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Attn: Shipping, Logistics, Business & News Editors

HAFFA Clarifies Misconceptions Surrounding Relaxation of e-Cigarette Transshipment

"Super Enhanced" Land-Air Transshipment Solution Serves to Effectively Avoid e-Cigarettes Entering Hong Kong

The Transport and Logistics Bureau recently proposed amendments to relax the regulations governing the land-air and sea-air transshipment of alternative smoking products through Hong Kong. The Hong Kong Association of Freight Forwarding and Logistics (HAFFA), believes the amendments represent not only an effort by the government to restore the city's status as an international aviation hub, but also serve to restore the health of the cargo industry.

Commented HAFFA Chairman Mr. Gary Lau: "Even in the case of illegal drugs, there will still be instances of smuggling. Criminal smuggling activities and legitimate freight operations which comply with the law and meet all government regulations are two completely unrelated subjects which should not be confused in the minds of the public. There are misconceptions in some areas that the transshipment of alternative smoking products is unsafe."

The Association has learned that Hong Kong Customs and Excise Department has established a set of "super-enhanced" measures for the safe land-air intermodal transshipment of e-cigarettes which require freight companies and operators to register with Customs authorities and comply with strict safety specifications. Such regulations include the use of Customs-approved electronic locks and GPS tracking of route and location, and the installation of IP cameras. Advance cargo information must be provided for risk assessment (the quantity and content declared when leaving the vehicle must be consistent with the cargo information arriving at Hong Kong International Airport), and designated driving routes must be used. Amongst the requirements are real-time monitoring of the entire process carried out by Customs authorities, with goods sent directly to the air cargo terminals after passing through the Customs control point, with no consolidation stops at forwarders' warehouses permitted en route.

In terms of sea-air transshipment, the goods will undergo aviation security screening at the Hong Kong International Airport Logistics Park in Dongguan, and then be transported to Hong Kong International Airport by sea. The entire transshipment process is carried out in accordance with the secure transportation standards formulated by the Civil Aviation Department, and is subject to the supervision systems of Customs authorities.

Commented Lau: "We believe that the multitude of safety measures will undoubtedly serve to effectively avoid the risk of e-cigarettes entering Hong Kong. Under the proposed system, Customs authorities can effectively monitor and follow up the transshipment process from the source, and inspect operators throughout the process."

"The penalty for alternative smoking products crimes carries a maximum fine of HK\$2 million and imprisonment for seven years, which has a positive impact on the protection of public health and the establishment of a smoke-free Hong Kong," he added.

In addition, HAFFA believes the amendments proposed by the Transport and Logistics Bureau in no way run contrary to the original intention of the legislation.



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Said Mr. Lau: "Originally, the government legislation did not completely ban the transshipment of e-cigarettes. The law still allowed for the transshipment of e-cigarettes "air-to-air" (arriving cargo can be transshipped to other planes within a restricted area). We found that there are many misleading claims that the government's revisions to the regulations violate the original intention of banning the transshipment of alternative smoking products, which is simply not the case."

"Hong Kong is a maritime center and an international aviation hub under the national "14th Five-Year Plan", and there is therefore high demand for the land-air transshipment of e-cigarettes through the city," he added. "Before the "Smoking (Public Health) (Amendment) Ordinance 2021 came into effect, 95% of e-cigarettes were shipped from Guangdong Province to Hong Kong by land, and then onward to all parts of the world using Hong Kong's flawless air services. This was one of Hong Kong's hard-earned advantages."

Mr. Lau emphasised: "Facing a sustained plunge in air freight export volumes, which seriously and negatively impacts both the industry and the economy, HAFFA fully supports the government in accelerating the implementation of revisions to the regulations to allow the safe transshipment of e-cigarettes through multimodal transport (land-air, sea-air, air-air). HAFFA will not slow its efforts in this regard, otherwise Hong Kong's freight logistics industry will never return to its full potential, and it will fail to meet the country's expectations."

Established in 1966, and now with over 320 corporate members, HAFFA is responsible for setting industry standards as well as providing educational courses which enhance the professional standards of freight forwarders and logistics services providers.

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Issued on behalf of the Hong Kong Association of Freight Forwarding and Logistics (HAFFA) by PR Plus Limited. For further information, please email nikki@prplus.com.hk.