

## **Speech by SFST at Customs Officers passing-out parade**

Friday, December 7, 2007

The Secretary for Financial Services and the Treasury, Professor K C Chan, today (December 7) officiated at a passing-out parade for 104 customs officers at the Customs and Excise Training School. The customs officers have completed a 20-week induction course.

Following is the speech by Professor K C Chan (English translation):

Commissioner Yuen, honoured guests, graduates,

It is a great honour to be invited to inspect the passing-out parade today and witness 104 new colleagues joining the Customs and Excise Department, a disciplined service with high reputation.

Dear graduates, with your neat uniform and smart appearance, you have well demonstrated the high spirits of the customs service. I believe that in addition to your good discipline, you have also acquired the basic specialised skills after 20 weeks' induction training to equip yourselves for the task of law enforcement.

Apart from preventing smuggling, the Customs and Excise Department also shoulders a range of diverse tasks, including the prevention of drug trafficking as well as intellectual property rights and consumer protection. In addition, the Customs and Excise Department also endeavours to protect and collect duties on dutiable commodities, which are closely related to the duties of the Treasury Branch under my responsibility. In the last fiscal year, the duties on dutiable commodities generated \$7 billion in revenue for the Treasury, representing an increase of 9.3% in comparison with that of the previous fiscal year.

As a matter of fact, the Customs and Excise Department has been performing well in protecting revenue and has spared no effort in combating such illegal activities as illicit fuel and illicit cigarette smuggling. In the first 10 months of this year, 77 million sticks of illicit cigarettes and 270,000 litres of illicit fuel have been seized, resulting in the arrest of more than 7,000 persons involved in the cases.

Besides fighting effectively against tax evasion, the Customs and Excise

Department has also implemented a number of new measures to help legitimate businesses trading in dutiable commodities, including the introduction of the Open Bond System and EDI-Dutiable Commodities Permits System, the relaxation of restrictions on the transshipment of dutiable commodities by air, the simplification of procedures for applying for permits for alcoholic liquor, the promotion of transparency in the duty assessment mechanism, and so on.

With the HKSAR Government planning to promote Hong Kong as an international liquor-trading hub, officers of the Customs and Excise Department introduced the duty system, legislation and licensing requirements in respect of liquor to participants at a large-scale international wine and spirits exhibition held in Hong Kong last year. That world-class exhibition will be held again in Hong Kong next year and the Customs and Excise Department will also take part in it, assisting traders to establish or expand their businesses in Hong Kong. I believe that, with these business-friendly initiatives, the business environment of the industry can be improved substantially while the operating efficiency and competitiveness of the industry can be enhanced, firming up Hong Kong's status as a business and logistics centre.

All graduates, starting from next week, you will be posted to different offices to perform your duties in the Customs and Excise Department. I am convinced that you can face the challenges ahead and demonstrate your abilities to the full. I expect that every one of you will keep learning and pursue self-advancement after leaving the training school so as to provide the public with professional and quality services.

Finally, I sincerely wish all of you good health and every success in your new career. Thank you!

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