

CONTROLLING OFFICER'S REPLY

SB027

(Question Serial No. 0262)

Head: (31) Customs and Excise Department

Subhead (No. & title): (000) Operational expenses

Programme: ()

Controlling Officer: Commissioner of Customs and Excise (Ms Louise HO)

Director of Bureau: Secretary for Security

Question:

The estimated provision for 2022-2023 is \$452.1 million higher than the revised estimate for last year, mainly due to the net increase of 71 posts. On the other hand, the value of dutiable commodities seized has increased over 70% to millions of dollars in 2021. In this regard, will the Government inform this Committee of:

1. the distribution of ranks and the nature of work of the 71 posts increased; and
2. the types of seizures involved and reasons for the increase, and how much manpower was involved in the prosecution.

Asked by: Hon CHAN Chun-ying (LegCo internal reference no.: 31)

Reply:

1. In 2022-23, the Customs and Excise Department (C&ED) plans to effect a net increase of 71 posts under Programme (1) Control and Enforcement. Among the posts to be created, one of them is a directorate post for implementing the recommendation of the Report on the Grade Structure Review for the Disciplined Services Grades on creating 1 Deputy Commissioner post to strengthen the directorate support within C&ED. The net increase of the remaining 70 non-directorate posts, involving the creation of new posts and deletion of existing posts, seeks to provide manpower for (1) establishing a registration regime for dealers in precious metals and stones upon the implementation of the proposed amendments to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) in future; (2) the customs clearance service at the Intermodal Transfer Terminal at the Hong Kong International Airport; and (3) services under the Trade Single Window upon its extension to Phase 2, etc.

Details of the net increase of posts under Programme (1) Control and Enforcement are as follows –

Rank	Number	
	Posts to be created	Posts to be deleted
Directorate post		
Deputy Commissioner of Customs and Excise	1	-
Non-directorate post		
Senior Superintendent of Customs and Excise	1	-
Superintendent of Customs and Excise	1	-
Assistant Superintendent of Customs and Excise	2	-
Senior Inspector of Customs and Excise	8	1
Inspector of Customs and Excise	21	6
Chief Customs Officer	19	6
Senior Customs Officer	21	5
Customs Officer	44	31
Senior Systems Manager	1	-
Systems Manager	1	-
Analyst / Programmer II	2	-
Personal Secretary I	1	-
Assistant Clerical Officer	-	1
Clerical Assistant	2	-
Office Assistant	-	1
Workman II	-	3
Sub-total:	125	54

2. In 2021, under the COVID-19 pandemic, smugglers made use of sea and air cargo shipments more often. C&ED had stepped up the corresponding risk assessment, intelligence analysis and enforcement (including prosecution) actions, and quashed a number of major cases of smuggling dutiable commodities. The value of dutiable commodities seized, involving illicit cigarettes mostly, was around \$292 million, representing a significant increase of nearly 13 times compared to that of \$21 million in 2020.

C&ED does not maintain a breakdown of the manpower involved in the work above.

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CONTROLLING OFFICER'S REPLY**SB028****(Question Serial No. 0135)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): ()Programme: (1) Control and EnforcementControlling Officer: Commissioner of Customs and Excise (Ms Louise HO)Director of Bureau: Secretary for SecurityQuestion:

It is anticipated that 68 new posts will be created in 2022-23. Please inform this Committee of the ranks of these posts to be created and their job descriptions.

Asked by: Hon LAI Tung-kwok (LegCo internal reference no.: 7)Reply:

In 2022-23, the Customs and Excise Department plans to effect an overall net increase of 68 non-directorate posts, involving the creation of new posts and deletion of existing posts, in order to provide manpower for (1) establishing a registration regime for dealers in precious metals and stones upon the implementation of the proposed amendments to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) in future; (2) the customs clearance service at the Intermodal Transfer Terminal at the Hong Kong International Airport; and (3) services under the Trade Single Window upon its extension to Phase 2, etc. Details are as follows –

Rank	Number	
	Posts to be created	Posts to be deleted
Senior Superintendent of Customs and Excise	1	-
Superintendent of Customs and Excise	1	-
Assistant Superintendent of Customs and Excise	2	-
Senior Inspector of Customs and Excise	8	1
Inspector of Customs and Excise	21	6
Chief Customs Officer	19	6
Senior Customs Officer	21	5
Customs Officer	44	31
Senior Systems Manager	1	-

Rank	Number	
	Posts to be created	Posts to be deleted
Systems Manager	1	-
Analyst / Programmer II	2	-
Personal Secretary I	1	-
Assistant Clerical Officer	-	2
Clerical Assistant	2	1
Office Assistant	-	1
Workman II	-	3
	124	56

- End -

CONTROLLING OFFICER'S REPLY

SB029

(Question Serial No. 0012)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (1) Control and Enforcement

Controlling Officer: Commissioner of Customs and Excise (Ms Louise HO)

Director of Bureau: Secretary for Security

Question:

In 2021, there was a substantial increase in both the quantity and value of smuggled goods seized in smuggling cases detected by the Customs and Excise Department and the Hong Kong Police Force when compared with 2020. How much additional resources will be allocated by the Department for combating smuggling activities in the coming year, and what are the Department's new measures and strategies against smuggling activities?

Asked by: Hon WONG Chun-sek, Edmund (LegCo internal reference no.: 8)

Reply:

The Government's law enforcement agencies (LEAs), including the Customs and Excise Department (C&ED) and the Hong Kong Police Force (HKPF), have all along been tackling different types of smuggling activities under intelligence-based strategies, through inter-departmental collaboration and co-operation with their counterparts in the Mainland and other places.

Under the COVID-19 pandemic, smugglers made use of sea and air cargo shipments more often, and commonly smuggled articles of higher value and in larger quantities on a single occasion. LEAs have adopted targeted tactics to combat smuggling activities in light of the latest smuggling trend. In 2021, anti-smuggling law enforcement operations taken by C&ED and HKPF delivered notable results. The quantity and value of articles seized both increased when compared to those in 2020.

To combat syndicate-level smuggling activities, LEAs will continue to strengthen intelligence exchange and the conduct of joint operations with their counterparts in the Mainland and other places. They will step up investigation on masterminds of smuggling syndicates and their source of funds, and invoke the Organized and Serious Crimes Ordinance (Cap. 455) as appropriate for confiscating the relevant crime proceeds. In suppressing smuggling by sea, LEAs will continue to strengthen collaboration with their counterparts in the Mainland, including issuing instant notifications on vessels suspected to be used for smuggling, as well as stepping up efforts to smash storehouses used for storing smuggled goods and detain speedboats suspected to be used for smuggling, so as to further enhance the effectiveness of enforcement.

LEAs will continue to deploy existing resources flexibly and adjust their strategies in a timely manner in response to the evolving smuggling trend, in order to enhance the effectiveness of their work. Resources involved in strengthening anti-smuggling have been subsumed under C&ED's recurrent expenses. C&ED does not maintain a breakdown of the relevant figures.

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CONTROLLING OFFICER'S REPLY**CEDB(CIT)065****(Question Serial No. 0337)**Head: (31) Customs and Excise DepartmentSubhead (No. & title): (-) -Programme: (3) Intellectual Property Rights and Consumer ProtectionControlling Officer: Commissioner of Customs and Excise (Ms Louise HO)Director of Bureau: Secretary for Commerce and Economic DevelopmentQuestion:

- (a) Please separately list the numbers of complaints received, investigations and prosecutions of copyright offences relating to literary, dramatic, musical or artistic works, sound recordings, films, broadcasts, cable programmes, and the typographical arrangements of published editions by the Customs and Excise Department (C&ED) in the past 3 years.
- (b) Please separately list the numbers of reports received and the amount of reward given under the Anti-piracy Reward Scheme, the Reward Scheme to Combat Illegal Photocopying of Books and Periodicals and the Reward Scheme to Combat Illegal Photocopying of Newspapers and Magazines in the past 3 years.
- (c) Please separately list the numbers of complaints, investigations and prosecutions relating to circumvention devices in the past 3 years.

Asked by: Hon MA Fung-kwok (LegCo internal reference no.: 11)Reply:

The Customs and Excise Department (C&ED) has been sparing no effort in combating copyright infringement offences by constantly monitoring the latest trend of the relevant offences, initiating actions in accordance with the law, and timely reviewing the strategy and effectiveness of its enforcement work. The numbers of copyright infringement cases (Note 1) in the past 3 years are as follows:

	2019	2020	2021
Number of complaints and investigations	335 cases	278 cases	267 cases
Number of cases	95 cases	60 cases	52 cases
Number of successful prosecutions (Note 2)	90 cases	57 cases	52 cases

Note 1: The numbers include infringing activities of different types of copyright works, but exclude infringing activities relating to circumvention devices.

Note 2: Cases with trial concluded during the year.

C&ED did not receive any reports relating to the Anti-piracy Reward Scheme, the Reward Scheme to Combat Illegal Photocopying of Books and Periodicals, and the Reward Scheme to Combat Illegal Photocopying of Newspapers and Magazines in the past 3 years and therefore did not give out any rewards.

The numbers of cases relating to circumvention devices in the past 3 years are as follows:

	2019	2020	2021
Number of complaints and investigations	3 cases	6 cases	1 case
Number of cases (Note 3)	6 cases	2 cases	0 case
Number of successful prosecutions (Note 4)	1 case	0 case	5 cases

Note 3: Since more cases may be detected during investigation upon receipt of complaints, the number of cases may be greater than the number of complaints and investigations.

Note 4: Cases with trial concluded during the year.

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CONTROLLING OFFICER'S REPLY

FSTB(Tsy)002

(Question Serial No. 0024)

Head: (31) Customs and Excise Department

Subhead (No. & title): ()

Programme: (4) Revenue Protection and Collection

Controlling Officer: Commissioner of Customs and Excise (Ms Louise HO)

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

The number of illicit cigarettes seized by the Customs and Excise Department (C&ED) keeps on rising every year. In the coming year, C&ED will strengthen enforcement actions against illicit cigarette activities, especially in respect of cross-boundary smuggling and telephone-order peddling. Regarding the implementation of a new ordinance on smoking ban which includes prohibiting the import of electronic cigarettes and heated tobacco products, how will C&ED strengthen its efforts, such as whether additional resources and manpower will be deployed, in tracking down illicit cigarettes? What are the details?

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 7)

Reply:

The Customs and Excise Department (C&ED) will continue to adopt a holistic enforcement strategy in combating illicit cigarette activities, i.e. intercepting smuggling in the upper stream, smashing storehouses in the middle, and tackling selling activities in the lower end. In 2022-23, C&ED has an establishment of 61 officers dedicated to combating illicit cigarette activities. Furthermore, front-line Customs officers deployed at various entry and exit points are also involved in the interception of illicit cigarette activities. Since they are tasked with other clearance duties at the same time, it is difficult to separately quantify the number of officers involved.

With the Smoking (Public Health) (Amendment) Ordinance 2021 coming into force on 30 April 2022, C&ED will render full support to the Tobacco and Alcohol Control Office of the Department of Health in enforcing the prohibitions on the import of alternative smoking products, flexibly deploy existing resources, and step up inspections at various entry and exit points to prevent such products from entering Hong Kong.

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