Cooperation at Land Boundary

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Hong Kong, China

- Known as the “Pearl of the Orient”
- Located at the Southeast of China
- Land Area: 1,100 square kilometres
- Population: 7 million
- A small but dynamic city as one of the leading commercial and financial centres
Hong Kong, China

- Hong Kong Special Administrative Region established on 1 July 1997
- Under the “one country, two systems” principle, Hong Kong’s previous system and lifestyle continue to be practised
- Hong Kong enjoys a high degree of autonomy except in defence and foreign affairs

Hong Kong Customs

- Established in 1909 and 2009 is the 100th Anniversary of the department
- An individual member of the WCO as Hong Kong, China with independent Customs system under the “One Country, Two Systems” principle
Hong Kong, China

- Free Port
- No Customs Tariff
- Minimal Licensing Requirements

% of Total Hong Kong Merchandise Trade Contributed By Mainland China

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Import (From)</td>
<td>47%</td>
</tr>
<tr>
<td>Export (To)</td>
<td>38%</td>
</tr>
<tr>
<td>Re-export (To)</td>
<td>49%</td>
</tr>
<tr>
<td>Re-export (From)</td>
<td>63%</td>
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</tbody>
</table>
Challenges/ Opportunities

The Situation

- Increased Trade Volume
- High Volume of Cargoes and Vehicles

The Need

- Provide Quality Service
- Balance Law Enforcement and Trade Facilitation

Hong Kong Approach

- Facilitation and Control
- Technology / Advanced Equipment
- Control Point Infrastructure / Co-location Arrangement
Hong Kong Approach

- Cooperation with the Mainland
- Cooperation with the Trade
- Adopt International Best Practice
- New Road Cargo System

Facilitation and Control

- Use Intelligence Based Risk Management Techniques
- Streamline Clearance Procedures at Customs Kiosks
- Land Cargo Advance Clearance
Streamline Clearance Procedures

- LED Display
- Digital Camera
- Land Boundary System

Technology / Advanced Equipment

- Land Boundary System
- Automatic Vehicle Recognition System
- LED-display Board
- Mobile X-ray / Vehicle X-ray Inspection System
Mobile X-ray Vehicle Scanning System

Vehicle X-ray Inspection System at Lok Ma Chau Control Point

Concealments of Silver Bars & Tyres
Control Point Infrastructure / Co-location Arrangement

- Control Point Improvement
- Co-location Arrangement at Shenzhen Bay Port

Lok Ma Chau / Huanggang Bridge

Co-location at Shenzhen Bay Port

Cooperation with Mainland

- Framework Agreement on Hong Kong/Guangdong Co-operation
- Green Customs Seal
- Unified Road Cargo Manifest
Framework Agreement

- Signed in Beijing on 7 April 2010 between HK/GD government
- Developed under “Outline of the Plan for the Reform and Development of the Pearl River Delta” promulgated by The National Development and Reform Commission in January 2009
- Study and innovate clearance mode for control points to facilitate people, vehicle and cargo flow
- Promote cross reference of Customs inspection result
- Unify Customs information format

Green Customs Seal
**Unified Road Cargo Manifest**

**Cooperation with Trade**

- Cross Boundary Transport Industry Customer Liaison Group
- Watch Out Programme
Adopt International Best Practice
- Membership in APEC / WCO
- Reference to their Standard / Framework
- Alignment with Mainland

New Road Cargo System
- Road Cargo System (ROCARS)
  - Advance Electronic Submission of Cargo Information
  - Cargo Selectivity Centre
- Launch in May 2010
**ROCARS Information Flow**

- **Shipper**
  - ROCARS data (8 items)
    - (not more than 14 days in advance)
  - Customs Cargo Reference Number (CCRN)

- **Trucker**
  - CCRN + Cargo Description

- **ROCARS**
  - Bundle CCRN & VRN
    - (30 minutes before the truck arrives at LCP)
  - Unique Bundling Reference

**Clearance under ROCARS**

- Customs Kiosk
- Immigration Kiosk
- AVRS Cameras
- Drop Box

Driver to drop manifest or press "empty vehicle" button
Way Forward

- Mandatory Use of ROCARS
- Seamless Trade by Synergy with other technology (electronic data transmission, RFID, e-seal, GPS …etc)
- Alignment with WCO Data Model

Thank You