

Ir Dr. Paul Tsui
Chairman
HAFFA
8/F, China Hong Kong Centre,
122-126 Canton Road,
Tsimshatsui

Dear Mr Tsui,

Re: Dangerous Goods Acceptance and Declaration

I am writing to seek your assistance to remind HAFFA's members and their associates about the importance of proper Dangerous Goods acceptance, checking and declaration.

We have been receiving feedbacks from various member airlines in the past few months that there is an increasing trend of undeclared and/or mis-declared dangerous goods in export shipments from Hong Kong, include but not limited to lithium batteries. Being a logistic industry veteran, I am sure you are aware that airlines have been implementing various risk mitigation measures to minimise the air safety risk, particularly those made known to the carrier through dangerous goods declaration. Failure to declare properly to airlines would increase the risk of air worthiness.

We would like to seek your assistance to remind all HAFFA members that shippers and freight forwarders, as laid out in IATA Dangerous Goods Regulations and the Dangerous Goods (Consignment by Air) (Safety) Regulations of Hong Kong, they must ensure all dangerous goods are properly classified, packed, marked, labelled and documented before they are offered for air transportation. In addition to the above shippers' responsibilities, all staff members of different parties must receive adequate training to perform their job functions, for example, staff of freight forwarders involved in the handling, storage and loading of cargo or mail shall have completed DG Category 5 training.

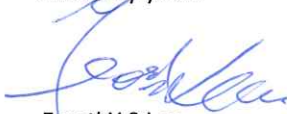
We also understand that some freight forwarders are subcontracting the cargo acceptance and build-up activities to other sub-contractors, whom carriers would expect the same level of standards to be observed as if the task is carried out by the shipping agents themselves. We have concerns regarding to the verification process between document acceptance check completed by the cargo agents and the physical inspection of the cargoes accepted conducted by the subcontractors as well as the awareness of hidden hazard of both the cargo acceptance and build-up staff members in particular to the subcontractors.

Hong Kong has a good reputation of being a premium logistics center, any airworthiness incidents could affect Hong Kong's position, which would have an implication to the sustainability of the industry and the livelihood of players along the logistic chain locally. It would therefore be much appreciated if HAFFA and its members could assist in defending such prestigious position and strengthen the air safety.

We trust that you can assist the industry in relation to this matter.

Thank you very much for you and your association's continuous support, and we look forward to working closely with you and HAFFA's member again in the Year of the Goat.

Sincerely yours

A handwritten signature in blue ink, appearing to read "Frosti Y S Lau".

Frosti Y S Lau
Chairman
Carrier Liaison Group