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HAFFA ANNUAL REPORT 2021-2022

For

FAPAA 48th Executive Council Meeting Penang, Malaysia

14th - 16th July 2022







8/F, CHINA HONG KONG CENTRE, 122-126 CANTON ROAD, TSIM SHA TSUI, KOWLOON, HONG KONG. TEL: (852) 2796 3121 FAX: (852) 2796 3719 WEBSITE: https://www.haffa.com.hk EMAIL: enquiry@haffa.com.hk

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Chairman Report for the Year 2021-2022

Date: 19 April 2022

Dear HAFFA Members,

Over the past year, our economy and people's livelihoods continue to hit hard by the pandemic as Hong Kong reached a critical point in its fight against coronavirus in March. The Association welcomes the Government's measures, particularly the many businesses including Members facing liquidity constraints, the additional financial relief measures will be a lifeline in the coming months. Employment Support Scheme, HK\$10,000 per targeted citizens, reducing profits tax, waiving business registration fees, utilities and rates, will ease some of their burden. However, the biggest hurdle remains the closure of our borders. We believe that dealing with the current outbreak is the number one priority, but as soon as the situation is under control together with ideal level of vaccination, the border reopening will be a key common goal and the beginning of the path back to normality. You may see all industry-related pandemic e-updates through our dedicated COVID-19 corner. The Association has worked tirelessly to reflect Members' voices at Government-level consultation meetings as you can see our efforts being made in this annual report including sub-committee reports.

BREAKTHOUGHS - WE FOUGHT FOR MEMBERS SUCCESSFULLY!!

(1) CAD's Regulated Cargo Fuel Surcharge (CFS) Mechanism Extended to 30 June 2024

For many years the CAD's CFS mechanism provided a regulated fuel index-based price adjustment system which enabled the industry to make precise provisions for fluctuations in fuel prices. The removal of the such mechanism would leave our industry without a regulated system to accommodate fluctuations in oil prices. HAFFA being the only Association expressed to CAD our strong objection to the removal of CFS mechanism and detailed its highly-adverse impact on the aviation industry and the serious repercussions it created. With the system set to expire soon on 30 June 2022, HAFFA has been liaising closely with Government officials and officially wrote to THB to urge for its continuation. This is to protect the interests of Members and uphold the HAFFA position. There were many tough discussions with various stakeholders. **HAFFA again successfully fought for Members as we are gratified to learn that the Government heard and responded positively to our concerns**, and announced on 16 March 2022 that the Government decided to impose a moratorium on the liberalization of CFS for two years, i.e. between 1 July 2022 and 30 June 2024. The arrangement for airlines to levy cargo fuel surcharge based on the current CFS Mechanism of the CAD for flights originating from Hong Kong will be extended to the end of June 2024.

(2) Revised Mechanism of Handling Deficiencies Committed by RA / RACSF

(3) Implementation of Enhanced Control, Surveillance and Inspection Measures for Safe Transport of Dangerous Goods by Air

Last year CAD first brought out a proposal of tightening the deficiency handling mechanism under the RAR and RACSF Scheme in view of the implementation of the ICAO 2021 Policy being an international requirement with effect from 01 July 2021. Later another CAD proposal of further enhancing the effectiveness of the control and surveillance DG measures was issued. It remains a key role of HAFFA to represent Members' interests especially in the area of cargo operations; concerns received are treated constructively and HAFFA then counter proposed other enhanced measures with a view to striking a balance between the aviation security and safeguarding the room of survival for Members. About point (2), we submitted the letter to CAD on 25 May 2021, a face-to-face meeting with CAD was conducted on 28 May 2021 for views exchange. HAFFA successfully fought for Members that CAD has taken into consideration our suggestions and revised the handling mechanism for deficiencies committed by RA / RACSF. About point (3), one of CAD's original







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proposed ideas regarding 100% check at individual package/parcel level was changed to Random Check at individual package level, this was achieved after HAFFA liaised with CAD to strive for Members' interest in the adjustment to the existing Scheme in order to gain a balance between safety and the operational needs.

(4) IATA to collect 1 BG to cover sales under both CASS Import & Export in Hong Kong

IATA Central BG (bank guarantee) only covered CASS Export shipments. Therefore, subject to individual airline's policy, IATA Agents is required to submit a separate BG to individual airline for Import shipments in case they would like to continue enjoying credit with effect from 01 July 2021. However, previously forwarders only need to submit 1 BG to the airlines to cover both Export and Import shipments. Hence, HAFFA raised concerns to IATA over such change as it may result in more bank fee and administrative burden. HAFFA successfully fought for Members that IATA and Airlines have taken into consideration our proposal which was adopted by the IATA CASS Policy Group (CPG), for IATA to collect 1 BG to cover sales of both CASS Export & Import in Hong Kong.

Taking this opportunity, we would like to thank Members for a number of milestone events:

(I) HAFFA Annual General Meeting 2021

The first-ever HAFFA AGM on-line election was successfully held on 22 April 2021 with a high participation rate of 93% from registered Voters, a big thanks for Members' support to the Association who took time out from their busy schedule to participate in the on-line voting. The e-AGM also voted for the new HAFFA Executive Committee, to welcome some new/familiar faces which will no doubt further invigorate the work of HAFFA with their fresh expertise and diversity, that will be integral to strengthen HAFFA going forward and ensure it remains a relevant, professional and dynamic organization.

(II) HAFFA Annual Luncheon 2021

The 21st HAFFA Annual Luncheon for the Senior Executives under "Vaccine Bubble" arrangement was successfully held on 9 December 2021. With the tremendous and enthusiastic support from Members and industry fellows, we thanked them for making our luncheon a record-breaking event on many levels, and a memorable experience at that. The luncheon sold out very fast and it hit a new record of 140 seats. What's even more impressive was the diversity of the audience that came from all across Members, Airlines, Cargo Terminal Operators, Airport Authority Hong Kong and others. All joined our event for a fabulous time of networking. We are very glad to receive good feedbacks as they see HAFFA as a strong and united forwarders community!

(III) HAFFA's opinions are widely reported by the media

Over the past year, the resilience that distinguishes Hong Kong's forwarders and logistics service providers has again been put to the test. As leaders in the cargo supply chain, HAFFA Members play a vital role in helping raise the level of business confidence and in 2021, there was a record-breaking of 12.5% growth in air freight (5,026,000 Tonnes)! As a major contributor to the SAR's GDP, and designated one of Hong Kong's Four Key Industries, the strength of the trading and logistics sector is of vital importance to the economic prosperity of the city. The 14th Five Year Plan expressly supports Hong Kong in developing high value-added maritime services, and enhancing its status as an International Aviation Hub (first FYP to specifically mention Hong Kong's reinforced role as IAH). While the COVID-19 epidemic has greatly increased the demand for air transportation, HAFFA was invited by the media for a record-breaking number of interviews on various issues. In making comments, I adopt a factual, objective approach with the interest of HAFFA members being our first priority.







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For details of the above, and the activities of the many sub-committees, please refer to the solid reports in the annual report. We welcome Members to share their opinions/ suggestions with us, members of the HAFFA Committee and secretariat, which we shall do our best to reflect to the Government as HAFFA will continue to play an effective role as the bond and bridge between Government, trade bodies and our Members.

The coming months of 2022 will be a very challenging time for us all as we are facing unprecedented pressures from fluctuating pandemic. Due to increasing COVID-19 cases among the Hong Kong truck drivers, the Shenzhen Government Port of Entry and Exit Office has, since mid-February 2022, issued a series of tough measures on cross-border truck operations, resulting in severe shortage of trucking capacity. Since the implementation of a new rule where the drivers have only been allowed to pick up goods at designated border checkpoints from mid-March 2022, our business has plummeted by 30% - 50% and the airport's late-March data also showed that the cargo volume has decreased by around 30% compared with the same period last year.

Even some Members have diverted cargo to the water routes, due to its high cost, low efficiency, and complicated customs clearance procedures, this alternative is in fact not a viable solution. More importantly, the problems of high cost and long processing time have caused 30% of shippers chose to export their goods directly from the Mainland China, that has adversely impacted Hong Kong's status as a regional logistics hub. As we know, cross-border trucking is the lifeblood of our airfreight industry. HAFFA has actively channeled our views to the THB and the Liaison Office of the Central People's Government in the HKSAR (中聯辦) since February 2022. On 4 April 2022, HAFFA joined with Hon. Frankie Yick (Legislative Councilor under Transport Constituency) and 8 other industrial bodies to organize an online Press Conference, urging the Government to address the issues and gave recommendations such as implement a closed-loop arrangement for Hong Kong cross-border truckers in order to boost mainland authorities' confidence. In an exceptional time, the Government should take a forward-looking approach to reviewing and enhancing Hong Kong's operating environment, and revive the lifeblood of our airfreight industry. Many media attended the online press conference.

Trust our Members would maintain close communications with their carriers and shippers, and keep themselves up-to-date on the market situation through HAFFA News, news and business reports. The best way we can move forward is by supporting one another in unity and sharing our insights so as to protect businesses, protect jobs and help people cope with adversity under the impact of COVID-19 on supply and demand chains.

Last but not least, HAFFA presented our views to the authorities and forged ever closer relationships, in particular with THB, CAD, AAHK, TDC, Customs, IATA, FIATA and FAPAA. we hope to continue work together in UNITY preventing, mitigating and resolving the issues will be key to maintaining trust – with Government, shippers, carriers, CTOs and all stakeholders to make new contributions to the sustained development of the international freight forwarding industry in Hong Kong, in the Asia Pacific Region and indeed throughout the world. I would like to express my pride and appreciation for the strong support we have received from you and every HAFFA Member, the most devoted HAFFA Committee Members, the secretariat staff, our Government and industry partners.

Yours truly,

Gary Lau Chairman







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AIRFREIGHT SUB-COMMITTEE

Chairman: DIMERCO AIR FORWARDERS (HK) LTD – Mr. Steven Mak / Mr. Eddie Law

Vice Chairman: RCS LOGISTICS LTD – Mr. Patrick Yip

Members: AE CARGO SERVICES LTD

CHEVALIER AOC FREIGHT EXPRESS HOLDINGS LTD

CHINA FREIGHT (HONG KONG) LTD

EASYWAY AIR FREIGHT LTD FORWARD BY NORMAN LTD

NAF NORTHERN OCEAN FREIGHT LTD

TRIMANSON EXPRESS LTD

U-FREIGHT LTD

WISDOM FREIGHT (HONG KONG) LTD WORLDTRANS AIR-SEA SERVICE LTD

CTI LOGISTICS (HK) CO., LTD

CTS INTERNATIONAL LOGISTICS CORPORATION (HK) LTD

DHL GLOBAL FORWARDING (HONG KONG) LTD

I. Liaise with the Civil Aviation Department (CAD)

A. Air Cargo Security – ICAO 2021 Policy Direction Revised Mechanism of Handling Deficiencies Committed by RA / RACSF

In April 2021, CAD first brought out a proposal of tightening the deficiency handling mechanism under RAR and RACSF Scheme in view of the implementation of the ICAO 2021 Policy being an international basic requirement with effect from 01 July 2021. Following indepth deliberations, the HAFFA Executive Committee counter proposed other enhanced measures with a view to striking a balance between the aviation security and safeguarding the room of survival for Members. After we submitted the letter containing our suggested measures to CAD on 25 May 2021, a face-to-face meeting with CAD was conducted on 28 May 2021 for views exchange.

HAFFA again successfully fought for Members that CAD has taken into consideration our suggestions and revised the handling mechanism for deficiencies committed by RA / RACSF. Under the revised mechanism that has become effective from 01 July 2021, CAD would timely and flexibly escalate the level of penalty.



Pilot Subsidy Scheme Dedicated to Logistics Industry

HAFFA has relentlessly fought for financial subsidy for Members since Q4 of 2018 to lessen their burden arising from the implementation of ICAO 2021 Policy. We are very grateful the Government has attached great importance to our industry and responded to HAFFA in a positive manner that they introduced a pilot subsidy scheme in October 2020 to also cover the new X-ray machines and Explosive Trace Detectors (ETD)







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purchased between 30 October 2018 and 30 June 2021 for the purpose of setting up RACSFs. Each eligible entity will receive subsidies on a 1:1 matching basis (i.e. Government: 50%; Applicant: 50%), subject to a cumulative subsidy ceiling of \$1 million. **HAFFA again successfully fought for Members** as we are encouraged to know that around 80% of Members who are RACSF have already obtained the subsidy.



Successful Implementation of ICAO New Policy Direction

With the concerted efforts made by HAFFA, our Members, industry stakeholders and the Government, 100% screening for export air cargo has been successfully implemented since 01 March 2021, 4 months ahead of the deadline of ICAO 2021 policy direction!

Since the RAR was first introduced in Hong Kong in late 1990s, **HAFFA**, **the only association representing freight forwarders' interest at that time** has proactively participated in the meetings with CAD, organized workshops and conference to explain the details of RAR and interact with Members, provided professional advice to CAD in particular on the inter-agent operations procedure which is a very unique local business model, and so on. Subsequently, the RAR and its enhanced version were smoothly launched in March 2000 and July 2013 respectively.



The ICAO announced its new policy direction in 2016. Given Hong Kong's huge export air cargo volume every day, we once had grave concerns that it would be impossible to screen all export cargo at the cargo terminals and would even jeopardize our best-known competitive edge of cargo consolidation for the logistics trade. Over the past 5 years, HAFFA has worked closely with CAD and the industry stakeholders to devise pragmatic measures to cope with the new requirements. We are so grateful to see that the close collaboration and buttress has successfully turned risks into business opportunities achieving win-win situation.

B. CAD's Regulated Cargo Fuel Surcharge (CFS) Mechanism Extended to 30 June 2024

In response to HAFFA's request, THB replied on 16 March 2022 that the Government decided to impose a moratorium on the liberalization of CFS for two years, i.e. between 1 July 2022 and 30 June 2024. That said, the arrangement for airlines to levy cargo fuel surcharge based on the current CFS Mechanism of the CAD for flights originating from Hong Kong will be extended **to the end of June 2024** from June 2022.

CAD Announcement: https://www.cad.gov.hk/english/cargo_fuel_surcharge.html

For many years the CFS mechanism provided a regulated fuel index-based price adjustment system which enabled the industry to prepare and make precise provisions for fluctuations in fuel prices. The removal of the CAD's CFS mechanism would leave our industry without a regulated system to accommodate fluctuations in oil prices. HAFFA expressed to CAD our strong objection to the removal of CFS mechanism and detailed its highly-adverse impact on the aviation industry and the serious repercussions it created.

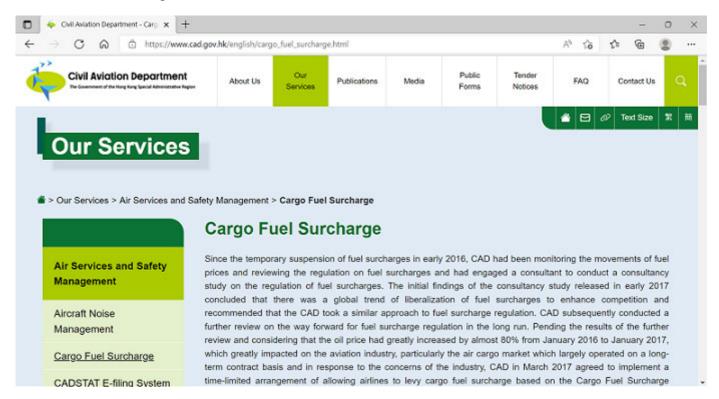






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With the system set to expire on 30 June 2022, HAFFA has been liaising closely with the Government since 2021 and officially wrote to THB to urge for its continuation. This is to protect the interests of Members and uphold the HAFFA position. **HAFFA again successfully fought for Members** as we are gratified to learn that the Government heard and responded positively to our concerns, and announced the extension of the current CAD's CFS regime **till end-June 2024**.



According to the latest IATA forecasts, air traffic movement is not expected to return to 2019 levels until 2024. HAFFA is working very hard to provide as much certainty, transparency and consistency as possible within the industry in Hong Kong against a backdrop of unprecedented global impact and uncertainties.

HAFFA Press Release: https://www.haffa.com.hk/portal/Page/Default.aspx?id=2092

C. Implementation of Enhanced Control, Surveillance and Inspection Measures for Safe Transport of Dangerous Goods by Air

To comply with ICAO's new policy on security requirements, all cargo tendered for air carriage from Hong Kong are subject to mandatory 100% security screening from July 2021. In view of persistent DG occurrences, CAD slightly adjusted the subject Scheme in August 2021 with the aim of further enhancing the effectiveness of the control and surveillance measures. Recognizing that a significant proportion of undeclared or mis-declared DG occurrences could be attributed to the difficulty in identifying the hidden DG items especially lithium batteries contained in packages which are stacked up during air cargo screening, only shippers and freight forwarders who are involved in such occurrences in the Scheme will be required to implement enhanced control and surveillance measures below as part of their corrective action plan:



- a) Random check at individual package level on their consignments;
- b) If there are multiple parcels (e.g. parcels with different house air waybills) contained in a package, they shall be subject to 100% screening parcel by parcel.







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Examples of such measures include 100% screening by x-ray or hand search. In fact, CAD's original proposed idea was 100% check at individual package/parcel level, HAFFA strived for Members' interest in the adjustment to the existing Scheme for forwarders in order to gain a balance between the cargo safety and the operational needs. Besides, CAD verbally advised that the number of forwarders fallen into the abovementioned measures has relatively decreased after implementation of enhanced control measures since 1 October 2018, it is believed that the said adjustment will not affect the overall operation of the industry.

II. Liaise with International Air Transport Association (IATA)

A. IATA to collect 1 BG to cover sales under both CASS Import & Export in Hong Kong

It has come to our attention that the IATA Central BG (bank guarantee) under the LFC (Local Financial Criteria) only covered CASS Export shipments. Therefore, subject to individual airline's policy, IATA Accredited Freight Forwarders might be required to submit a separate BG to individual airline for Import shipments in case they would like to continue enjoying credit for the Import shipments with effect from 01 July 2021. However, before the full implementation of IATA Central BG, many forwarders



only need to submit 1 BG to the airlines to cover both Export and Import shipments. Hence, HAFFA raised concerns over such change as it may result in more bank fee and administrative burden.

For the best interest of Members, HAFFA met with IATA CASS Consultative Council (CCC) in May 2021 to strive for "1 BG to cover both CASS Import & Export shipments". Thanks to the support of IATA and Airlines, the proposal was adopted by the IATA CASS Policy Group (CPG). HAFFA successfully fought for Members that, IATA, on behalf of participating CASS Export & Import airlines, can collect 1 BG to cover sales of both CASS Export & Import in Hong Kong with effect from September 2021.

III. Liaise with Airport Authority Hong Kong (AAHK)

A. HKIA Cargo Data Platform

To continuously enhance HKIA air cargo competitiveness and efficiency, the AAHK has officially launched the HKIA Cargo Data Platform on 15 October 2021. It is an industry-wide platform with a view to connecting key air cargo stakeholders (including freight forwarders, truckers, RACSF, CTOs, regulators, ramp handlers and airlines) together through a single trusted network. The Platform is equipped with the latest technologies such as blockchain, smart contract, cloud, mobility, and so forth, which empowers the cargo community to operate as one, and its usage is FREE of charge. Apart from export pre-declaration function which was released under phase 1, the Platform will be further expanded its scope to cover import and other digitalization initiatives.

HAFFA being the only freight forwarders' representative has been invited to join the advisory group and pilot group since late 2019. Following in-depth discussions, we conveyed a list of comments to AAHK for their consideration. It was hoped that the Platform would be a viable option to enable our Members and the cargo community to digitalize and transform the air cargo business for better efficiency and competitiveness.



Introduction Video:

https://www.youtube.com/watch?v=oeCIjrWJh0I







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B. HKIA Logistics Park (HKIALP) and Sea-air Intermodal Transshipment Initiative

In order to stimulate incremental cargo volume via HKIA, the AAHK takes forward the sea-air intermodal transshipment initiative with a view to enhancing the HKIA's connectivity and expanding its catchment of upstream cargo sources in the Greater Bay Area (GBA), which are currently less accessible by land-air transport. Under the initiative, export cargo from these upstream ports, such as Dongguan, could directly reach the airside of HKIA by sea for loading onto aircraft.

To maximize efficiency and leverage on lower operating costs, AAHK also plans to set up a HKIALP in these upstream ports for Hong Kong logistics players to conduct cargo handling processes thereat, including aviation security screening, palletization and cargo acceptance. The development of the HKIALP will also enable Hong Kong companies to expand their logistics businesses, such as warehousing, e-commerce fulfillment facilities etc. thereat. The HKIALP situated in free trade zone in the Mainland will provide facilitation in duty deferral and will help stimulate potential growth of import cargo into the GBA via HKIA.



Since the airside cargo pier designated for this initiative will only be available by 2025, AAHK is running a trial scheme at the West Quay, an existing yet smaller-sized pier at HKIA, with Dongguan being the first upstream port to be covered. After AAHK presented the concept of the initiative, the then HAFFA Executive Committee made in-depth discussions on the matter, raise concerns, identified technical issues that would need to be resolved. Subsequently, the HAFFA official position (given the many questions and concerns raised, HAFFA held reservation to this initiative), concerns (e.g. interest of local operators) and many questions were submitted to AAHK. The Association has requested AAHK to prepare concrete information such as terminal fee at HKIALP and give a webinar to introduce this project to Members, we will keep in view the development of the trial scheme and continue the dialogue with AAHK.

IV. Liaise with Carrier Liaison Group (CLG) and Cargo Terminal Operators (CTOs)

A. CTO Performance

The Association received Members' report in early November 2021 that their truckers experienced long waiting time of around 6-8 hours for tendering prepacked cargo (PPK) at Hactl during weekends. The Airfreight Sub-committee representatives called for an urgent meeting with Hactl to reflect Members' serious concerns and seek to resolve the issue together. It was identified that the root cause was in fact the long dwell time of PPK at Hactl (nearly 20% of PPK dwell over 48 hours), resulting in Container Storage System (CSS) congestion, insufficient space to receive new PPK and bottleneck of cargo handling at Hactl. The long dwell time of PPK is attributable to multiple factors such as:







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- > Huge reduction of passenger flights, very limited choice nowadays to export the cargo in case of frequent flight delay or change of flight schedule due to COVID-19;
- More charter flights deployed but the ETD is very uncertain. Forwarders tend to submit cargo to CTOs much earlier for charter flights;
- > Seasonal peak, etc.

In this connection, Hactl implemented a new measure, under which they only accepted PPK with flight booking where flight departure is within 24 hours with effect from 12 November 2021 as a quick fix to address the issue immediately and cater for the booming export volume at that time. It was learnt that the waiting time for tendering PPK units at Hactl after the implementation of the new measure has significantly been improved.

However, we also heard of Members' concerns about the difficulties in and insufficient time for tendering PPK (particularly flight with ETD before Monday afternoon and chartered flight) under the new 24-hour measure that created adverse impact on their operations and increase their costs. To address Members' concerns, follow-up meetings with Hactl were held subsequently. HAFFA brought out the issues and sought solutions whereby striking a balance to ensure smooth operations as well as allowing flexibility to the industry. In response to HAFFA's comments, Hactl adjusted the measure with effect from 27 December 2021 and further relaxed it starting from 10 February 2022. HAFFA will continue to monitor the situation and timely review the measures with Hactl in a holistic manner.

В. Case Sharing for "Solar Street Light" Shipment

A mis-declared Lithium Battery RLI shipment was intercepted during Air-waybill acceptance with the AWB commodity name "Solar Street Light" Shipment, declared under UN3481 PI967 Section II ELI. It was later found that one large batteries pack installed in equipment which is over 260Wh and therefore should be classified as RLI UN3481 Section L.



To enhance the industry's awareness, CLG-DGWG and HAFFA jointly issued the subject Case Sharing for educational purpose. It is noted that some airlines may request for more information (see details in the Case Sharing) and would ask for further verification for any shipment declared "Solar Street Light" or similar declaration as PI966/967 Section II. Or else, the shipment and/or the related ULD would be held at CTO after clarification while forwarder may also be requested to come to CTO for open box inspection if deemed necessary.







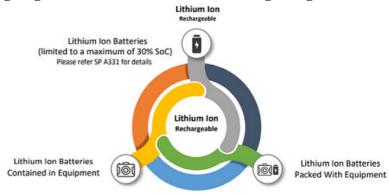
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In this regard, Members are highly recommended to contact the individual airlines to check their latest requirements and/or pre-arrangement if required, and to be vigilant when accepting lithium battery equipment shipment and comply to latest IATA DG regulation.

Case Sharing: https://www.haffa.com.hk/portal/Page/Default.aspx?id=157

C. Best Practice 019 - Best Practice for Consigning Lithium Cells / Batteries in Hong Kong

In response to the latest changes in lithium batteries under the 63rd Edition IATA DGR (2022) (with effect from 01 January 2022), the CLG-Dangerous Goods Working Group (DGWG) and HAFFA worked together to provide an updated version of the Best Practice (BP) with operational guidance for Members and the industry. The number of the BP is changed from "BP018" to "BP019" to avoid confusion in the market. That means, "Best Practice BP019" has replaced "BP018" with effect from 01 January 2022.



BP019: https://www.haffa.com.hk/portal/Page/Default.aspx?id=157

The best practice is jointly issued by the CLG-DGWG and HAFFA for industry reference only. Shippers and freight forwarders shall always follow the IATA Dangerous Goods Regulations, requirement of the HKCAD and the requirement of individual carriers for the air carriage of shipments containing lithium batteries at all times.







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FAPAA LIAISON SUB-COMMITTEE

Chairlady: TRIMANSON EXPRESS LTD – Ms. Janet Ng Vice Chairman: CTI LOGISTICS (HK) CO., LTD – Mr. Ryan Hsu

Member: EASYWAY AIR FREIGHT LTD

Report on the 47th FAPAA ECM and AGM Meetings

(Highlight extracted from the FAPAA Press Release)

The Federation of Asia-Pacific Aircargo Associations (FAPAA) 47th Executive Council Meeting (ECM) hosted by the International Forwarders and Brokers Council of Australia (IFCBAA), was held by Teleconference on 29 June 2021. The business meetings were attended by delegates representing 16 of the 18 FAPAA Member Countries and / or Regions, and HAFFA is the founding member of FAPAA and sole member representing Hong Kong.



Opening Address

The meeting was officially opened by *Mr Paul Golland, Chairman of IFCBAA*, *Australia and current Chair of FAPAA*, who welcomed the delegates during these difficult times of the Covid-19 pandemic which had prevented the majority of international travel. He highlighted the opportunities and challenges facing the sector and the increased push towards finalizing digitalization of freight & logistics sector and the wide and varied continuing issues created by the pandemic.









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The Executive Council Meeting

The business meetings revolved around the various sub-committee activities and detailed discussions on the various sectors of FAPAA activities. A summary of the main items follows below:

> FIATA activity and liaison report

FAPAA as the peak Asia Pacific regional airfreight association has a good working relationship with the global freight forwarder representative body FIATA, which had recently undertaken a major renewal of all facets of its business, including moving to new headquarters in Geneva, Switzerland. Amongst the myriad of issues being addressed, its Airfreight Institute had announced the cessation of attempts by a joint FIATA/IATA committee to develop a new global Air *Cargo Program (IFACP)*. *FIATA*, however, is not planning to cease its attempts to find a way to re-energise the parties, in a further effort to achieve the development of a modern, fit-for-purpose global program.

> Other Airfreight matters

The vital issue of Aircargo Security was high on the agenda for members, as many countries had recently been required to enhance cargo security measures alongside those of passenger security and members exchanged certain unclassified information on developments as to program changes within their region and looked to learn about best-practice in the sector.

There was discussion on the specific focus of many Governments to prevent the movement of goods produced by 'forced labour'. This aspect would require some in-depth further work by the industry to assist in stamping out such practices and to ensure that members were also protected from being innocently complicit in the process.

> Training and Education

Each FAPAA member country delivered a detailed Training Report on the progress and status of this vital area within their own association. Progress continues to be made and once again it was clear that most countries had either developed, or were in the process of developing, relevant sector specific training and education for and on behalf of their own freight logistics communities. Many were exploring enhancements to deliver training on-line particularly in recent times with the difficulties presented by the pandemic. As always, those association members who had an advanced training program had helped, or advised, those who were planning to introduce such training programs and this aspect encapsulated a tangible benefit of being a member of the FAPAA organisation.

> Other Matters

Each member produces an annual 'Country Report', detailing major highlights affecting the industry in their own country or region. In addition, the Council discussed potential eligible Asia Pacific countries who may be interested in joining FAPAA.

Publicity and Communication remains an important aspect of FAPAA's work and the Council will create a specific Linked-In page to publish articles of relevance and interest to its wide circle of subscribers in the region. The organisation also has a dedicated website, which also provides a central link to all FAPAA member Associations' websites.

Next Meeting

Amongst standard processes, the members ratified the decision of the Executive Council to allow the Federation of Malaysia Freight Forwarders (FMFF) to host the 48th FAPAA Executive Council Meeting and AGM in Penang on 14-16 July 2022.









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FIATA LIAISON SUB-COMMITTEE

Chairlady: TRIMANSON EXPRESS LTD – Ms. Janet Ng Vice Chairman: CTI LOGISTICS (HK) CO., LTD – Mr. Ryan Hsu

Member: EASYWAY AIR FREIGHT LTD

<u>FIATA General Meeting held virtually on 18 November 2021</u> (Highlight extracted from the FIATA Press Release)

The 2021 FIATA General Meeting was, for the second year, held virtually on 18 November 2021 as the pandemic has continued to constrain face-to-face meetings. The General Meeting, which would normally take place during the FIATA World Congress, was attended by 184 delegates from 76 economies, including HAFFA representative.

The meeting delivered on statutory requirements as to:

- ➤ Annual Report of activities;
- > Amendments to the FIATA Statutes;

Financial reports;

- ➤ Budget determinations;
- ➤ Admission of new Members;
- Acceptance of a contemporary Code on Members' participation in FIATA activities.

One of the key highlights of the General Meeting 2021 was the affirmation of delegates into all roles in FIATA which saw many new faces in the 12 elected Vice Presidents of the Extended Board and the respective Chairs of the 13 FIATA Institutes and Bodies. The newly elected delegates are expected to bring a fresh focus and rejuvenation to FIATA, with greater diversity in age and gender, in line with the FIATA Reset Program.

Within the Presidency leadership the following were confirmed:



PRESIDENT
Dr Ivan Petrov
NSBS, Bulgaria



SENIOR VICE PRESIDENT Turgut Erkeskin UTIKAD, Turkey



SENIOR VICE PRESIDENT Jens Roemer FB, Belgium



SENIOR VICE PRESIDENT Thomas Sim SLA, Singapore



IMMEDIATE PAST PRESIDENT Basil Pietersen SAAFF, South Africa



SECRETARY GENERAL Robert Keen BIFA, UK



TREASURER Galo Molina ASEACI, Ecuador







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The outgoing President Mr. Basil Pietersen thanked Members for their deliberation and thoughts as to the new leadership, and expressed his appreciation to retiring Members Messrs Babar Badat and Robert Voltmann for their contribution to FIATA, and their commitment to the Reset Program which, introduced in 2020 to refocus and realign FIATA, is now showing tangible results.

Mr. Pietersen acknowledged that the logistics industry, as well as FIATA, had been significantly challenged by the new environment. Processes, which had been able to meet trade logistics needs before the pandemic, were now challenged as to cost, deliverables and customer expectations. The incoming Presidency still has many challenges ahead, however it was heartening to note the Members' support and interaction at the General Meeting which showed how the industry remained flexible and responsive.

President Dr. Ivan Petrov in his acceptance of the position thanked the Members for their support and acknowledged the significant contributions by Immediate Past President Pietersen to address the unprecedented challenges faced by FIATA during his term, the changes implemented to date from the Reset Program, and work still to be done. While no future can be assured, he was confident with the support of Members in the General Meeting that the future was promising.

Next Congress

The next FIATA World Congress will take place from 13-16 September 2022 in Busan, Republic of Korea tentatively.

FWC 2022 website: http://fiata2022.or.kr/2022/english/main/index_en.asp









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GREATER CHINA AFFAIRS SUB-COMMITTEE

Chairman: CHINA FREIGHT (HONG KONG) LTD – Mr. Stephen Law / Mr. Felix Chow

Vice Chairlady: TRIMANSON EXPRESS LTD – Ms. Janet Ng

Members: ACE PROTRANS FORWARDING LTD

FORWARD BY NORMAN LTD

U-FREIGHT LTD

WISDOM FREIGHT (HONG KONG) LTD

CTI LOGISTICS (HK) CO., LTD

CTS INTERNATIONAL LOGISTICS CORPORATION (HK) LTD

Hong Kong-Zhuhai-Macau Logistics Alliance Online Summit 2021 「港珠澳物流聯盟2021年線上峰會」

HAFFA, being a member of the Hong Kong-Zhuhai-Macau Logistics Alliance, took part in its Online Summit 2021 on 19 October 2021. The HAFFA Chairman Mr. Gary Lau spoke at the Summit and exchanged ideas with the participants from Beijing, Zhuhai, Macau and Hong Kong to deepen collaborations and further drive the rapid development of freight & logistics in the regions. Apart from the Alliance members, the Customs officials from Hong Kong and Zhuhai, scholar of Peking University and senior representative of LSCM R&D Centre also gave presentations on relevant Government's policy, facilitation measures and initiatives for the freight & logistics industry.







Signatory parties of the Hong Kong-Zhuhai-Macau Logistics Alliance: *Hong Kong*

HAFFA 香港貨運物流業協會

The Hong Kong Shippers' Council (HKSC) 香港付貨人委員會

The Chamber of Hong Kong Logistics Industry (CHKLI) 香港物流商會

Hong Kong Sea Transport and Logistics Association (HKSTLA) 香港航運物流協會

Zhuhai

Zhuhai Port Association (ZHPA) 珠海市港口協會

Zhuhai Communications & Transportation Association (ZHCTA) 珠海市交通運輸行業協會

Zhuhai Chamber of Commerce of Logistics & Purchasing (ZCCLP) 珠海物流與採購商會

Масаи

International Logistics and Forwarding Association of Macau (ILFAM) 澳門物流貨運聯合商會 Macau Air Freight Forwarding (Logistics) Association (MAFFA) 澳門空運暨物流業協會







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INFORMATION TECHNOLOGY SUB-COMMITTEE

Chairman: FORWARD BY NORMAN LTD – Mr. Rex Lai

Vice Chairman: ACE PROTRANS FORWARDING LTD – Mr. Sydney Chan

Member: U-FREIGHT LTD

貿易單一窗口 Trade Single Window

Trade Single Window 貿易單一窗口 (TSW)

Trade Single Window (TSW), to be implemented in 3 phases, is a one-stop electronic platform for registered users to lodge import and export trade documents with the HKSAR Government online. HAFFA was invited by the Commerce and Economic Development Bureau (CEDB) to join the TSW User Consultation Group since day one. Latest progress update as set out below:

PHASE 1 – 14 Trade Documents (Launched)

Phase 1 has been fully implemented, which covers a total of 14 types of trade documents. The industry can choose to make online submission of these 14 types of trade documents through the TSW on a voluntary basis. Positive feedback was received from the trade. List of documents under Phase 1: https://www2.tradesinglewindow.hk/portal/en/useful_information/annex_g.html

PHASE 2 - Another 28 Trade Documents (To be launched from March 2023 by batches)

The scope of TSW under Phase 2 would be expanded to cover another 28 types of trade documents (*i.e.* 42 types in total). Funding was approved by the Finance Committee of the Legislative Council in July 2020. It is CEDB's target to roll out Phase 2 from March 2023 by batches the earliest. List of documents under Phase 2: https://www2.tradesinglewindow.hk/portal/en/useful_information/annex_h.html

PHASE 3 – Pre-shipment Submission of Manifest/Cargo Reports and ACI (Advance Cargo Information)

Phase 3 covers the submission of Import and Export Declarations, ACI and Cargo Reports for all cargoes on a voluntary basis. No concrete implementation schedule for Phase 3 is available for the time being. Feasibility study has been finalized in Q4/2021. Upon finalizing the technical requirement, the TSW office targeted to seek funding approval of the Legislative Council in financial year 2022 – 2023.

In response to HAFFA's enquiry about the submission timelines for air export cargo under Phase 3, TSW office advised that CTOs are recommended to submit the export cargo information:

- (i) 3 hours before the Scheduled-Time-of-Departure (STD) for general cargo and
- (ii) 1.5 hours before STD for express cargo.

The above submission timelines are general guidelines recommended for CTOs to follow in order to enhance customs clearance efficiency on air export cargoes. From trade facilitation angle, submissions made after the proposed timelines are not encouraged but will still be accepted by the system.

Members are highly encouraged to register as a TSW user **FREE of charge** to lodge the trade documents with the Government and verify the validity of an electronic licence/permit online. For details, please visit: https://www2.tradesinglewindow.hk or contact the Office of Trade Single Window Operation of the Customs and Excise Department at Tel: 2117 3348 or by e-mail to enquiry@tradesinglewindow.hk.







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LEGAL MATTERS SUB-COMMITTEE

Chairman: AE CARGO SERVICES LTD – Mr. Ronnie Leung Vice Chairlady: TRIMANSON EXPRESS LTD – Ms. Janet Ng ACE PROTRANS FORWARDING LTD

Smoking (Public Health) (Amendment) Ordinance 2021

The Smoking (Public Health) (Amendment) Ordinance 2021 will become effective from 30 April 2022 (Saturday). Under the Ordinance, no person may import alternative smoking products, including electronic cigarette products, heated tobacco products (such as mouth piece, heating element, battery) and herbal cigarettes, by way of cargoes etc.

Air transshipment cargoes (cargo remains within the cargo transhipment area of Hong Kong International Airport "HKIA"), or articles staying on an aircraft or in a vessel during transit, are exempted. However, NO exemption will be provided for the alternative smoking products that are brought into Hong Kong by truck and then re-export overseas.



Following the Government's announcement, HAFFA received many negative comments from Members whose businesses would be hard hit by the new Ordinance. In order to voice out Members' grave concerns and seek Government to fine tune the regulation by extending the exemption to transshipment by land, with Members' input, HAFFA wrote to the Transport and Housing Bureau (THB) on 05 January 2022, and copied in Food and Health Bureau (FHB), Customs and Excise Department and Hon. Frankie Yick, Legislative Councillor under Transport Constituency.











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In the letter, HAFFA indicated that the new Ordinance would severely hit the industry and undermine Hong Kong's status as a regional transshipment hub. It was also emphasized that while the Association recognized the original intent of the legislation to protect public health, it was essential to take into consideration the survival of the industry and overall economic development in Hong Kong. Implementation of the subject regulation in a "one-size-fits-all" approach should be avoided.

Knowing the Government was concerned that transshipment by land may increase the risk of illegal e-cigarette products entering the Hong Kong market, HAFFA agreed for the Government to establish regulatory system and practical recommendations/suggestions were listed in the letter for Government's consideration.

In order to better understand the concrete impact on Members' business particularly loss of air cargo volume via HKIA, HAFFA conducted an online survey between 28 January 2022 and 11 February 2022. The Association received and consolidated valuable input from many Members and the industry. Based on the survey result, another letter was submitted to the Government on 17 February 2022. This letter was addressed to Chief Executive Mrs. Carrie Lam (cc Chief Secretary for Administration John Lee, Secretary for Food and Health Prof. Sophia Chan, Secretary for Transport and Housing Frank Chan, Commissioner of Customs and Excise Louise Ho, Director-General of Civil Aviation Victor Liu, Hon. Frankie Yick, CE of AAHK Fred Lam) in order to escalate the matter to the chief of the Government due to its seriousness.

	PARTICIA PONECCIONI, PICROS POROS. phyditecha concrita — MERCETTO Indipolarese India concrita
	(以党称号)
专港特別行政區	
行政長官孫斯月城会士, GBM, GBS	
集机的行政表宣体都用城会会 :	
_(2021年機能(公享)	
促物政府拼称克提票提展 5	色谷以際路路の前置物
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何下,但何人不得進口另辯機變產品(即電子	
路速口本港的轉運貨務,由价格例得展重打 為區域中韓超級港的地位,在全於2022年1月	
内信机下将相相地向时地位 · 本室的2002年1月 加强监管地路接口货的套接下, 查新考度提	
不涉及如正的榜樣發品、其後、本會点2022)	
翅并马及本骨的性表當性-	
為宗报格例於食道宗存的其體影響、尤	其是到查洛空道出口量的煤功提失。本
业2022年1月28日主2022年2月11日期日刊1	在环境行列各调查、在收付共122份贸易
中,有34%公司從事運送電子維資運業務。	
口再轉空運出口的相關轉進貨物、即每問公司	
資務,隨過附上問各調查的問報以供來考,1	
多問公司,此們会部皆從事宜還貨代書稿-由 涉及的貨量的為每年33萬祖,與本會在政司	
32.5萬相拍計,即位本等時間空運出口量约1	
专场是一個核為重要的区域資助中轉行	14中心・雨質易及物液窒免疫旁通程療
大走往之一, 物液室的转换到普通程滑電等	
這價級件、今雲界經營係底因線、行業得以	
答智力,但現時和因係例所學集的自由影響, 題作也受希達、業界最後到情想的是政府轉	
項目化定申述·其今报及到價均的及以利用 公司必須使用的方式,即是經經路由請所選	
	L提夫敦以十萬個計的電子推進工榜口管



Hope that the Government would squarely address the issue and allow e-cigarette transshipment by land with the implementation of regulatory oversight measures. We shall report to Members should there be any essential update.







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LOGISTICS POLICY SUB-COMMITTEE

Chairman: COMBINED LOGISTICS (HONG KONG) LTD – Mr. Chandler So

Vice Chairman: DIMERCO AIR FORWARDERS (HK) LTD – Mr. Eddie Law

Members: DHL GLOBAL FORWARDING (HONG KONG) LTD

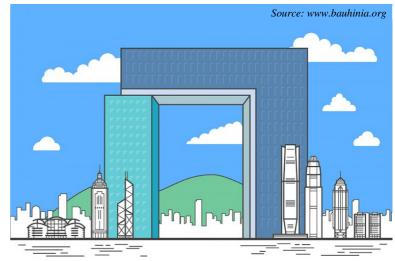
SEA-AIR LOGISTICS (HONG KONG) LTD

Formation of New Transport and Logistics Bureau

HAFFA welcomes the proposed formation of a new Transport and Logistics Bureau as outlined in the CE's Policy Address 2021.

As a major employer and contributor to the SAR's GDP, and designated one of Hong Kong's Four Key Industries, the strength of the trading and logistics sector is of vital importance to the economic prosperity of the city. The 14th Five Year Plan also expressly supports Hong Kong in developing high value-added maritime services, and enhancing its status as an international aviation hub. The Association believes the separation of the current Transport and Housing Bureau into two distinct entities, one of which will focus on transport infrastructure and consolidating the city's role as an aviation and maritime cargo hub, will result in strengthened leadership and vision as well as promote the logistics industry and enhance Hong Kong's position as an international logistics hub.

Given that the blueprint for the freight and logistics industry has hitherto contained room for improvement, HAFFA is hopeful the new transport bureau will formulate effective policies in the future to cope with issues such as manpower challenges, rising costs, a shortage of talent, and a continual shortage of land supply for the logistics industry. As an example of potential positive measures, the Association believes the introduction of a unified recognition of professional logistics qualifications in the Greater Bay Area will attract more talents to join the industry.



HAFFA looks forward keenly to the establishment of this new dedicated Bureau and expects its supports to the freight logistics companies to accelerate their integration into the Greater Bay Area, such as optimizing use of the Hong Kong-Zhuhai-Macao Bridge by increasing its traffic to benefit the Hong Kong-Shenzhen-Zhuhai-Macao logistics market, focusing on connecting the Mainland with Hong Kong and Macau, and the timely establishment of an efficient and interconnected Greater Bay Area rapid transit network. Other areas include strengthening the efficiency of import and export quarantine and customs clearance in the Greater Bay Area, providing Hong Kong e-commerce logistics enterprises with tax incentives, national treatment operation in the Greater Bay Area Free Trade Zone, and distribution of goods, so as to enjoy the low-cost advantage of the Mainland China, and maximize the advantages of Hong Kong being the regional logistics hub in order to connect with the international e-commerce market.







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Joint Press Conference on 04 April 2022 Freight Logistics Industry Urges for Resumption of Cross-border Truck Operations

Due to increasing COVID-19 cases among the Hong Kong truck drivers, the Shenzhen Government Port of Entry and Exit Office has, since mid-February 2022, issued a series of tough measures on cross-border truck operations, resulting in severe shortage of trucking capacity. As we know, cross-border trucking is the lifeblood of Hong Kong's airfreight industry. Since the implementation of a new rule where the drivers have only been allowed to pick up goods at designated border checkpoints from mid-March 2022, our business has plummeted by 30% - 50% and the airport's late-March data also shows that the cargo volume has decreased by more than 30% compared with the same period last year.

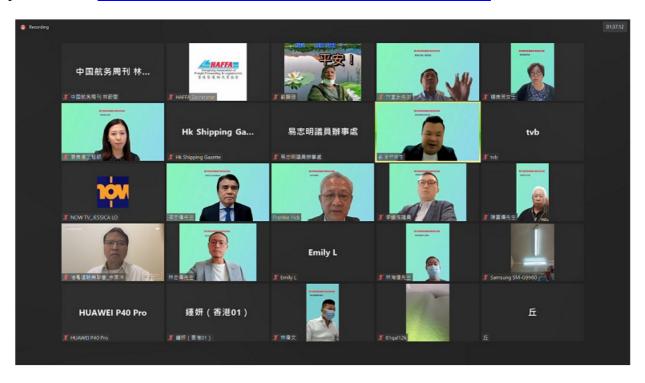
Even some Members have diverted cargo to the water routes, due to its high cost, low efficiency, and complicated customs clearance procedures, this alternative is in fact not a viable solution. More importantly, the problems of high cost and long processing time have caused 30% of shippers to choose to export their goods directly from the Mainland China, that has adversely impacted Hong Kong's status as a regional logistics hub.

HAFFA has also channelled our views to the Transport and Housing Bureau (THB) and the Liaison Office of the Central People's Government in the HKSAR (中聯辦) since February 2022.

On 04 April 2022, HAFFA joined with Hon. Frankie Yick (Legislative Councillor under Transport Constituency) and 8 other industrial bodies to organize an online Press Conference, urging the Government to address the issues and with recommendations such as implement a closed-loop arrangement for Hong Kong cross-border truckers in order to boost mainland authorities' confidence. Many media attended the online press conference.

The Chairman Mr. Gary Lau was one of the spokespersons representing HAFFA to voice out Members' concerns and answer media question.

Joint press release: https://www.haffa.com.hk/portal/Page/Default.aspx?id=2105









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MEMBERSHIP SUB-COMMITTEE

Chairman: DIMERCO AIR FORWARDERS (HK) LTD – Mr. Eddie Law

Vice Chairman: NAF NORTHERN OCEAN FREIGHT LIMITED - Mr. Raymond Wong

Members: AE CARGO SERVICES LIMITED

CHEVALIER AOC FREIGHT EXPRESS HOLDINGS LIMITED

CHINA FREIGHT (HONG KONG) LTD

COMBINED LOGISTICS (HONG KONG) LIMITED

RCS LOGISTICS LIMITED TRIMANSON EXPRESS LTD

WEN-PARKER LOGISTICS (H.K.) COMPANY LTD

A. Membership

HAFFA admitted **New Ordinary Members** during the year of 2021-2022 (*Apr 2021 - Mar 2022*), their names are listed below (Congratulations to them again!!):

- 1. Blue Light International Logistics Limited
- 2. Bollyman Express Company Limited
- 3. Easy Speed International Logistics Limited
- 4. Hentrans Global Logistics Limited
- 5. Jet-Air Cargo Co., Limited
- 6. OA Cargo Limited

- 7. Sinpex Connection Logistics Limited
- 8. Team Power International Logistics Limited
- 9. Woodland Media (Hong Kong) Limited
- 10. Worldwide Partner Logistics Company Limited
- 11. World Trade Connection Logistics Company Limited

During the year of 2021-2022 (Apr 2021 - Mar 2022) the following members ceased to be a member of HAFFA:

- 1. Agility Logistics Limited
- 2. Air Goal International Logistics Limited
- 3. Rockwood International Freight Limited
- 4. Tai Shing Transport (H.K.) Company Limited
- 5. Tigers (HK) Co. Limited

The total HAFFA membership now stands at 326.

B. FIATA Licencee

In addition, we authorized the following member to issue the FIATA Documents [including FIATA Multimodal Transport Bill of Lading (FBL) "as Carrier", FIATA Multimodal Transport Waybill (FWB) & Forwarders Certificate of Receipt (FCR)] in Hong Kong:

- 1. Blue Light International Logistics Limited (026)
- 2. Sinpex Connection Logistics Limited (055)

During the year of 2021-2022 the following members ceased to be FIATA Licencee:

- 1. Agility Logistics Limited (048)
- 2. Tigers (HK) Co. Limited (051)

The total number of Members authorized to issue FIATA Documents now stands at 56.







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PUBLIC RELATIONS SUB-COMMITTEE

Chairman: JET-SPEED AIR CARGO FORWARDERS (HK) LTD – Mr. Gary Lau COMBINED LOGISTICS (HONG KONG) LTD – Mr. Chandler So

Members: AE CARGO SERVICES LTD

KORCHINA LOGISTICS (H.K.) LTD

I) Key Events with Various Government Departments and Trade Bodies

Date	HAFFA	Event	Organizer(s) / Visitor(s)
29/04/2021	Mr. Ronnie Leung (Vice Chairman) and Ms. Alice Lui (Secretariat)	Exchange Session on Fostering the Development of Guangdong-Hong Kong-Macao Bay Area 推動粤港澳大灣區建設交流會	Hon. Frankie Yick, Legislative Councilor under Transport Functional Constituency, and Commissioner for the Development of GBA 航運交通界立法會議員易志明及粵港澳大灣區發展專員
30/04/2021	Mr. Gary Lau (Chairman) and Ms. Alice Lui (Secretariat)	Seminar on "Connecting Hong Kong with the Mainland under the 14th Five-Year Plan" 「十四五規劃:香港與內地對接」研討會	The Hong Kong Management Association (HKMA) 香港管理專業協會
09/06/2021	Mr. Ronnie Leung (Vice Chairman)	Meeting with Israeli Trade Commissioner and Head of Economic and Commercial Mission to Hong Kong	The Hong Kong General Chamber of Commerce (HKGCC) 香港總商會
10/06/2021	Mr. Gary Lau (Chairman) and Members as Exhibitor	The 20th GS1 Hong Kong Summit and GOVirtual Business Expo 第20屆GS1 HK高峰會及虛擬經濟 博覽及會議	GS1 Hong Kong 香港貨品編碼協會















香港貨運物流業協會有限公司 HONGKONG ASSOCIATION OF FREIGHT FORWARDING AND LOGISTICS LTD.









8/F, CHINA HONG KONG CENTRE, 122-126 CANTON ROAD, TSIM SHA TSUI, KOWLOON, HONG KONG.

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Date	HAFFA	Event	Organizer(s) / Visitor(s)
10/06/2021	Mr. Chandler So (Vice Chairman)	GoGBA One-Stop Platform Launch「GoGBA」一站式平台啟動儀式	Hong Kong Trade Development Council (HKTDC) 香港貿易發展局
18/06/2021	Mr. Gary Lau (Chairman) and Ms. Alice Lui (Secretariat)	生產力局發展策略閉門發布會	Hong Kong Productivity Council (HKPC) 香港生產力促進局
29/06/2021	Ms. Janet Ng (Hon. Secretary and Int'l Organizations Liaison Sub-committee Chairlady) and Ms. Alice Lui (Secretariat) as HAFFA Delegates representing Hong Kong	48th FAPAA Executive Council Meeting (ECM) and Annual General Meeting (AGM), Online Meeting	FAPAA (please refer to the Annual Report under FAPAA Sub-committee)
22/07/2021	Mr. Sydney Chan (Executive Committee Member and Seafreight Sub-committee Chairman) as Panelist representing HAFFA	Seminar on "Industry Dialogue - Working together to get through containerized trade challenges"	The Hong Kong Shippers' Council (HKSC) 香港付貨人委員會 (please refer to the Annual Report under Seafreight Sub- committee)
06/08/2021	Mr. Gary Lau (Chairman) as Judge representing HAFFA	HKMA SME Club 53rd Distinguished Salesperson Award (DSA) Programme (Awards Presentation Ceremony) 第五十三屆傑出推銷員獎	The Hong Kong Management Association (HKMA) 香港管理專業協會

















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Date	HAFFA	Event	Organizer(s) / Visitor(s)
13/08/2021 Ms. Alice	Ms. Alice Lui (Secretariat)	Policy Address Theme-based	Chief Executive
		Consultation Session (Air Transport,	特首
		Maritime and Logistics)	
		2021年《施政報告》主題諮詢會	
		(航空、航運和物流)	
24/08/2021	HAFFA Principal Officers	Zoom meeting between HAFFA and	MAFFA
	_	MAFFA [Macau Air Freight	
		Forwarding (Logistics) Association]	
10/09/2021	HAFFA as Supporting	LSCM Logistics Summit 2021	Logistics and Supply Chain
	Organization;	LSCM 物流高峰會2021	MultiTech R&D Centre
	Mr. Ronnie Leung (Vice		(LSCM)物流及供應鏈多元技
	Chairman) as Guest of		術研發中心
	Opening Ceremony		
	representing HAFFA		
03/10/2021	HAFFA as Organizer;	Double Haven Hike	HAFFA
	Mr. Stephen Law	秋遊印洲塘	(please refer to the Annual
	(Executive Committee		Report under Recreation &
Member and Recreation			Sports Sub-committee)
	Sports Sub-committee		
	Member) as Hiking Leader		
05/10/2021	HAFFA Members and	HAFFA Soccer Class	HAFFA
,	Industry Players	HAFFA足球訓練班	(please refer to the Annual
			Report under Recreation and
			Sports Sub-committee)
15/10/2021	Mr. Ronnie Leung (Vice	LOGTECH Expo 2021	Transport and Housing Bureau
	Chairman) as Panelist	物流科技博覽	(THB) 運輸及房屋局
	representing HAFFA and		Hong Kong Productivity
	Ms. Alice Lui (Secretariat)		Council (HKPC) 香港生產力
	as HAFFA representative		促進局













香港貨運物流業協會有限公司 HONGKONG ASSOCIATION OF FREIGHT FORWARDING AND LOGISTICS LTD.







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Date	HAFFA	Event	Organizer(s) / Visitor(s)
15/10/2021	Mr. Ronnie Leung (Vice	Career Talk by HAFFA	HAFFA and Hong Kong
	Chairman) as Guest	就業講座	Polytechnic University (Poly
Speaker representing HAFFA			U)
		香港理工大學	
19/10/2021	Mr. Gary Lau (Chairman)	Hong Kong-Zhuhai-Macau Logistics	
	as Guest Speaker	Alliance Online Summit 2021	Logistics Alliance
	representing HAFFA	「港珠澳物流聯盟2021年線上峰	港珠澳物流聯盟
		會」	(please refer to the Annual
			Report under Greater China
			Affairs Sub-committee)
29/10/2021	HAFFA as Supporting	2021 (第三屆) 全產業鏈數字經	China Federation of Logistics
	Organization; Mr.	濟大會 中國香港「粤港澳大灣	& Purchasing
Chair Openi	Chandler So (Vice	區數字供應鏈論」	中國物流與採購聯合會
	Chairman) as Guest of		
	Opening Ceremony		
	representing HAFFA		
02/11/2021	Mr. Eligio Oggionni	ALMAC: Hong Kong - Mainland	Hong Kong Trade
	(Former Vice Chairman)	China - Europe Roundtable Meeting	Development Council
	as Speaker representing		(HKTDC)
	HAFFA		香港貿易發展局
03/11/2021	Mr. Joey Cheung	ALMAC Cross-sector Roundtable	Hong Kong Trade
	(Executive Committee	Meeting (e-Commerce Logistics)	Development Council
	Member) as Speaker		(HKTDC)
	representing HAFFA		香港貿易發展局
18/11/2021	Ms. Alice Lui (Secretariat)	FIATA General Meeting, Online	International Federation of
as HAFFA Delegate representing Hong Kong		Meeting	Freight Forwarders
	representing Hong Kong		Association (FIATA)
			國際貨運代理協會聯合會
			(please refer to the Annual
			Report under FIATA Liaison
			Sub-committee)













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Date	HAFFA	Event	Organizer(s) / Visitor(s)
	Mr. Sydney Chan	香港貨船業總商會五十八週年誌	香港貨船業總商會
	(Executive Committee	慶暨第三十屆理監事就職典禮	
	Member and Seafreight Sub-		
	committee Chairman)		
06/12/2021	Mr. Gary Lau (Chairman)	The 2022-2023 Budget (Transport &	
		Logistics) Consultation Session	財政司司長
		二零二二至二三年度《財政預算	
		案》諮詢會	
09/12/2021	HAFFA as Organizer	The 21st HAFFA Annual Luncheon	HAFFA
	HAFFA Executive	for the Senior Executives (2021)	
	Committee and Members	2021高管年度午餐會	
16/12/2021	Mr. Sydney Chan	「第十六屆海運貨物顧客聯絡小	Customs and Excise
	(Executive Committee	組」委員就職儀式	Department
	Member and Seafreight Sub-		香港海關
	committee Chairman)		
03/03/2022	Mr. Ronnie Leung (Vice	SME ReachOut Webinar Series	Hong Kong Productivity
	Chairman) as Guest	"Ride the 'Digital Tides' to Upgrade	Council (HKPC)
	Speaker representing	Your Logistics Businesses"	香港生產力促進局
	HAFFA	「中小企資援組」講座系列「善	
		用政府資助 讓你「物」盡其用 -	
		物流業把握現代科技新機遇」	
04/04/2022	Mr. Gary Lau (Chairman)	Joint Press Conference:	Hon. Frankie Yick, HAFFA
as S rep	as Spokesman	Freight Logistics Industry Requests	and 8 industrial bodies
	representing HAFFA and	for Resumption of Cross-border	易志明議員、HAFFA及8家
	answered question from	Deliveries	業界組織 (please refer to the
	the media	聯合記者會:要求跨境貨運盡快	Annual Report under Logistics
		復常	Policy Sub-committee)

















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II) Media and Others

Throughout the year 2021-2022, HAFFA was interviewed by the media on various issues. With the help of the Chairman and Executive Committee Members, the PR Sub-committee endeavor to entertain many press enquiries on a record breaking level. In making comments, we adopt a factual, objective approach with the interest of HAFFA members being our first priority.

Date	Title
2022/03/19	Media Interview with HAFFA Chairman - 全球疫運 (TVB)
2022/03/10	Media Interview with HAFFA Chairman - 疫下物流策生意受挫 中潜陰路運動力僵得正常而成 (經濟日報)
2022/03/02	Media Interview with HAFFA Chairman - War Shocks Ripple Across One of the World's Busiest Trade Lanes (Bloomberg)
2022/02/27	Media Interview with HAFFA Chairman - Russia-Ukraine conflict starts to affect China-Europe trade (Global Times)
2022/02/21	Media Interview with HAFFA Chairman - Hong Kong trade faces impact amid severe COVID-19 outbreak (Global Times)
2022/01/25	Media Interview with HAFFA Chairman - Omicron: tough social-distancing measures could hammer Hong Kong economy as experts predict slowdown in growth (South China Morning Post)
2022/01/14	Media Interview with HAFFA Chairman - Decline in global rankings prompts Hong Kong rethink on maritime and logistics (The Loadstar)
2022/01/14	Media Interview with HAFFA Chairman - Frustration over COVID-19 restrictions in increasingly isolated Hong Kong (Reuters)
2022/01/14	Media Interview with HAFFA Chairman - Hong Kong bans transit flights from 150 nations after COVID outbreak (Nikkei Asia)
2022/01/14	Media Interview with HAFFA Chairman - Pandemic empties one of the world's busiest airports (CNN)
2022/01/13	Media Interview with MAFFA Chairman - 林蘇月琼料進一步收緊空逼措施後 部分資品將無法來港 (香港電台)
2022/01/12	Media Interview with HAFFA Chairman - 林蘇月環指不放這達反防疫規定 空運能力大降影響將浮現 (商業電台)
2022/01/11	Media Interview with HAFFA Chairman - Omicron Pushes Hong Kong's Air Supply Chain to Brink of Collapse (Bloomberg)
2022/01/07	Media Interview with HAFFA Chairman - 飛不到的海鮮 (TVB)
2022/01/06	Media Interview with HAFFA Chairman - 國泰明起恢復長途貨運航班 物流業界:物流成本最少會上升三至四成(商業電台)
2022/01/03	Media Interview with HAFFA Chairman - 新一年加價順對市民影響有多大? (二) (Now TV)
2022/01/01	Media Interview with HAFFA Chairman - Cathay Pacific cargo flight suspension set to hit Hong Kong consumers hard with industry players warning food shipping costs could rise 30 per cent (South China Morning Post)
2021/12/31	Media Interview with HAFFA Chairman - 國泰長總貨運停務 運累物流鏈頻資 業界要無限延期 (東方日報)
2021/12/31	Media Interview with HAFFA Chairman - 栗界;因泰克檢取消令初流成本即升三成:建口新鲜食品等最受影響(商業電台)
2021/12/19	Media Interview with HAFFA Chairman - HAFFA hosts successful grand luncheon in Hong Kong (Payload Asia)
2021/12/10	Media Interview with HAFFA Chairman - 免费融資? (TVB)
2021/11/29	Media Interview with HAFFA Chairman - 如何做好恢復通關準備工作? (Now TV)
2021/11/18	Media Interview with HAFFA Chairman - 網開附經新記 《海鹿巡邏上門 (東方日報)
2021/11/17	Media Interview with HAFFA Chairman - Cathay eyes relocation after 130 cargo pilots are quarantined by Covid rules (The Loadstar)
2021/11/17	Media Interview with HAFFA Chairman - FedEx shuts down Hong Kong pilot base, blames Covid-19 policies that have left 'no clear timeline' for return to normal (South China Morning Post)
2021/09/17	Media Interview with HAFFA Chairman - 資運價相急升19個 環球供應鏈不穩 外覇建口食品最受影響 (東方日報)
2021/08/13	Media Interview with HAFFA Chairman - 舟山港局部開閉 場「嘉港」危機 (信報)

https://www.haffa.com.hk/portal/Page/Index.aspx?id=5

















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RECREATION AND SPORTS SUB-COMMITTEE

Chairman: NAF NORTHERN OCEAN FREIGHT LIMITED - Mr. Raymond Wong

Vice Chairlady: EASYWAY AIR FREIGHT LTD – Ms. Vikie Tsang

Member: CHINA FREIGHT (HONG KONG) LTD

WEN-PARKER LOGISTICS (H.K.) COMPANY LTD

1. HAFFA Double Haven Hike 秋遊印洲塘, 03 October 2021

Hiking is among one of the most popular physical activities for the general public and it is proven to have many health benefits, ranging from physical exercise to emotional relief that comes from being in nature.

Following the success of 2019 & 2020's event, HAFFA organized its third hiking activity at the Double Haven Country Trail on 03 October 2021. Along the route, there is a well-preserved Hakka fenced village with a history of more than 400 years in Lai Chi Wo. This family-friendly event offered a wonderful platform for Members to strengthen friendship and all participants enjoyed a fun and healthy way of get-together throughout the hiking trip!

Members are welcome to view the digital photo album below to share the memories of those wonderful and happy moments: https://www.haffa.com.hk/portal/Page/Default.aspx?id=1929















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2. <u>HAFFA Regular Soccer Classes</u>

Soccer is considered one of the most popular sports in the world, in cooperation with SANTOS Soccer Training School, HAFFA Soccer Classes have been successfully held regularly with the enthusiastic support from all participating players. In addition to training skills, friendly matches will be held occasionally. High appreciation is also given to Vinflair Logistics Limited, our HAFFA member, for the sponsorship of Uniforms and Jackets for the HAFFA Soccer Classes.

In view of the development of COVID-19 epidemic situation in Hong Kong, the Government announced that operation of sports premises regulated under Cap. 599F must be suspended from 7 January 2022 until further notice. HAFFA Soccer Class will be resumed once the social distancing measures are relaxed.

Members are welcome to view the digital photo album below to share the memories of those wonderful and happy moments: https://www.haffa.com.hk/portal/Page/Default.aspx?id=1918











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SEAFREIGHT SUB-COMMITTEE

Chairman: ACE PROTRANS FORWARDING LTD – Mr. Sydney Chan

Vice Chairman: INFINITY CARGO EXPRESS LTD – Mr. John Lui

Members: CLEARFREIGHT HONG KONG LTD

SEA-AIR LOGISTICS (HONG KONG) LTD

<u>Seminar on "Industry Dialogue - Working together to get through containerized trade challenges", 22 July 2021</u>



HAFFA Seafreight Sub-committee Chairman Mr. Sydney Chan spoke at the seminar "Industry Dialogue - Working together to get through containerized trade challenges" to share insights, from HAFFA/forwarder's perspective, as to the containerized trade bottlenecks and how to work through the challenges.

Over 300 delegates from across Hong Kong, Mainland China, Macau, as well as from Europe and Asia registered for this hybrid seminar jointly organized by the Hong Kong Shippers' Council (HKSC), the Hong Kong Liner Shipping Association (HKLSA) and Network for Supply Chain & Logistics Professionals (SCLP).

Apart from **HAFFA**, the panel of distinguished speakers included executive representation from:

- ➤ Maersk Line
- ➤ Wan Hai Lines
- > Hutchison Port Holdings
- > Federation of Hong Kong Industries
- ➤ Hong Kong Exporters' Association
- ➤ Hong Kong Shippers' Council





At the end of seminar, each speaker was invited to give a keyword as a wrap-up. Closing keywords are:

- ♦ Patience
- ♦ China Opportunity
- ♦ Complexity
- ♦ Cooperation
- ♦ Covid-19
- ♦ Innovation

Video Recording: https://www.haffa.com.hk/portal/Page/Default.aspx?id=1907







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SME DEVELOPMENT SUB-COMMITTEE

Chairman: CHEVALIER AOC FREIGHT EXPRESS HOLDINGS LTD - Mr. Alex Koo

Vice Chairman: INFINITY CARGO EXPRESS LTD – Mr. John Lui

Member: WISDOM FREIGHT (HONG KONG) LTD

SME ReachOut Webinar - Ride the "Digital Tides" to Upgrade Your Logistics Businesses

HAFFA Vice Chairman Mr. Ronnie Leung participated in the SME ReachOut webinar – "Ride the Digital Tides to Upgrade Your Logistics Businesses" as a guest speaker on 03 March 2022.



As Members may know, a dedicated service team entitled "SME ReachOut" run by the Hong Kong Productivity Council (HKPC) has commenced operation since 01 January 2020 to support SMEs. The team proactively reaches SMEs to promote government funding schemes through a wide range of seminars/webinars, outreach activities and exhibitions. They provide specific advisory support to local SMEs and help them to identify applicable schemes to their business and guide them throughout the funding application process.

The webinar was one of the activities organized by the team. In this event, apart from Mr. Leung HAFFA Vice Chairman who shared business insights on the challenges and opportunities in the cargo industry amidst the pandemic, HKPC speakers also introduced a range of government funding schemes (including the Pilot Subsidy Scheme for 3rd Logistics Service Providers that HAFFA successfully fought for Members) that are available for our industry to upgrade and sustain business using technology so as to catch up with the "new economic normal".

More details about the SEM ReachOut Team:

https://www.hkpc.org/zh-HK/support-resource/sme-one/sme-reachout

Date: 19 April 2022

(END OF REPORT)