THE COMMISSIONER SPEAKS

The disciplined services of Hong Kong have all along shouldered the immense responsibility of fighting crime for the safety of law-abiding citizens. Hong Kong has paid a heavy price for the serious social violence erupted in the city earlier and all sectors have learnt a lesson from the bitter experience. Following the formulation and implementation of the Hong Kong National Security Law by the Central Authorities in a decisive manner last year, chaos has been halted and social order has generally been restored in Hong Kong. However, the forces that oppose China and cause disturbance to the law and order of Hong Kong may exploit the fundamental loopholes in the electoral system to enter the political system of the HKSAR and continue to cause sabotage. "The Decision of the National People's Congress (NPC) on Improving the Electoral System of the Hong Kong Special Administrative Region", recently passed at the 4th Session of the NPC in March, affirms the principle of "patriots administering Hong Kong" at the national level, improves Hong Kong's electoral system and safeguards the political security of Hong Kong. It is especially important to the safeguarding of national sovereignty, security and development interests of the country and long-term stability of Hong Kong. The Customs and Excise Department gives full support to the Central Authorities' Decision.

It should be rightfully and solemnly stressed that "patriots administering Hong Kong" is, as a matter of course, a constitutional, lawful, sensible and reasonable requirement. It is the core principle and a prerequisite for the successful and robust implementation of "One country, Two systems". Same as national security, Hong Kong's political system also falls squarely within the purview of the Central Authorities. Only through an electoral system that ensures "patriots administering Hong Kong" can the constitutional order as set out in the China's Constitution and the Basic Law be effectively safeguarded. Under the improved electoral system, the relationship between the executive authorities and the legislature can be rationalised, pragmatic and rational discussions in the Legislative Council resumed, and the representation of the Election Committee and the Legislative Council enhanced. This will provide a solid and powerful basis for the HKSAR government to restore social order, promote economic recovery and protect people's livelihood and well-being.

Given the complex and volatile social environment of Hong Kong at the moment, all sectors of society must abandon the outdated mindset of "minding one's own business" and embrace the spirit of "offering help to whoever is in trouble". Only if we pull together and stay united can we overcome the difficulties. Since the outbreak of the



epidemic, our colleagues at all levels have been actively participating in every round of the Government's anti-epidemic work. Our colleagues can be found in all kinds of anti-epidemic teams, such as volunteer team, quarantine camp team, home visit team, quarantine order team and tracing team. With the implementation of the new anti-epidemic measures, the Department has fully supported and actively engaged in the work of the Contact Tracing Office and Community Vaccination Centres, as well as the compulsory testing measures at "restricted areas", so as to contribute to the fight against the epidemic.

The Customs and Excise Department plays a unique role amongst the disciplined services in that it performs a large variety of functions to fulfil two important missions, namely gatekeeping and law enforcement on one hand and trade facilitation on the other, which address the immediate priorities for Hong Kong at present. The Department has been working on a "Smart Customs Blueprint" since 2019 to actively support the HKSAR

government in developing Hong Kong into a "smart city". Based on four key pillars, namely "Boundary Management", "Case Investigation", "Trade Facilitation" and "Business Development", the Blueprint aims to employ technology to integrate the Department's core businesses and enhance its overall capability in customs clearance, investigation, law enforcement and trade facilitation by a series of smart facilities and systems. After making strenuous efforts for more than a year, 12 smart facilities and systems have been or will soon be rolled out, while preparation work for six others is progressing in an orderly manner. In gist, the Blueprint has at its heart the development of "Smart Customs", which is underpinned by the four key pillars and the strategy of using artificial intelligence and big data analytics, with the ultimate goal of achieving "Smart Gatekeeping and Law Enforcement" and "Smart Trade Facilitation", in order to help Hong Kong leverage its strengths to meet the country's needs.

Gatekeeping and Law Enforcement" focuses on initiatives undertaken unilaterally by the Department to enhance customs clearance, investigation and law enforcement, whereas "Smart Trade Facilitation" promotes bilateral ties whereby a series of trade facilitation measures initiated by the Department are implemented to encourage the participation of the industry, emphasising the creation of a win-win scenario. The Department has been committed to promoting the concept of "Smart Business" to stakeholders. During the outbreak of the epidemic, we become even more proactive in publicising the benefits of the "Hong Kong Authorised Economic Operator Programme" and "Trade Single Window Initiative" and encouraging businesses to make use of the electronic declaration and pre-clearance systems for better utilisation of Customs' trade facilitation measures.

While striving to develop the "Smart Customs Blueprint", our Department has also commissioned an "Information Systems Strategy Study". The vision of "Digital Transformation" and "Data Driven" will direct the development of 16 strategic IT projects along three main directions, namely cloud computing and big data platforms, business operation systems and the enhancement of digitalisation processes, with the target of transforming the Department into a datadriven organisation. When the "Smart Customs Blueprint" and "Information Systems Strategy" are fully implemented, the Department will transform completely into a smart, digitalised and data-driven law enforcement agency.

Under the 14th Five-Year Plan recently passed by the NPC in March this year, full support is given to Hong Kong for its better integration into the overall development of our country, including the development of a high-quality Guangdong-Hong Kong-Macao Greater Bay Area (GBA) as well as the strengthening of co-operation between Guangdong, Hong Kong and Macao and in the Pan-Pearl River Delta Region. We will spare no effort in continuing to enhance clearance capability and customs facilitation for the ports in Guangdong, Hong Kong and Macao. I am delighted that round-the-clock clearance service for

cross-boundary cargo freight has been provided at the Shenzhen Bay Control Point since early December last year. Upon completion of the reconstruction of the Huanggang Port in the future, the "East in East out, West in West out" strategy for cross-boundary freight traffic will be fully implemented, which bears great significance to the overall development of the GBA.

Maintaining political and social security is pivotal to the full implementation of "One Country, Two Systems". The political system must be firmly secured to resolutely curb infiltration by the forces that oppose China and cause disturbance to the law and order of Hong Kong. As the first line of defence in the social security system, the Department is duty-bound to take up the role of safeguarding the southern gateway of our country. We will continue to stand united with other disciplined forces in safeguarding national security. We firmly believe that the adoption of the twopronged approach, that is, strict adherence to the principle of "patriots administering Hong Kong" and implementation of the Hong Kong National Security Law, will serve as a "pillar of the ocean" for Hong Kong's sustainable development in the days ahead, and lay a firm and secure foundation for maintaining the prosperity and stability of Hong Kong and ensure the steadfast and successful implementation of "One Country, Two Systems".

> Hermes Tang Commissioner

HONG KONG CUSTOMS CONTINUES ITS ANTI-EPIDEMIC EFFORT

Hong Kong Customs has been participating in different rounds of anti-epidemic exercises since the outbreak of the COVID-19 last year, including volunteer teams, quarantine camp, home visit, quarantine order and contact tracing. We stay vigilant and have never stopped making contributions to the new anti-epidemic initiatives implemented by the Government. Our show up has continued at the Contact Tracing Office and the "Restricted-testing Declaration" operation in specified "restricted areas", both started at the beginning of the year. With the arrival of the vaccines, our officers also offered assistance at various community vaccination centres.

Round-the-clock contact tracing



The Contact Tracing Office of the Centre for Health Protection (Contact Tracing Office) commissioned on January 11 this year. Photo shows Commissioner of Customs and Excise Mr Hermes Tang (front row, sixth right) and Assistant Commissioner of Customs and Excise (Administration and Human Resource Development) Mr Ellis Lai (front row, seventh right) visit Customs officers stationed at Contact Tracing Office at Kai Tak Community Hall on the first day of commission.

Setting up in mid-January, the Contact Tracing Office is staffed by some 200 members from different disciplinary services, some 80 Customs officers are among them. Their work include following up cases with unknown infection sources, identifying venues visited by confirmed patients and tracing close contacts. As at end-February, our officers handled some 740 confirmed cases and traced as many as 5 000 close contacts.

In some occasions, the tracing office handled more than 100 cases daily. Tracing difficulty mounted up especially during the time of Yau Ma Tei and Jordan outbreaks, involving a large number of old buildings and

subdivided units. Lack of detailed building information and considerable size of ethnic minority neighbourhood also made things complicated. Investigation and enquiry skills, as well as officers' all-night-long efforts yielded a good number of close contacts uncovered within a short time.



The main duties of the Customs officers stationed at Contact Tracing Office are to trace the close contacts of each confirmed case and send them to guarantine centres.

Assistance for operation in specified "restricted area"



Chief Secretary for Administration Mr Matthew Cheung (front row, first left), Secretary for Food and Health Professor Sophia Chan (back row, left) and Secretary for Home Affairs, Mr Caspar Tsui (back row, right) visit Customs officers working in different positions.

"Restricted-testing Declaration" operations in specified "restricted areas" have been carried out since January. As at February, over 1 800 head counts of Customs officers were mobilised to assist in a total of nine such testing operations held by the Home Affairs Department in Jordan, Yau Ma Tei, Sham Shui Po, Tin Shui Wai, Ma On Shan, Yuen Long, Mong Kok, Hung Hom and Quarry Bay. For the sake of confidentiality, very limited time was allowed for preparations in manpower deployment, traffic arrangement, resources allocation and all other back-end logistics.

Buildings in the "restricted area" are aged ones with almost countless subdivided flats. Sewage samples of some individual buildings were even tested positive. Officers were exposed to high infection risk and they needed to wear full personal protective equipment. Members of



Customs officers perform door-to-door registration of the residents inside the restricted area and inform them of the nucleic acid testing requirements.

Team" members stationed at the restricted building entrances to make sure that residents would not leave the "restricted area" without permission.



The Commissioner of Customs and Excise, Mr Hermes Tang (front row, centre), visits the Customs officers participating in the "Restricted-testing Declaration" operation at the specified "restricted area" in Jordan.

Support in vaccination

With the support of the Central Government, the first batch of Sinovac vaccine arrived at Hong Kong via air in end-February. Vaccination programme started at the end of February. As one of the vaccination priority groups, Commissioner of Customs and Excise Mr Hermes Tang led 19 frontline Customs officers to set an example for members of the public and received vaccination at the Hong Kong Central Library. Our officers also participated in the community vaccination centres' operation. Some 100 officers are deployed at three centres, namely Tin Fai Road Sports Centre in Tin Shui Wai, Yuen Wo Road Sports Centre in Sha Tin, and Tai Po Market Sports Centre in Tai Po, to handle registration, crowd management and enquiry duties.

Facing the epidemic outbreak, Hong Kong Customs will keep up its active participation and assistance in the Government's anti-epidemic operations. Our concerted efforts will help Hong Kong in one of these days to free itself from the virus challenge.



The Commissioner of Customs and Excise, Mr Hermes Tang (left), receives Sinovac CoronaVac COVID-19 vaccine at the Community Vaccination Centre located at the Hong Kong Central Library.



The Community Vaccination Centre at Yuen Wo Road Sports Centre commenced operation on February 26, this year. Customs officers are responsible for the operation of the centre and the overall operation is smooth.



The Commissioner of Customs and Excise, Mr Hermes Tang (front row, centre), leads 19 frontline Customs officers to receive the COVID-19 vaccine at the Community Vaccination Centre located at the Hong Kong Central Library.

the "Visit Team" registered tenants'

personal details and directed them

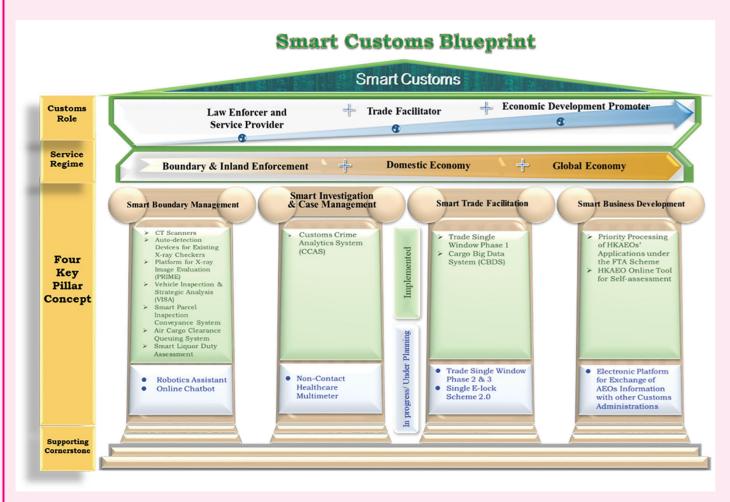
to the temporary specimen collection

stations or mobile specimen collection

stations for nucleic acid test. "Guard

TWELVE INITIATIVES IN PLACE UNDER NEW "SMART CUSTOMS" POSITION BLUEPRINT

Ever since 2019, strong initiatives under the "Smart Customs Blueprint" have been taken by Hong Kong Customs along the path of Hong Kong's "Smart City" development. Under the four-key-pillar concept of "Smart Boundary Management", "Smart Investigation and Case Management", "Smart Trade Facilitation" and "Smart Business Development", the Blueprint sets its target to tie in with the development of "Guangdong-Hong Kong-Macao Greater Bay Area" and "the Belt and Road" Initiative.



With the "Role & Function 3 + 3" highlighted as its development strategy and "All-in-one Smart Customs" the ultimate goal, the Blueprint is to diversify the department's functional roles and make it to become "Law Enforcer and Service Provider", "Trade Facilitator" and "Economic Development Promoter" as a whole. Sphere of professional service is also going to expand from the conventional "boundary and inland enforcement" and serving the "domestic economy" to making contribution to both the regional and global economy. By the time when this ultimate goal is met, Hong Kong's status as a "safe city", "business city" and "investment city" will be powerfully consolidated. Following the efforts made over the past year, as many as 12 smart initiatives have already been or close to be implemented, while six others are under active preparation.

Smart Law Enforcement and Gate Keeping





The first pair of the four pillars focuses on defensive guarding. Specifically, Smart Boundary Management aims at creating a "Smart Control Point" by stepping up the functions and effectiveness of the customs clearance facilities and procedures. Importantly, auto-detection devices have been installed for the current X-ray Checkers in phases. CT scanners with artificial intelligence function are also going to be introduced later to the control points.

In air cargo clearance, the Air Cargo Clearance Queuing System has started operating at the Super Terminal One of the Hong Kong International Airport.

In land boundary clearance, Platform for X-Ray Image Evaluation is in action and the Smart Parcel Inspection Conveyance System is on its trial run. While Smart Liquor Duty Assessment now works at all control points, preparations are underway to introduce robotic assistants to answer passenger enquiries and an online chatbot system for public enquiries.

On Smart Investigation and Case Management, the Hong Kong Customs is now on hand to step up crime data management, intelligence analysis application and computer forensic in a bid to uplift the criminal investigation and case management capabilities. Joint studies on "Customs Crime Analytics System" and "Non-Contact Healthcare Multimeter" with research institutes are on-going.

Smart Trade Facilitation and Business Development





The second pair of the four pillars, Smart Trade Facilitation and Smart Business Development, has its focus on business-friendliness promotion and it is here that Hong Kong Customs' uniqueness as comparing with any other law enforcement agencies is outstanding. Following the launch of signature initiatives like "Smart Crossing", "Single E-lock Scheme" and "Trade Single Window Phase 1", the pilot scheme of the "Cargo Big Data System" is moving on. Business-friendliness is promoted and capabilities of customs clearance and law enforcement enhanced. Phases Two and Three of the "Trade Single Window" are under active planning and "Single E-lock Scheme 2.0" is under study.

On top of these, "Hong Kong Authorized Economic Operator (HKAEO) Programme" is making improvement in good progress. Apart from prioritising those applications by HKAEOs for the "Free Trade Agreement Transhipment Facilitation Scheme", an online self-assessment tool (AEO iPASS) has been introduced. Besides, an electronic data exchange platform to further facilitate mutual recognition arrangements with other economies is under development.

Jumping out from its traditional roles and taking up its role as an "Economic Development Promoters", Hong Kong Customs is set to play more and more of its part in fostering investment activities coming in and out.

Strong Mutual-Relations in Three Areas

Hong Kong Customs strives to consolidate its mutual relationship with the Mainland counterparts in those three areas of information exchange, recognition of regulations and assistance in law enforcement. With a strong interconnection, cooperation and trust built between the sides, speedy clearance within the Greater Bay Area is achieved under a greater context of the "One Belt One Road" initiative, by which Hong Kong's competitive edges can be fully used to meet the country's needs.

7

Commitment and Excellence Commitment and Excellence

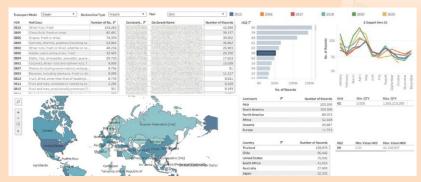
SMART INITIATIVES OF CUSTOMS

► Trade Single Window

To provide a one-stop electronic platform for the trade to lodge import/export trade documents. Phase 1 covering 14 types of trade document has been launched. Phase 2 and 3 are under planning.



► Cargo Big Data System



The system which has been launched since December 2020 is able to identify suspicious cargo and vehicles by applying big data analytics and artificial intelligence. The system also minimises inspection of legitimate cargo and enhances Customs clearance efficiency.

• Single E-lock Scheme 2.0



• Authorized Economic

Data Exchange

Operator Platform for

ITB has given funding support to Customs for conducting study on enhancing the security and compatibility of the E-lock to facilitate mutual reference between customs of Hong Kong and the Mainland. The study is expected to be completed by 2021- 22 for providing seamless clearance service to the industry.

► Prioritised Processing of HKAEOs' **Applications under FTA Scheme** AEO HONG KONG





To exchange the AEO's information with other Customs To provide priority service for HKAEO's application under the FTA Scheme, thus enabling enterprises to entitle preferential Administration safely, accurately and effectively, thus facilitating the implementation of the Mutual Recognition Arrangement. tariff and promoting business development.

► Initiatives rolled out/in progress • Initiatives under planning

Smart Trade Facilitation

Smart Business Development

► Online Self-assessment Tool (AEO iPASS)

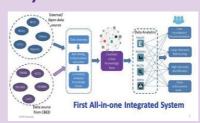


To enable interested companies to conduct preliminary HKAEO eligibility checks and assess their readiness to become an AEO.

Smart Boundary Management

Smart Investigation and Case Management

► Customs Crime Analytics **System**



To analyse crime data and intelligence accurately, detect hidden risks of crime and forecast crime trends by applying big data analytics and artificial intelligence. The study is expected to be completed in 2022.

• Non-Contact Healthcare **Multimeter**



To conduct quick test to check if alcoholic disinfection products contain methanol to ensure the safety of the consumer products and public health. The equipment will be launched this year.

▶ Auto-detection Device for **Existing X-ray Checkers**



To enhance the capability of current X-ray checkers by analysing the shape, density and texture and provide auto-detection of installed in O1 2021.

► Vehicle Inspection and Strategic **Analysis System (VISA)**



To provide comprehensive data support, digitalised vehicle search report, instant risk profiling, etc to facilitate Customs clearance on cross-boundary private cars. System installation at Lok Ma Chau Control Point has been completed for trial.

► Air Cargo Clearance **Queuing System**



The system allows the Cargo agents to queue, view queuing information and receive notification for clearance via mobile phones. The system has been rolled out since December 2020 at SuperTerminal-1.

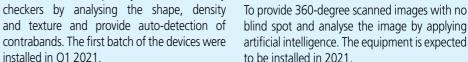
- Robotic Assistant
- Online Chatbot



Robotic Assistant will help passengers for their enquiries and provide information at control points. Online Chatbot will answer enquiries from public, passengers and stakeholders on Customs official website.

► CT Scanner





► Platform for X-Ray Image **Evaluation (PRIME)**





To provide a centralised X-ray image database on concealment of contraband with various tailormade functions, including real-time comparison of vehicle X-ray images to enhance Customs inspection effectiveness. The system has been rolled out in land boundary control points.

Smart Parcel Inspection Conveyance System



To provide a centralised X-ray image database on concealment of contraband with various tailormade functions, including real-time comparison of vehicle X-ray images to enhance Customs inspection effectiveness. The system has been rolled out in land boundary control points.

► Smart Liquor Duty Assessment



The system, launched since September 2020, provides reference duty value payable to duty collection officers by analysing and matching the liquor label image against the database of Dutiable Commodities System, thus enhancing efficiency in duty valuation on liquor and shorten waiting time of passengers.

Office of Project Planning and Development (Office of Dutiable Commodities Administration, Office of Trade Single Window Operation, Office of Supply Chain Security Management, Office of Information Technology, Airport Command, Land Boundary Command, Trade Descriptions Investigation Bureau, Consumer Protection Bureau)

Commitment and Excellence Commitment and Excellence

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FUNDS FULLY USED FOR DEVELOPING SMART CUSTOMS BLUEPRINT

Financial support is particularly important to the Smart Customs Blueprint, a roadmap crucial to a fullscale uplift of Hong Kong Customs' technological application in the age of the Smart Generation. Specifically, various IT government funds are always the backbone of such support. For instance, with the support of TechConnect Block Vote by the Innovation and Technology Bureau (ITB), Customs has started various IT projects / systems, including the Smart Crossing and a joint venture with the Logistics and Supply Chain MultiTech R&D Centre (LSCM) called Single E-lock Enhancement. Smart Customs Interactive Response System (SIRS), co-developed with the Office of the Government Chief Information Officer, is just another example.

Besides, the Hong Kong Applied Science and Technology Research Institute Company Limited (ASTRI) has obtained support from the Innovation and Technology Fund to collaborate with Hong Kong Customs in developing the Customs Crime Analytics System and the Non-contact Healthcare Multimeter. Meanwhile, Customs has secured funding support from the E&M InnoPortal of the Electrical and Mechanical Services Department to develop the "Followme" Robotics Conveyance Disc.

Cargo Big Data System (CBDS)

Importantly, with ITB's fund, Hong Kong Customs launched the pilot run for the CBDS last November. Operating with artificial intelligence and big data analytics technologies, the CBDS is a system to assist in risk management, minimise the inspection of low-

risk cargo and enhance the overall Customs clearance efficiency. using the system, not only the law enforcement capabilities would stepped economic development can also be promoted. Tying in with the launch of the CBDS, the ITB Customs and put forward two short and easy-tounderstand videos online this February to promote the system's technology applied and the development of Smart Customs Blueprint.



The Assistant Commissioner of Customs and Excise (Excise and Strategic Support), Mr Jimmy Tam (first left), introduces the development of the Smart Customs Blueprint and the pilot run for the Cargo Big Data System to the Secretary for Innovation and Technology, Mr Alfred Sit (third right, top row).



The Secretary for Innovation and Technology, Mr Alfred Sit (front row, fourth right) and the Assistant Commissioner of Customs and Excise (Excise and Strategic Support), Mr Jimmy Tam (front row, fourth left) with Customs officers in a group photo.

Secretary for Innovation and Technology (S for IT) visits Kwai Chung Customhouse

With regard to the CBDS, S for IT Mr Alfred Sit specially paid a visit to the Kwai Chung Customhouse as a part of his smart city project visit tour made in February this year. During the visit, Assistant Commissioner of Customs and Excise (Excise and Strategic Support) Mr Jimmy Tam gave him a briefing on the Smart Customs Blueprint and CBDS operation. Experience of Customs in the launch of various smart initiatives funded by the TechConnect Block Vote was shared as well. Mr Tam also accompanied

with the policy secretary to tour the Kwai Chung Customhouse, during which the application of advanced equipment in daily customs inspection were shown.

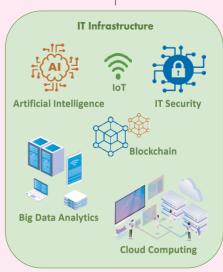
Mr Sit was impressed by the IT application in law enforcement and trade facilitation by Hong Kong Customs. He encouraged the Department to keep up its technological initiatives with a view to enhancing the functional efficiency and providing better public services.

Office of Project Planning and Development

"DIGITAL TRANSFORMATION" AND "DATA-DRIVEN": IT DUAL-TARGET FOR HONG KONG CUSTOMS

Information Systems Strategy Study (ISSS)







In its bid to figure out a long-term IT development map, Hong Kong Customs commissioned a consultancy firm to embark on a new round of Information Systems Strategy Study (ISSS) near the end of 2018. A "dual-target" is set, with "digital transformation" and "data-driven" as the components.

Having completed last October and mapping out the way forward for the Department's smart effectiveness development, the study recommends an Information Systems Strategy Plan (ISSP). Under the Plan, the Department would make the best use of innovative technologies to achieve digital transformation and ultimately evolve itself to become a data-driven corporation. This is going to be realised by a broad application of various forms of technology, like cloud computing, big data analytics, artificial intelligence and blockchain.

The Study suggests a total of 16 strategic IT projects under three

directions for the coming decade:

1) To consolidate the Department's IT infrastructure and set up cloud computing and big data platforms for enhanced data analytics capabilities;

2) To develop new operation systems backing up with big data analytics and other innovative technologies for a better enforcement effectiveness; and 3) To step up the digitalisation of administrative workflow and corporate resources management for a better executive effectiveness and stronger support to initiative planning.

Following up with the recommendations in the ISSP, the Department's Office of Information Technology has started preparatory works such as researches and proof-of-concept studies with the Smart Government Innovation Laboratory of the Office of the Government Chief Information Officer with an aim to timely implementing the ISSP.

Office of Information Technology



The Deputy Commissioner of Customs and Excise, Ms Louise Ho (third right), is briefed by the consultancy firm at the final Project Steering Committee Meeting of the ISSS.

HONG KONG CUSTOMS SPEAKS AT ASTRI IMPACT CONFERENCE 2020



The Assistant Commissioner of Customs and Excise (Excise and Strategic Support), Mr Jimmy Tam (second right) attends the panel on "Globalisation and a Safer, More Efficient New World" with Mr Stephen Ho, founder and Chief Executive Officer of n-hop Technologies (first right), Dr Lucas Hui, Chief Technology Officer of ASTRI (second left) and the moderator Ms Seraphina Wong, Chief Marketing Officer of ASTRI (first left).

Celebrating the 20th anniversary of its establishment, the Hong Kong Applied Science and Technology Research Institute (ASTRI) hosted the "IMPACT Conference 2020" online on November 11 last year. The Assistant Commissioner of Customs and Excise (Excise and Strategic Support), Mr Jimmy Tam, was invited to speak at the Conference, an occasion brought together social leaders to discuss the value and significance of technological innovation to Hong Kong and how innovation could become a strong defense against the global-wide pandemic.

Speaking at the panel's thematic session over "Globalisation and a Safer, More Efficient New World", Mr Tam shared with participants Hong Kong Customs' experience in technological innovation application to create a safe environment for

trade facilitation by means of efficient customs clearance service; which helps much to strengthen the business sector's competitiveness throughout the epidemic outbreak.

Highlighting technology-driven initiatives as key to overcome the unprecedented challenges brought about by the pandemic, Mr Tam cited examples of Artificial Intelligence embedded CT scanners and Gantry Type Fixed X-ray Vehicle Inspection Systems that enable efficient customs clearance with minimised biological contacts. This can facilitate re-opening of control points, he added.

The Hong Kong Authorized Economic Operator (AEO) Programme, which is free-of-charge and open to all eligible in the logistics industry was also highlighted. Players can enjoy reduced customs inspections and other



The Assistant Commissioner of Customs and Excise (Excise and Strategic Support), Mr Jimmy Tam, shares the department's experience in technology and innovation application.

privileged benefits in Hong Kong and 11 other economies under the Mutual Recognition Arrangement. These benefits are particularly valuable under the current world-wide tightened border control, Mr Tam told.

Other trade facilitation measures such as electronic submission and pre-clearance are also in place to get the trading sector accustomed to the "new routine" under the pandemic. Led by the Commerce and Economic Development Bureau and being operated by Hong Kong Customs, the Trade Single Window Project has been rolling out by phases. Offering its onestop electronic platform for traders to submit more than 50 types of import/ export trade documents, the project helps consolidating Hong Kong's global trade competitiveness. Till now, nine government departments join the project.

In his concluding remark, Mr Tam appealed for making use of technological innovation to overcome the virus difficulties.

> Office of Project Planning and Development

HONG KONG CUSTOMS PARTNERS WITH HKTDC UNDER HKAEO PROGRAMME TO HELP TRADERS MARCHING ON AGAINST PANDEMIC

Bearing its role as an economic development promoter, Hong Kong Customs needs to do more under the global pandemic outbreak when normal trade activities and global supply chains are vastly disrupted. To help the trade sector players better equipped during difficult times, the Office of Supply Chain Security Management (OSCS) has been working closely with the Hong Kong Trade Development Council (HKTDC) to promote the Hong Kong Authorized Economic Operator (HKAEO) Programme through different platforms and reach out to the local traders with a view to raising their awareness on the importance of supply chain security as well as

enabling them to learn more about the facilitation benefits available under the Programme.

Series of collaboration with the HKTDC were made. Two webinars were held in May and June during which OSCS officers shared with participants how the HKAEO Programme helps traders to explore the vast Greater Bay Area market and brings incredible business opportunities to the e-commerce sector.

A dedicated HKAEO Programme webpage is also created on the HKTDC sourcing website, enabling a convenient channel for both the local and overseas traders to receive

the latest update of the HKAEO Programme. HKAEO-accredited companies can proudly display the AEO "Q mark" in their own company profiles on the website, making themselves easy to be identified by any potential business partners all over the world.



The OSCS of Hong Kong Customs has been working closely with the HKTDC. Two webinars were held in May and June during which OSCS officers shared with participants how the HKAEO Programme helps traders to explore the vast Greater Bay Area market and brings incredible business opportunities to the e-commerce sector. A dedicated HKAEO Programme webpage is also created on the HKTDC sourcing website, enabling a convenient channel for both the local and overseas traders to receive the latest update of the HKAEO Programme.



AEO MONE ROME

The Hong Kong Irade Development Council Enterprise Yearbook 2020 published in January this year carried a whole page promoting the HKAEO Programme, making the Programme's message accessible to as many as 700, 000 readers from 200 countries/regions throughout the world.

Besides, the HKTDC Enterprise Yearbook 2020 published in January this year also carried a whole page promoting the HKAEO Programme, making the Programme's message accessible to as many as 700, 000 readers from 200 countries/regions throughout the world.

Keeping up its momentum to promote the HKAEO Programme, the OSCS will continue to explore more clearance-friendly measures for the Programme's participants. With its unique role as an economic development promoter to be strengthened, Hong Kong Customs is making its due contribution to the recovery of the global economy.



Office of Supply Chain Security Management

Commitment and Excellence

MAJOR BREAKTHROUGHS FOR SINGLE E-LOCK SCHEME



The newly published leaflet of "Single E-lock Scheme" in 2021

Designed as one of the eight policy initiatives to stimulate the development of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), the Single E-Lock Scheme (SELS) has an important role to play in the efficient cargo flow between Hong Kong and the Mainland. Thanks to the joint efforts by both the Hong Kong and Mainland

sides, four major breakthroughs were achieved last year.

Expansion of the clearance point network: The number of clearance points in Guangdong Province has increased by 11 from 52 to 63, covering all nine Mainland municipalities within the GBA. With the newly-added Hong Kong International Airport Air Mail

Centre (AMC), which is also the first addition in the Hong Kong side since the scheme's launch, there are now 13 clearance points in the city. With the network's expansion, as many as 819 cross-boundary route options are now available under the scheme for the logistic industry players.

Extension of the service scope: The AMC's participation, together with the clearance points newly established at the mail processing centres in Guangdong Province, mark an extension of the scheme to cover both general cargo and postal items.

Application to new land boundary control point: Started its operation in last August, Liantang / Heung Yuen Wai Boundary Control Point has been added to the SELS in no time. Cross-boundary vehicles under the scheme can now take a convenient route via the new control point to 10 clearance points in the eastern Guangdong area, marking a green light for the SELS vehicles at all the six land boundary control points.

Participant growth: With the joining of two sea-land logistics companies and China Post Hong Kong Limited made last year, SELS participant rises to 11. More than 7.2 million cargo transhipments between Hong Kong and the Mainland have been handled under the scheme hitherto.

Hong Kong Customs will not stop to step up the E-lock's functions, with an eye on keeping up the SELS's capabilities.

Land Boundary Command

SHENZHEN BAY CONTROL POINT PROVIDES 24-HOUR CARGO CLEARANCE SERVICE



The Shenzhen Bay Control Point has changed to 24-hour cargo clearance operation mode on December 10 last year. Photo shows the first departing (left) and incoming (right) cross-boundary goods vehicles under the new arrangement.

Started from December 10 last year, round-the-clock cargo clearance service has been made available at the Shenzhen Bay Control Point (SBCP), a major step toward the "East in, East out; West in, West out" setting. Previously, the service was provided between 6.30am and midnight.

On the starting day, a goods vehicle departed from Hong Kong via the SBCP at midnight sharp, making it the first vehicle crossing the boundary under the new arrangement. This was followed by another vehicle in an opposite direction. The time extension signifies the coming of the "twenty four seven" era for cargo movement at the control point.

Being the first land boundary control point to exercise the "co-location" arrangement, the SBCP commenced operation on July 1, 2007. The latest initiative makes it the third control point that allows round-the-clock land cargo flow across the boundary. Other two control points in Lok Ma Chau and on the Hong Kong-Zhuhai-Macao

Bridge offer the same service before the SBCP.

The extension also marks a further fulfillment of the "East in, East out; West in, West out" setting for the cross-boundary cargo traffic. Under the setting, those flows used to make their way through Lok Ma Chau, Man Kam To and Sha Tau Kok would be diverted

to the Heung Yuen Wai Boundary Control Point in the eastern front and the SBCP in the western end. Solid base for more efficient cross-boundary cargo in and out is built up, facilitating the development of the Guangdong-Hong Kong-Macao Greater Bay Area.

Cross-Boundary Bridge Command



Started from December 10 last year, round-the-clock cargo clearance service has been made available at the Shenzhen Bay Control Point (SBCP), a major step toward the "East in, East out; West in, West out" setting. Previously, the service was provided between 6.30am and midnight.

HONG KONG CUSTOMS STRENGTHENS CO-OPERATION WITH INTERNATIONAL PARTNERS AMID EPIDEMIC

Arrangements for the face-to-face meetings in the international fora have been plagued by the global outbreaks of COVID-19. To ride over the common challenges ahead, Hong Kong Customs has been demonstrating its unparalleled efforts against the COVID-19 pandemic and showcasing its strong commitment to manage issues of mutual concerns with other partners in seven virtual meetings organised by the World Customs Organization (WCO) and the Asia-Pacific Economic Cooperation (APEC) between October last year and February this year.

137th Customs Co-operation Council (CCC) Meeting

The 137th CCC resembles the highest level of platform for member administrations of the WCO to chart the strategic ways ahead on contemporary Customs initiatives. From December 10 to 12 last year, Assistant Commissioner of Customs and Excise (Excise and Strategic Support) Mr Jimmy Tam (centre), Senior Staff Officer (Customs Affairs and Co-operation) Mr Wong Jug-tung (left), and Staff Officer (Customs Affairs and Co-operation) Ms Wong Sek-yan (right) attended the 137th

CCC, during which 150 members participated. Apart from constructive exchanges on the latest progress of various global Customs initiatives (e.g. capacity building, compliance and facilitation, tariff and trade, governance, etc.), members also demonstrated their collective solidarity to ride against the challenges arising from the COVID-19 pandemic. The 137th CCC also elected Mr Ahmed H Al Khalifa from Bahrain as the Council Chairperson with immediate effect until June 2021, and Mr Konstantinos Kaiopoulos from Greece as the new Director of Tariff and Trade Affairs for a five-year term starting January 2021.





21st Regional Heads of Customs Administration (RHCA Conference)

Mr Tam (left) and Mr Wong (right) represented Hong Kong Customs at the 21st RHCA Conference of the Asia and the Pacific (A/P) on November 12 last year, in which 24 Customs administrations participated. Hosted by Indonesia, the meeting mainly discussed the establishment of WCO A/P regional entities, including training centre, dog training centre and laboratory, and firmed up regional representations to the WCO committees.



30th Regional Contact Points (RCP) Meeting

Mr Wong attended the 30th RCP Meeting, which primarily touched on the progress of implementing the Regional Strategic Plan (RSP) and the related focus areas. During the meeting, Hong Kong Customs partnered with Regional Intelligence Liaison Office for A/P as coordinators of the RSP to present on regional co-operation and information sharing on enforcement matters.

2nd Meeting of APEC Sub-Committee on Customs Procedures (SCCP)

On October 27 last year, Mr Tam (left) and Mr Wong (right) attended the 2nd Meeting of APEC SCCP. The meeting provided member economies with a platform for reinforcing the common drive and collective commitment in the protection of global health and safety to fight against the pandemic. Mr Tam shared views with other members on the possible ways ahead to strengthen the governance efficiency of SCCP with a view to enabling the continuity in terms of shared priorities and mutual dedication to follow-up the implementation of initiatives amidst the annual changeover of chairpersons.





18th Meeting of Heads of WCO A/P Regional Training Centres (RTC Heads)

Senior Staff Officer (Training and Development) Ms Tam Pik-ling (left) and Senior Inspector Ms Wong Siu-yin (right) attended the 18th RTC Heads Meeting on October 15 last year. Ms Tam explained the unprecedented challenges on the delivery of traditional face-to-face training at Hong Kong Customs College under COVID-19. Ms Wong shared the measures and alternatives on how to maintain the overall training guality as well as the training schedule.

16th Global Meeting of WCO Regional Structures

At the 16th Global Meeting of the WCO Regional Structures held from February 18 to 19 this year attended by Staff Officer (Training Development) Mr Lai King-ho (right) and Ms Wong (left), delegates discussed on the Terms of Reference of the WCO Regional Structures in collaborating and coordinating their capacity building efforts at intraregional and inter-regional level.

12th Session of WCO Capacity Building Committee (CBC)

Mr Lai and Ms Wong also attended the 12th CBC Meeting held from February 22 to 24 this year. Under the CBC's theme of "Leading Customs to Navigate Challenging Times and Beyond", delegates discussed the latest initiatives of the WCO and gave insights on the critical role of leadership in adapting to a complex environment and seizing the opportunities to change and move forward.



Office of Customs Affairs and Co-operation
Office of Training and Development

Commitment and Excellence Commitment and Excellence

STAY CONNECTED WITH INDUSTRY FOR TRADE SINGLE WINDOW DEVELOPMENT AMID PANDEMIC



A newly designed Trade Single Window leaflet.

Phase 1 of Trade Single Window (TSW) has been rolled out in 2018 to provide a one-stop electronic platform for the trading community to lodge import and export trade documents with the Government. As the operator of TSW, Hong Kong Customs has spared no efforts in promoting the TSW through outreach publicity and training. The Office of Trade Single Window Operation (OSWO) grappled with the challenges amid the pandemic to sustain publicity work and adopted adaptive promotion strategy by leveraging technology to ensure the trading community is connected



with the latest development on TSW through a safe and effective channel.

Over the past few months, the OSWO promoted the TSW through video conferences, on-demand content sharing and virtual e-seminars which were well received by over 2 000 trading industry stakeholders. To further expand the coverage, a new promotional video outlining the latest progress, benefits and phase development of the TSW was also uploaded to the YouTube channel of

the Department and the TSW website in November last year. Following the successful rollout of the 14 types of trade documents under the Phase 1 pilot of the TSW, a new leaflet highlighting the key features of TSW and the types of trade documents under processing by TSW was also released.

Given the strategic importance of TSW to the competitive edge of Hong Kong economy and with the development of Phases 2 and 3 of TSW in the pipeline,

Customs will continue to engage with the trade through different channels and strengthen two-way communication in a bit to maintain Hong Kong's competitiveness as a trading and logistics hub.

Office of Trade Single Window Operation



HONG KONG CUSTOMS LAUNCHES VIRTUAL CONFERENCE AND CYBER INVESTIGATION COURSE

On November 27 last year, a delegation of the Intellectual Property Investigation Bureau (IPIB) of Hong Kong Customs attended a virtual conference with the Intellectual Property Department of Macao Customs Service (MCS). Both parties shared the updated enforcement strategies and the use of cyber investigation tools in combating intellectual property rights (IPR) crimes amid the COVID-19 epidemic.

After the meeting, officers of the Electronic Crime Investigation Centre delivered the second round of online training in the year on advanced cyber investigation skills and handling of digital evidence to the frontline officers of MCS.

Hong Kong Customs will continue to deploy resources to conduct research on online IPR crimes and seek opportunities to organise similar cyber investigation trainings for overseas law enforcement agencies.

> Intellectual Property Investigation Bureau



The delegation of Intellectual Property Investigation Bureau meets with the Intellectual Property Department, Macao Customs Service through the virtual conference.



Officers of the Electronic Crime Investigation Centre of the Intellectual Property Investigation Bureau delivered the second round of online training in the year on advanced cyber investigation skills and handling of digital evidence to the frontline officers of Macao Customs Service on November 7 last year.

Commitment and Excellence Commitment and Excellence

18

19

ACCREDITATION OF ASSISTANT TRADE CONTROLS OFFICER INDUCTION COURSE



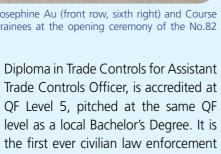
Head of Trade Declaration and Systems Bureau Ms Josephine Au (front row, sixth right) and Course Master Mr Roy Ng (front row, sixth left), with the trainees at the opening ceremony of the No.82 ATCOIC

In October last year, the Assistant Trade Controls Officer Induction Course (ATCOIC) of Hong Kong Customs has successfully obtained the approval from the Hong Kong Council for Accreditation of Academic and Vocational Qualifications to become an accredited course under the Qualifications Framework (QF) and included in the Qualifications Register (QR). The programme, Professional

資歷名銜 貿易管制專業文憑 (助理貿易管制主任) Professional Diploma in Trade Controls for Assistant Trade Controls Officer QR Repitration No.: 201000481.5 Registration Valdaty Period: 01/10/2000 To NOBO/2013



Title and level of the accredited qualification of the ATCOIC namely "Professional Diploma in Trade Controls for Assistant Trade Controls Officer" at QF Level 5.



induction course to be accredited at

QF Level 5 in Hong Kong.

Following the accredited induction programmes for Inspectors and Customs Officers, the accredited ATCOIC is the third training programme of the Customs qualified to be registered under the QR. Till now, all the induction courses for law enforcement staff of the Department, including the Customs and Excise Service and Trade Controls Officer Grade (TCOG), were accredited under QF. It signifies the full enhancement of training quality to groom talents for the Department and is an important milestone in human resources development.

The Department has all along attached great importance to training talents. The Trade Controls Branch (TCB) conducted a comprehensive review of the ATCOIC in 2019 to revamp



No.82 ATCOIC trainees taking part in a session of the enhanced Leadership Training of the induction course

and strengthen the course curriculum and training materials. Leadership training for new recruits have been particularly enhanced together with the introduction of a brand new quality assurance mechanism to ensure the content, effectiveness and sustainable development of the accredited training programme can cope with the ever-evolving working environment of the Department. Being the first batch of new recruits under the accredited programme, the graduates of No. 82 ATCOIC were awarded with the "Professional Diploma in Trade Controls for Assistant Trade Controls Officer" on March 5 this year after they had completed the induction training.

Through continuous enhancement of its training development, Customs strives to increase the professionalism of TCOG officers to uphold the Department's mission and values, and contribute to the prosperity and stability of society.

Trade Declaration and Systems Bureau

ACCREDITATION OF CUSTOMS DRUGS DETECTOR DOG HANDLING PROGRAMME AND PUPPIES BORN UNDER FIRST EVER BREEDING CO-OPERATION WITH FSD

Hong Kong Customs has achieved another round of tremendous developments at the start of this year. Apart from obtaining an accreditation approval from the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) to include its detector dog handling programme in the Qualifications Register (QR), a batch of 6 puppies were also born in the first ever breeding co-operation with the Fire Services Department (FSD).

The programme "Professional Diploma in Drugs Detector Dog Handling" is accredited at Qualifications Framework (QF) Level 4, pitched at the same QF level as a local Associate Degree or a Higher Diploma. This makes Customs the first law enforcement agency in Hong Kong to offer Qualifications Framework-recognised programme in dog handling. It comprises of a 10-week training course to equip the trainees with detector dog handling skills across a broad range of enforcement areas, knowledge on canine and drugs, search principle and integrated skills, with an aim to ensure their professional standard on enforcement work in performing antinarcotics duties.

Under the guidance of professional course instructors of the Customs Canine Force (CCF), the first batch of trainees have graduated from the accredited programme in February this year. Thereafter, they were deployed to perform duties at different front-line positions and lead their detector dogs in providing assistance at clearance work, in order to step-up enforcement against cross-boundary drug trafficking activities.



Hong Kong Customs has achieved another round of tremendous developments at the start of this year and obtained an accreditation approval from the HKCAAVQ to include its detector dog handling programme in the Qualifications Register. Photo shows Officers from Customs Canine Force in a panel interview with the members of the HKCAAVQ.



Hong Kong Customs has achieved another round of tremendous developments at the start of this year. A batch of 6 puppies were born in the first ever breeding co-operation with the Fire Services Department on the first day of the Lunar New Year (February 12).

In the first-ever breeding co-operation of Customs and the FSD, Springer Spaniel was chosen as the breed dog given its vigorous character and high alertness in detection. Upon copulation with "Jack", a search and rescue dog from the FSD in December last year, Customs' drugs detector dog "Casa" gave birth to the first batch of 6 puppies at the Breeding Centre of CCF at Hong Kong-Zhuhai-Macao-Bridge Base on the first day of the Lunar New Year (February 12).

Two of the puppies will be assigned to the FSD, while the remaining ones will be allocated to Customs and receive formal training when they reach 1 year old. To cope with the enforcement needs and diversified development of the Department, they are likely to be trained to become the first batch of tobacco detector dogs of Customs and to be deployed to control points for the detection of illegal cigarettes.

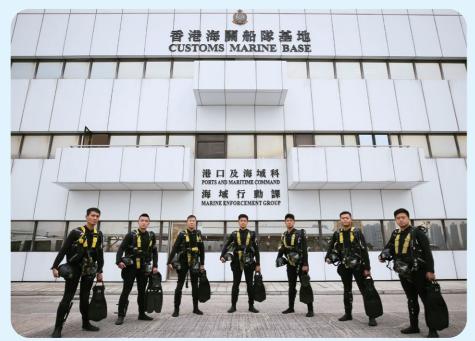
The CCF will continue its development under the two directions of diversification and professionalisation, and actively upgrade the working efficiency of dog handlers and detector dogs, with an aim to developing the detector dog management as another branch of professionalism for the Department.

Land Boundary Command

HONG KONG CUSTOMS DIVING SUPERVISOR COURSE

The Ports and Maritime Command (PMC) of Hong Kong Customs organised the "Customs Diving

Supervisor Course" between December 7 and 11 last year for 7 Customs divers. Apart from advanced



The Ports and Maritime Command of Hong Kong Customs organised the "Customs Diving Supervisor Course" between December 7 and 11 last year. Photo shows seven new Diving Supervisors completing the course.

diving and underwater rescue techniques, the course also comprised leadership and supervisory training to equip divers with necessary knowledge and skills to become diving supervisors. An experienced diving instructor from the Fire Services Department was also invited to share emergency responses and decompression principles to further enhance safety awareness in

diving operations.

Established in 1972, the Customs Diving Team has all along been carrying out underwater missions such as search of contrabands and recovery of exhibits. The PMC will continue to organise different diving courses to reinforce marine operations and ensure continuity of Customs maritime professionalism.

Ports and Maritime Command

THEMATIC SEMINAR FOR TECHNICAL OFFICERS

With a view to strengthening the work knowledge and skill sets of the Technical Officers (TO) of major formations concerned to undertake their responsibilities under the

Department's Technical Officers System (the System), Office of Customs Affairs and Co-operation (OCAC) organised the thematic seminar for Technical Officers on November 27 last year.



Senior Staff Officer (Customs Affairs and Co-operation) Mr Wong Jug-tung (fifth left) delivered opening remarks at the thematic seminar for Technical Officers under the Technical Officers System held on November 27 last year.

The overview and the current development of the World Customs Organization and the Asia Pacific Economic Cooperation were introduced during the seminar, which was well received by the participating TOs from 24 major formations.

Endeavored to enhance the System, the OCAC will organise regular thematic seminars with aims of further enhancing the operational efficiency and effectives of the System as well as the capability of Technical Officers in handling issues arising from the international fora.

Office of Customs Affairs and Co-operation

HONG KONG CUSTOMS ENHANCES RECRUITMENT PROMOTION AND OUTREACH EFFORTS TO NON-ETHNIC CHINESE



Echoing the Government's initiative on supporting non-ethnic Chinese (NEC), a dedicated team was established in the Office of Training and Development (OTD) in June last year for enhancing outreach services for the NEC community.

The team has adopted a dynamic career promotion and outreach strategy to build a stronger network with NEC related non-governmental organisations (NGOs) and schools with

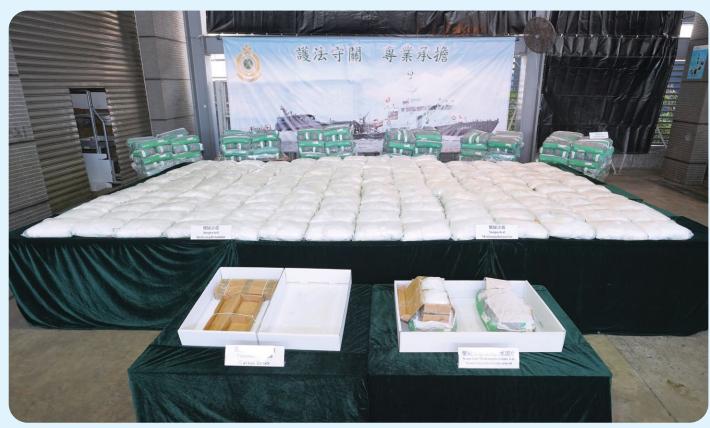
a view to strengthening interaction with NEC adolescents. Though facing schools closure and postponement of NGOs activities under social distancing measures during the epidemic, the team has kept exploring various means, e.g. virtual talk and small group meeting to connect and communicate with NEC community. With their enthusiasm, high resilience and flexibility, 24 career promotion activities have been organised in a few months, including career talks,

webinars and outreach meetings, with the participation of over 400 NECs.

The team will continue to reach out NEC community and promote career opportunities for NEC job seekers.

Office of Training and Development

HONG KONG CUSTOMS FRUSTRATES "ICE" TRAFFICKING ATTEMPT WITH RECORD SEIZURE FROM SEA CARGOES



Hong Kong Customs seized a total of 501 kilograms of methamphetamine from packages of cement on October 29 last year.

Hong Kong Customs foiled another drug trafficking attempt in October last year subsequent to the record breaking cocaine case detected from an aircraft engine in May of the same year. On October 29, officers from the Ports and Maritime Command (PMC) seized about 501 kilograms of methamphetamine (commonly known as "ice") with an estimated market value of about \$300 million from a seaborne container at the Tsing Yi Customs Cargo Examination Compound. The seizure of "ice" in this case, in terms of both seizure quantity and value, is unparalleled in Customs' record.

Through risk assessment and data analysis, officers from the PMC selected for examination a 40-foot transshipment container arriving in Hong Kong from Vietnam and destined for Australia declaring to contain cement. After scrutinising the shipping documents, Customs officers discerned the circuitous routing of the container and noticed that the final destination was a drug demanding country. Together with the rarity of exporting cement from Vietnam, Customs officers then decided to further examine the container.

A total of 1 168 packs of cement with identical packages were found inside the container. Careful observation

of Customs officers brought to the discovery of some expanded cement packages yet with lighter weight. X-ray inspection revealed suspicious images on 251 packs of cement. The batch of "ice" weighing 501 kilograms were seized from the cement packages.

In a press conference later, officers from the PMC and the Customs Drug Investigation Bureau shed light on the record breaking case and how the syndicate's attempt to trick law enforcers by mix-loading dangerous drugs with heavy cargoes was thwarted.

Ports and Maritime Command