Hong Kong Customs to cope with such new challenges. The initiatives included cooperation and timely exchange of intelligence with the Mainland counterparts, transnational express courier operators, IPR industry and relevant stakeholders, and development of new technological equipment to

detect and combat latest online IPR crimes.

Through thematic presentations and interactive panel discussions, the Seminar rendered participants with deeper insights into the recent success and challenges on IPR protection and enforcement in the region.

The Seminar was well received by the participants whom had expressed their anticipation in taking part in similar events in future.

**Intellectual Property
Investigation Bureau**

SOUTHEAST ASIA REGIONAL INTELLECTUAL PROPERTY ENFORCEMENT WORKSHOP HELD IN HONG KONG

A Southeast Asia Regional Intellectual Property Enforcement Workshop was co-hosted by Hong Kong Customs and the U.S. Immigration and Customs Enforcement (US ICE) between June 23 and 25, 2015 in Hong Kong. The Workshop aimed to enhance the enforcement capability of Customs administrations in the region in interdicting and investigating IPR crimes. In addition, participating Customs administrations and IPR holders took the opportunity to strengthen mutual cooperation and intelligence exchange.

The U.S. Consul General to Hong Kong and Macau, Mr Clifford A Hart, Jr and Assistant Commissioner

(Intelligence and Investigation), Mr Albert Ho, gave opening remarks at the Workshop. A total of 49 participants from 14 economies (the Mainland, Hong Kong, Macau, Bangladesh, Cambodia, India, Indonesia, Korea, Malaysia, Philippines, Singapore, Thailand, Vietnam and the U.S.) participated in the Workshop. The 31 speakers, including representatives from both the public and private sectors, shared their valuable experiences in various aspects, ranging from the legislative framework of IP regime, trademark registration and recordation, investigation techniques to public-private partnership in combating local, transnational and Internet IP crimes.

The three-day Workshop provided an invaluable platform for Customs administrations, IPR enforcement agencies and rights holders to share and exchange views on IPR enforcement and protection. The Workshop was successfully concluded with overwhelming positive feedbacks from the participants. Hong Kong Customs will continue to enhance the capacity building of the region's law enforcement agencies in the fight against IPR crimes.

**Intellectual Property
Investigation Bureau**



Mr Clifford A Hart, Jr gives an opening remark.

REPRESENTATIVE OF HK CUSTOMS DELIVERS TALKS ON AEO AT WCO MEETING



Mr Jimmy Tam (first right) speaks at the Meeting.

The World Customs Organization (WCO) has adopted the SAFE Framework of Standards to Secure and Facilitate Global Trade for 10 years. The 14th WCO SAFE Working Group Meeting held in April 2015 provided an ideal platform for member administrations to review changes of Customs’ role in global supply chain security over the years and to pave the way forward.

At the three-day meeting at Brussels, the global development of Authorized Economic Operator (AEO) Programme was also one of the crucial items on the agenda.

At the invitation of WCO, Senior Staff Officer (Supply Chain Security Management), Mr Jimmy Tam, delivered a talk on Hong Kong Customs’ experience in the

implementation of AEO programme and Mutual Recognition Arrangements (MRAs).

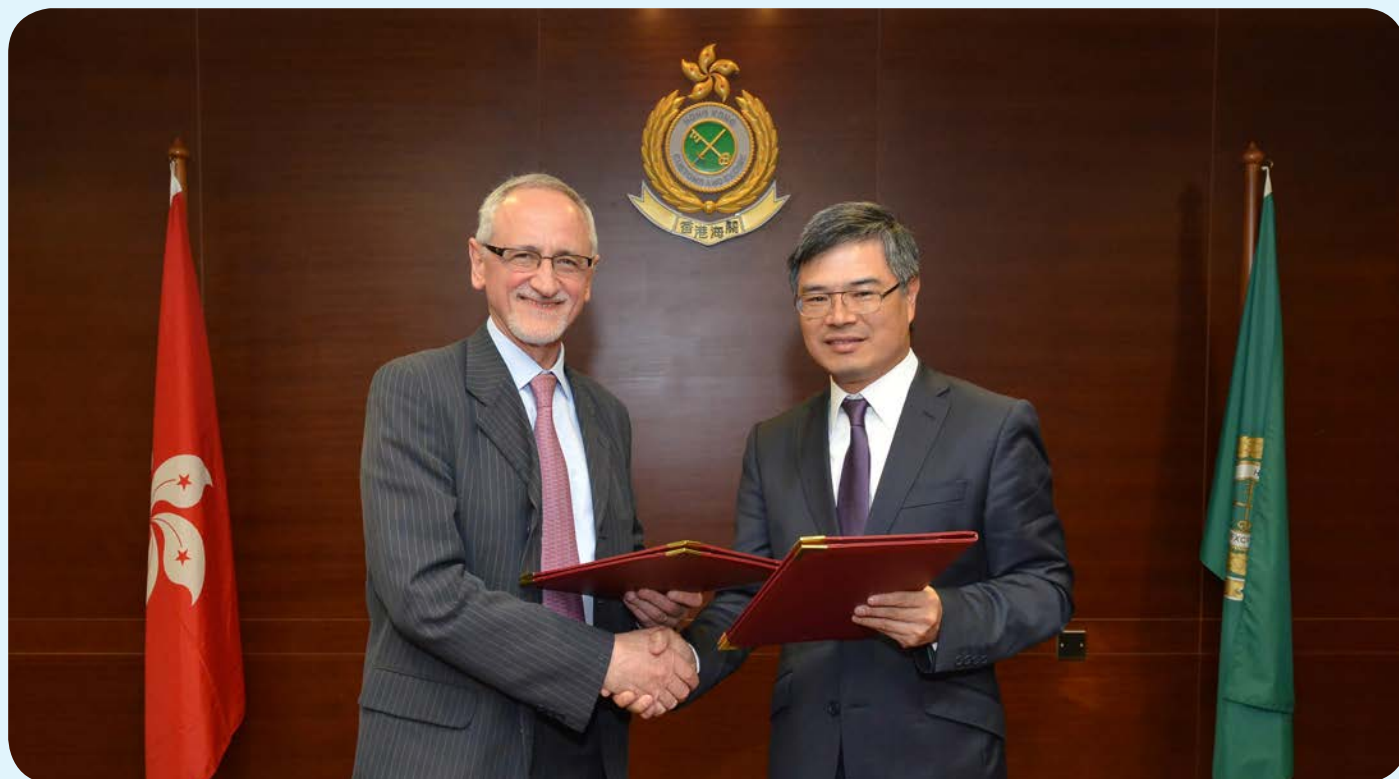
More than 150 participants from different member administrations and the business sector were deeply impressed with the rapid development of the HK AEO Programme which maintained a fine balance between control and trade facilitation. They also noted the employment of a two-tier accreditation mechanism which caters for stakeholders of different sizes, in particular the small and medium-sized enterprises which account for over 98 percent of business establishments in Hong Kong. Participants highly recognized Hong Kong Customs’ remarkable achievement in the swift development of MRAs with the

territory’s principal trading partners in the past few years.

In addition, participants responded favourably to Hong Kong Customs’ effective strategies in addressing the challenges in implementing the MRAs. These included extending MRA benefits to freight forwarders by way of priority clearance, adopting regional Single Window to enhance connectivity, applying Trader Identification Number for automatic data exchange and exchanging statistics on MRA implementation regularly for monitoring effectiveness. All proposals were well received by the participants.

Office of Supply Chain Security Management

HONG KONG, CHINA – EU JOINT CUSTOMS COOPERATION COMMITTEE MEETING



Mr David Fong (right) exchanges the signed Action Plan with Mr Antonis Kastrissianakis.

The 10th Hong Kong, China - EU Joint Customs Cooperation Committee (JCCC) meeting was held on April 27, 2015 in Hong Kong. The meeting was co-chaired by Assistant Commissioner (Excise and Strategic Support), Mr David Fong, and the Director of Security, Trade Facilitation, Rules of Origin & International Cooperation of the Directorate General of Taxation and Customs Union of European Commission, Mr Antonis Kastrissianakis.

The meeting reviewed the joint efforts taken to uphold enforcement cooperation and facilitate legitimate trade between the two sides. In light of the increasing volume of trade between Hong Kong and the EU, members also discussed further

cooperation in enhancing supply chain security by implementing Phase III of the Smart and Secure Trade Lanes Pilot Project in 2016 and exploring mutual recognition of respective Authorized Economic Operator (AEO) Programmes with a view to enabling traders to enjoy more clearance benefits at the international level.

In addition, an Action Plan on Cooperation in Customs Enforcement of Intellectual Property Rights was signed at the meeting between the two sides for enhancing bilateral cooperation of intellectual property rights protection and on the enforcement front.

The 18-member EU delegation attending the JCCC meeting included representatives of the EU Presidency in Brussels, the Taxation and Customs Union of the European Commission, the Head of EU Office to Hong Kong and Macao, as well as Customs Attachés of the EU Member States.

The JCCC monitors the implementation of an Agreement on Cooperation and Mutual Administrative Assistance on Customs Matters signed by the two sides in 1999. This meeting was the 10th in a series of biennial meetings.

Office of Customs Affairs and Cooperation

ANNUAL WCO MEETING FOR HEADS OF CUSTOMS ADMINISTRATIONS

A delegation of Hong Kong Customs attended the 125th/126th Sessions of the Customs Cooperation Council at the World Customs Organization (WCO) Headquarters in Brussels, Belgium between June 11 and 13, 2015. Heads and senior officials of Customs administrations representing 180 Members of the WCO gathered at this annual plenary meeting to exchange views on various global Customs issues and to enhance Customs' role in trade facilitation and border management.

To tie in with the WCO's theme on Coordinated Border Management in 2015, the Council endorsed the 2015 edition of SAFE Framework of Standards which initiated a third pillar "Customs-to-Other Government and Inter-Government Agencies" and the Advance Pillar of the Customs-Business Partnership Guidance to further promote

cooperation with other agencies and the private sector.

At the regional consultation session, Hong Kong Customs updated the meeting on the progress of the Project Customs Anti-drug Strategy and further encouraged Members to participate in the forthcoming regional anti-drug enforcement operation.

The plenary session also elected three director posts of the WCO. They are the Director of Compliance and Facilitation (U.S.), Director of Capacity Building (Brazil) and Director for Tariff and Trade Affairs (China), each with a tenure of five years starting from January 2016.

In addition, Hong Kong Customs signed a Mutual Recognition Arrangement (MRA) with Thailand Customs to mutually recognize the respective Authorized Economic

Operator (AEO) Programmes. This is the fifth MRA for implementation by the Department following those with the Mainland, India, Korea and Singapore. Hong Kong Customs has so far accredited 28 companies as AEOs, which can enjoy clearance facilitation, such as lower inspection rates and prioritized clearance for goods imported into or exported from the MRA signatories.

Hong Kong Customs also signed a Customs Cooperative Arrangement (CCA) with Madagascar Customs, which is the 22nd CCA that the Department has ratified with other Customs administrations to strengthen mutual administrative assistance in the fight against transnational crimes.

Office of Customs Affairs and Cooperation

Office of Supply Chain Security Management

HONG KONG CUSTOMS PRESENTS CERTIFICATES TO THREE NEW AEOs

Three companies were accredited as Hong Kong Authorized Economic Operators (AEOs) on August 12, 2015, adding up to a total of 28 AEOs so far. They were presented with the HK AEO certificates by the Assistant Commissioner (Excise and Strategic Support), Mr David Fong, in recognition of their status as trusted partners in securing the international supply chain.

Under the HK AEO Programme which was launched in April 2012, accredited companies can

enjoy trade facilitation such as less inspection and prioritized clearance, as well as other privileged advantages provided by partner Customs administrations under the Mutual Recognition Arrangements (MRAs).

The adoption of AEO programmes to secure and facilitate trade has become a global trend. Most of Hong Kong's principal trading partners have rolled out their programmes and some of them have signed MRAs. Hong Kong Customs has

already signed five MRAs with the Customs administrations of Mainland, India, Korea, Singapore and Thailand, among which the MRAs with the Mainland, Korea and Singapore have been put into full implementation.

Under the MRAs, HK AEOs' exports will be recognized by the signatory economies as being low risk and hence entitled to a higher level of facilitation and faster clearance. Reciprocally, AEOs of other places will have their export goods cleared

expeditiously upon arrival at Hong Kong.

While the MRA discussions with Malaysia and Japan Customs are in good progress, the Department

will continue to take active steps to develop MRAs with other trading partners, including the European Union and Taiwan, with a view to bringing more benefits to HKAEOs at the international level and

assisting them to tap into overseas markets.

**Office of Supply Chain
Security Management**



A group photo at the certificate presentation ceremony.

**LATEST DEVELOPMENT OF INTERNATIONAL TRANSSHIPMENT FACILITATION
SCHEME**

Hong Kong Customs and the Guangdong Customs have been working closely in optimizing the Customs clearance procedures for facilitating legitimate trade and boosting the economic development. Hong Kong

Customs launched the Road Cargo System (ROCARS) in May 2010, enabling the industry players to submit electronic advance cargo information and enjoy the seamless customs clearance of road cargoes. In November 2010, the Intermodal

Transshipment Facilitation Scheme (ITFS) was launched, which aimed to facilitate the trade by minimizing repeated inspection of transshipment cargoes at both the points of entry and exit with the application of Electronic Lock



Hong Kong Customs and the Guangdong Customs brief the industry players of the latest development of the Scheme.

(e-lock) and Global Positioning System technology.

In November 2012, Hong Kong Customs joined hands with the Guangdong Customs to launch the

Single E-lock Trial Run Scheme (the Scheme) by interconnecting the ITFS with the Mainland Customs' Speedy Customs Clearance with the use of a single e-lock. Under the Scheme, clearance of

transshipment cargo flow between Hong Kong and Guangdong province will be further enhanced.

To expand the Scheme, Hong Kong Customs and Guangdong Customs jointly organized a briefing for the current ITFS industry players at the Customs Headquarters Building on June 18, 2015. The briefing provided highlights on the work plans of both Customs authorities to increase the number of Single E-lock Clearance Points to further enhance trade facilitation.

The briefing was conducted smoothly and served as a platform for dialogue between both Customs authorities and the industry players and for experience sharing. The participants opined that the Scheme could be further expanded to further enhance clearance facilitation for the benefit of the cargo business in the mid-to-long term.

2015 APEC CUSTOMS-BUSINESS DIALOGUE MEETING

Hong Kong Customs attended the 2015 APEC Customs-Business Dialogue (ACBD) and the 2nd Sub-Committee on Customs Procedures (SCCP2) Meeting in Cebu, the Philippines, between August 25 and 28.

At the ACBD, Assistant Commissioner (Excise and Strategic Support), Mr David Fong, delivered a speech under the topic of Leveraging E-Commerce towards Growth of Micro, Small & Medium Enterprises (MSME) Trade. He shared with the Customs and business representatives on how

Customs responded to the evolving trading environment as a result of the hefty rise of e-commerce. Mr Fong emphasized the importance of Customs-Business Partnership, effective enforcement measures and the best practices of logistics industry in reinforcing the healthy growth of e-commerce.

In addition, Hong Kong Customs actively participated in the SCCP2 Meeting which advocated initiatives to break cross-border trade barriers and enhance Customs law enforcement capability for better connectivity, safety and

efficiency of the supply chain. Apart from endorsing trade facilitation initiatives, the Meeting also informed member economies of the robust development of national and regional Single Window systems, and discussed the implementation of Passenger Name Record, Authorized Economic Operators Programme, cross border e-commerce, and various enforcement initiatives.

Office of Customs Affairs and Cooperation



The 2015 2nd APEC Sub-Committee on Customs Procedure Meeting in progress.

SINGLE WINDOW SEMINAR

With support from the Korea Customs Service (KCS), Hong Kong Customs organized a Single Window Seminar on June 5, 2015. At the seminar, Mr Park Jong-pil, an expert in Single Window from the KCS, shared his expertise and experience in the planning, development and implementation stages of Single Window and the e-clearance system, UNI-PASS, in Korea.

To tie in with the international trend, Hong Kong undertook a consultancy study on the Single Window project. The seminar, held at Customs Headquarters Building, aimed to allow relevant stakeholders at this stage to get familiar with the concept and best practices of Single Window from overseas counterparts.

The seminar was attended by more than 290 participants from various formations of Hong Kong Customs, relevant policy bureaux and departments, and the Single Window consultant team. At the seminar, Mr Park elaborated on the benefits of Single Window in terms of risk and resources management as well as the advantages of UNI-PASS on cost and time saving. He also addressed questions raised by the participants.

Single Window is a facility that allows parties in trade and transport to lodge standardized information and documents with a single entry point. It brings better risk management and improved security from government's perspective. It also means predictability and better deployment of resources,

resulting in enhanced productivity and competitiveness for trading communities.

In the concluding remarks, Assistant Commissioner (Excise and Strategic Support) of Hong Kong Customs, Mr David Fong, briefed all participants on the Single Window development in Hong Kong and other economies in the Asia-Pacific region. He also pointed out the potential benefits of Single Window to Hong Kong. Particular attention was drawn to the fact that Single Window was capable to provide traders with benefits of reduced cost of compliance, faster goods clearance and also a higher transparency of the supply chain.

While Single Window has been in place in many developed and



Mr Park Jong-pil introduces the Korea Single Window system at the seminar.

developing economies, inter-connection among such systems into a regional network was the prominent trend. The APEC economies and ASEAN countries were expected to implement such a network in due course to further promote cross-border trade. Hong Kong was also advancing the Single Window development.

THE 4th IT EXPERT GROUP MEETING BETWEEN HK CUSTOMS AND GACC



Hong Kong and Mainland Customs delegations exchange views at the 4th IT Expert Group Meeting.

Hong Kong Customs continues to maintain close partnership with the Mainland Customs on various issues ranging from IT development, Customs control to trade facilitation.

On June 17, 2015, the 4th IT Expert Group Meeting was held in Hong Kong. The Assistant Commissioner (Excise and Strategic Support), Mr David Fong, led a delegation

to meet with the delegation led by Deputy Director General of the Department of Scientific and Technological Development of the General Administration of Customs

of the People's Republic of China (GACC), Mr Han Jian.

The meeting focused on the exchange of electronic road cargo information, the latest development of Single Window system, and the exchange of postal and express cargo information relating to e-commerce. The two parties also explored the future directions in achieving Connectivity and Information Sharing under the Belt and Road initiative.

The meeting reached a consensus on the exchange of electronic

road cargo information between the two Administrations through the interface of the Road Cargo System of Hong Kong Customs with the China Electronic Port of the Mainland side. Existing participants of the Guangdong-Hong Kong Cross-boundary Speedy Customs Clearance project will be invited to join a trial run on voluntary basis, and provide cargo data for risk profiling. Members of the expert group are working closely to discuss the intricacies and technicalities involved in the trial run.

It is believed that cooperation on information sharing between the two Administrations could set an example and lay the foundation for Single Window connectivity and information exchange.

Office of Information Technology

Office of Customs Affairs and Cooperation

COMMEMORATIVE GIFTS PRESENTED TO IPIB BY PHARMACEUTICAL INDUSTRY

Since the Trade Descriptions (Unfair Trade Practices) (Amendment) Ordinance 2012 (the Ordinance) comes into effect on July 19, 2013, the Intellectual Property Investigation Bureau (IPIB) has taken rigorous enforcement action to combat the sale of passing-off pharmaceutical products. A total of 24 cases have so far been detected, with 32 persons arrested and \$130,000 products seized.

In appreciation of the efforts of the frontline officers of IPIB in combating passing-off pharmaceutical products, representatives of Taiko Pharmaceutical Co., Ltd. (trade mark owner of "Trumpet Brand") and Otsuka Pharmaceutical (HK) Ltd. (trade mark owner of "Oronine") presented commemorative gifts to the IPIB on March 26, 2015. The

Senior Superintendent, Ms Louise Ho, received the commemorative gifts on behalf of the frontline officers.

Intellectual Property Investigation Bureau



The Managing Director of Taiko Pharmaceutical, Mr Johnny Li (middle), presents a commemorative flag to Ms Ho Pui-shan (left).

DOJ COUNSEL TALKS ON UTP AND SYNDICATED SMUGGLING CRIME

The Senior Public Prosecutor of Department of Justice, Ms Margaret Yu, gave a legal seminar on unfair trade practices (UTP) and syndicated smuggling crime to Customs officers on July 15, 2015. Referring to the cases she has handled, Ms Yu analyzed the acts amounting to UTP and organized crimes, and suggested how investigators could secure a higher chance of successful prosecutions.

The three-hour seminar, organized by the Office of Prosecution and Management Support at the Customs Headquarters Building, attracted more than 240 staff from various operations and investigation formations.



Ms Margaret Yu talks on unfair trade practices and syndicated smuggling crime.

MEETING TO FOSTER COOPERATION ON CUSTOMS CLEARANCE FOR THE HONG KONG-ZHUHAI-MACAO BRIDGE PROJECT



Mr Tang Yi-hoi (second right, front row), Mr He Li (third left, front row), Mr Vong Kuok-chong (third right, front row) and Mr Xue Yuan (second left, front row) and other members of the delegations.

The Assistant Commissioner (Boundary and Ports), Mr Tang Yi-hoi, led a four-member delegation, comprising representatives from the Intelligence Bureau, Land Boundary Command, Office of Project Planning and Development and Office of Customs Affairs and Cooperation, to participate in the 3rd High-Level Meeting for the Cooperation on Customs Clearance for the Hong Kong-Zhuhai-Macao Bridge (HZMB) held in Macau on July 16, 2015.

The Guangdong delegation was led by the Deputy Director General of

the Guangdong Sub-Administration of China Customs, Mr He Li, and the Deputy Director General of Gongbei Customs, Mr Xue Yuan while the Macao delegation was led by Assistant Director General of the Macao Customs Service, Mr Vong Kuok-chong.

At the meeting, representatives of the three Customs administrations reported on the latest progress of the construction works of the respective side and exchanged views on the proposed cooperative measures in different areas, including the mechanisms for

exchanging information and intelligence and combating cross-boundary smuggling activities.

The three sides discussed various cooperative measures and agreed to actively explore extending customs clearance arrangements currently being implemented at Shenzhen-Hong Kong land boundary control points to the HZMB for further cooperation.

Office of Project Planning and Development

IPR EXCHANGE VISITS FOR YOUNG PEOPLE

The Youth Ambassador Against Internet Piracy Scheme (YAS) was initiated by Hong Kong Customs in collaboration with the Intellectual Property Rights (IPR) industry in 2006. The Scheme aims to allow local young people to have direct participation in fighting internet piracy so as to enhance their sense of respecting IPR and promote the importance of IPR protection. A total of 13 local youth uniformed organizations with over 250,000 members have joined the Scheme so far.

In 2015, the YAS and the I Pledge Campaign of Intellectual Property Department (IPD) jointly organized a

series of educational activities and contests for youngsters, including a film show, a Songs and Lyrics Creation Workshop, a Singing Contest and a 4-panel Comics Creation Workshop.

To cultivate positive values on IPR protection, Hong Kong Customs and the Guangdong Copyright Bureau, together with IPD, jointly organized exchange visits for youngsters of both sides in recent years. In 2015, a delegation of youngsters from Guangzhou visited Hong Kong in February while 18 YAS members paid a reciprocal visit to Guangzhou on April 8 and 9.

Guangzhou has all along paid high regard to IPR protection and provides an ideal environment for the IPR industry. Many animation and comics enterprises are located in Guangzhou. During the visit, the YAS members visited the IPR enforcement agency as well as the animation and comics enterprises, including Comicfans Culture and Creative Power Entertaining. The visit helped enhancing their understanding of IPR protection work and raise their awareness.

Intellectual Property Investigation Bureau



Youth Ambassadors at Guangzhou.

SENIOR OFFICIALS VISIT HK CUSTOMS

Hong Kong Customs has all along maintained a close working relationship with local consular offices, overseas Customs and law enforcement agencies.

On April 28, 2015, Consul-General of France in Hong Kong, Mr Arnaud Barthelemy, paid a courtesy visit to Hong Kong Customs. The two sides exchanged views on a wide range of issues of mutual interest.

On May 15, a four-member delegation led by Director-General of European Anti-Fraud Office, Mr Giovanni Kessler, visited Hong Kong Customs to review bilateral cooperation on tackling fraud cases between the EU and Hong Kong. On the same day, Director of the UK Serious Fraud Office, Mr

David Green, visited Hong Kong Customs to discuss various issues on prosecution, anti-illicit cigarettes and intellectual property rights enforcement.

On June 2, Chief Executive Officer of Australian Customs and Border Protection Service, Mr Roman Quaedvlieg, led a three-member delegation to pay a courtesy visit to Hong Kong Customs. During the meeting, the two sides reviewed anti-drug enforcement cooperation and further explored more cooperation opportunities under the revised Customs Cooperative Arrangement.

On June 18, Assistant Commissioner of Australian Federal Police, Mr Ian McCartney, led a three-member

delegation to meet with Assistant Commissioner (Intelligence and Investigation), Mr Albert Ho. They had a thorough discussion on the anti-drug and money laundering enforcement fronts.

On July 4, Assistant Minister for Immigration and Border Protection of Australia, Ms Michaelia Cash, and a five-member delegation visited the Air Mail Centre. The Head of Airport Command, Mr Lau Tak-choi, briefed the Australian delegation on the enforcement work at Air Mail Centre and exchanged views with Ms Cash on combating transnational crimes involving express parcels between Australia and Hong Kong.

Office of Customs Affairs and Cooperation

DIRECTOR GENERAL OF SHANGHAI CUSTOMS DISTRICT VISITS HONG KONG

The Director General of Shanghai Customs District, Mr Li Shuyu, paid a visit to Hong Kong between May 18 and 22, 2015. During his stay in Hong Kong, Mr Li called on various policy bureaux, departments and organizations which allowed him to better understand the latest development in Hong Kong as well as the operation of the HKSAR Government.

Mr Li also took the opportunity to meet with directorate officers of Hong Kong Customs for fruitful exchanges on Customs operational and trade facilitation issues, including development of the Single Window system. Being the head of the Shenzhen Customs District between 2009 and 2013 before taking up the current post,



Mr Li Shuyu (second left) visits the Hong Kong-Zhuhai-Macao Bridge Project Information Centre.

Mr Li also shared his experience in fighting against the smuggling of parallel goods.

Office of Customs Affairs and Cooperation

STUDY VISIT ON IMPLEMENTATION OF WINE FACILITATION SCHEME IN GUANGZHOU

A delegation of Hong Kong Customs attended a meeting with Deputy Director General of Guangzhou Customs District, Mr Yan Weidong, on July 30 and 31, 2015 to discuss the operation of the Wine Facilitation Scheme in Guangzhou and its way forward, including the extension of the scheme to other ports in Guangzhou.

After the meeting, the delegation, led by Assistant Commissioner (Excise and Strategic Support), Mr David Fong, visited the Jiaoxin Port and the Guangzhou Nansha Bonded Port Area of the Guangdong Pilot Free Trade Zone (Nansha Free Trade

Zone) for a better understanding of the field operation of the Wine Facilitation Scheme and the Cross-border E-commerce Pilot Project.

Jiaoxin Port is the first pilot entry port in Guangzhou under the Wine Facilitation Scheme launched by the Guangzhou Customs District. During the visit, the delegates were highly impressed with the speedy Customs clearance provided to the wine traders under the scheme. Currently, a well-developed web-based system is in place to allow registered traders in Hong Kong to submit their export wine

consignment data in advance. The information, after being verified by Hong Kong Customs, will then be transferred to the Mainland system for automatic data matching against the relevant data submitted by the Mainland importers. If no irregularity is found, the whole clearance process could be completed swiftly.

The delegates also visited the Nansha Free Trade Zone and inspected the operation of the cross-border e-commerce pilot enterprises which have recently gone online. It was noted that there was plenty of room for cooperation



Mr David Fong (third left) visits Jiaoxin Port, Guangzhou and inspects the operation of the web-based system under the wine facilitation scheme.

between Hong Kong, being a global logistics hub, and the Nansha Free Trade Zone due to its geographic proximity. This could help increase Hong Kong's flow of goods via the air, land and sea modes and reinforce Hong Kong's status as the logistics hub.

**Office of Dutiable
Commodities Administration**

**Office of Customs Affairs and
Cooperation**

INTERNATIONAL COOPERATION AFFAIRS STUDIES COURSE FOR HONG KONG DISCIPLINED SERVICES

The first International Cooperation Affairs Studies Course for Hong Kong Disciplined Services was held at the China Foreign Affairs University in Beijing from May 4 to 13, 2015. A total of 33 representatives from six disciplined services, namely, Hong Kong Police Force, Hong Kong Customs, Immigration Department, Fire Services Department, Correctional Services Department and Government Flying Service, participated in the course. Led by Superintendent, Ms Kitty Poon, a seven-member Customs delegation took part in this 10-day course.

Hong Kong Customs works with Mainland and overseas counterparts on various fronts, such as intelligence exchange,

law enforcement cooperation and Mutual Recognition Arrangements on Authorized Economic Operators with other countries such as India, Korea and Singapore. A better

understanding of the country and the One Belt One Road initiative will be vital for the daily operation and long-term development of Hong Kong Customs.



Ms Kitty Poon (centre) and other participants in a group photo.

CUSTOMS PRACTICES TRAINING COURSE FOR MAINLAND CUSTOMS

The Office of Training and Development of Hong Kong Customs organized the No. 2 Customs Practices Training Course for 15 Mainland Customs officers from the Guangdong Sub-Administration of Customs and seven Customs Districts in Guangdong from June 1 to 15, 2015. The course provides training on team building, human resources and integrity management, promotion of healthy lifestyle, Hong Kong legal system, Customs clearance work at borders, intelligence and investigation work, and revenue protection.

Through the programme, the



A Customs Officer introduces the facilities and operation of Kwai Chung Customhouse to the Guangdong Customs officers.

Mainland Customs officers enriched their understanding of the work of Hong Kong Customs and the development in Hong Kong. This course is conducive

to boosting the exchange and future cooperation between Guangdong and Hong Kong Customs on different fronts.

MAINLAND CUSTOMS DEVELOPMENT COURSE



Hong Kong Customs' delegation with the Shanghai and Suzhou Customs Officials.

A 15-member delegation, led by Hong Kong Customs' Assistant Superintendent, Ms Gladys Ma, attended the 28th Mainland Customs (General Administration of Customs of the People's Republic of China) Development Course from June 8 to 19, 2015. The delegation comprised Inspectorate Officers, Trade Controls Officers and Chief Customs Officers of different formations.

The 12-day training course was held at Shanghai Customs College

in Pudong District. Apart from classroom lectures, on-site visits were arranged for the participants to see for themselves Shanghai Customs clearance procedures at the Passenger Terminal of Pudong International Airport and Express Parcel Clearance Centre. On the One Belt One Road initiative, the Mainland Customs organized a visit to Suzhou to illustrate the operation of Suzhou-Manzhouli-Europe freight trains. The freight trains, a transcontinental freight route linking

Suzhou and Poland since 2013, promotes connectivity between the Mainland and European countries and opens up opportunities for the Mainland and related economies.

The course provided an opportunity for Hong Kong Customs officers to exchange with the Mainland Customs on a wide variety of Customs topics. Participants built up a close relationship with the Mainland Customs for future cooperation and mutual benefits.

CUSTOMS MANAGEMENT DEVELOPMENT COURSE

The Office of Training and Development of Hong Kong Customs organized the 9th Customs Management Development Course from June 22 to July 16, 2015 for 14 Assistant Superintendents and Chief Trade Controls Officers from different formations.

The course covers crisis management, public policy administration and human resources management, complaint management, leadership and supervisory accountability.

During this period, the participants attended a four-day Mainland Customs Studies Course (MCSC) organized by the Guangdong Sub-Administration of Customs (GSAC) in Guangzhou. The MCSC comprised classroom discussions and site visits to the Guangzhou Customs Risk Assessment Control Centre and Dapeng Customs House.

The MCSC provided a chance for participants to familiarize themselves with the operations of Mainland Customs and understand the challenges faced by the two

Customs administrations. Frontline officers built up a solid foundation for cross-boundary cooperation in tackling transnational smuggling activities.



Participants visit the Risk Analysis and Monitoring Centre of Guangzhou Customs.

CUSTOMS' PASSING-OUT PARADE

A passing-out parade was held on June 26, 2015 with the Chairman of the Customs and Excise Service Children's Education Trust Fund and the Honourary President of the Customs & Excise Band, Mr Richard Tang Yat-sun, BBS, JP being the Inspecting Officer.

A total of 50 Probationary Inspectors and 111 Probationary Customs Officers graduated and more than 700 guests from various government departments, private sectors as well as families and friends of the graduates attended the event which was held at the Customs and Excise Training School.

Speaking at the ceremony, Mr Tang commended the graduates for their excellent performance at the parade which demonstrated the unique quality of a disciplined force. He praised Hong Kong Customs for being a proactive disciplined force with great vitality in executing tasks of law enforcement and facilitating trade and business. The efforts contributed to promoting the economic development of Hong Kong. To meet up with new challenges, he encouraged the graduates to carry on with the Customs' tradition of striving for excellence and to continue with self-learning to upgrade themselves, thereby providing quality service to the public.

The Probationary Inspectors and Probationary Customs Officers took part in 24-



Mr Richard Tang addresses the Parade.

week and 15-week residential induction training respectively. The Outcomes Based Training and Learning Approach was adopted to enhance the training effectiveness in different aspects, covering legal knowledge, Customs' function, working procedures and related operational knowledge and skills. Induction courses also

included training on conduct and discipline, interpersonal skills, stress management, physical training, team-building, foot drill and use of firearms. To strengthen the capabilities in leading the frontline duties in the future, the Probationary Inspectors were offered with specially designed supervisory skills and leadership training.

“ADOPT A SCHOOL” PROGRAMME



All participants in a group photo at Customs and Excise Training School.

In support of the Rotary “Adopt a School” Programme, the Customs and Excise Department organized a visit to the Department’s Training School and a mock court trial in High Court for over 150 secondary school students in March 2015.

At the Training School, the students gained a better understanding of the operation, recruitment entry

requirement and the training programmes. They also knew more about the danger of drug abuse and the importance of respecting intellectual property rights. At the mock trial, students were given opportunities to act as prosecutors and defense counsels in real courtrooms where they could experience the stringent

requirement of adducing evidence in criminal proceedings.

Through participation in the activities, the students had a good grasp of law enforcement work and legal procedures, thereby promoting their law-abiding and civic awareness.