For Discussion on
1 June 2010

Panel on Security of the Legislative Council

**Enhancement of Computer Systems of the
Immigration Department and the
Extension of e-Channel Services**

Introduction

This paper seeks Members' views on the following e-Channel and related services enhancement proposals –

(a) to enhance the computer systems of the Immigration Department (ImmD) to enable it to process a new electronic Exit-Entry Permit for Travelling to and from Hong Kong and Macao (EEP) to be issued by the Mainland authorities; and

(b) to install a suitable number of new type of e-Channels at various control points to allow enrolled holders of electronic and other EEPs to use such automated passenger clearance system.

Need for the Proposal

2.   At present, Mainland residents who are holders of EEP issued by the Mainland authorities may only enter after examination by ImmD officers at immigration counters at Hong Kong control points. The ImmD officers would stamp relevant limit and conditions of stay on EEPs. To further improve the arrangements for Mainland residents travelling to Hong Kong and Macao, the Mainland authorities will introduce a new type of electronic EEP to Mainland residents by phases from 2012 onwards. A computer chip will be embedded in the electronic EEP with the holder's personal information and exit endorsement to Hong Kong uploaded. The ImmD needs to install new e-Channels and data readers at control points and upgrade its computer systems, to meet the requirements arising from the electronic EEP arrangements.

3.   We briefed Members on the recent developments of e-Channel service at the Panel meeting in February 2010. Among others, since May 2008, eligible frequent visitors may use the e-Channel service at the Hong Kong International Airport after enrolment. Since March 2009, Hong Kong residents aged 18 or above may use Express e-Channels at Lo Wu after enrolment, thus receiving faster clearance service. Since December 2009, Macao permanent residents aged 11 or above may use e-Channels at the Macau Ferry Terminal and China Ferry Terminal.

4.   As of end of April 2010, the number of frequent visitors and Macao residents enrolled to use e-Channels has increased to 43 000 and 100 100 respectively; the number of Hong Kong residents enrolled to use Express e-Channel service has also increased to over a million (1 075 000).   The ImmD needs to extend the existing e-Channel service, including the installation of more Express e-Channels at the Lo Wu Control Point and extension of the service to other control points. Moreover, the ImmD will further promote e-Channel service to frequent visitors coming to Hong Kong.

5.   The number of visitors to Hong Kong has been on the rise in recent years, from around 46 741 000 visits in 2005 to around 59 158 000 in 2009, representing an increase by about 27% over the period.   Among them, the number of visits by Mainland visitors has increased from around 24 789 000 in 2005 to around 35 365 000 in 2009, representing an increase by about 43% over the period.   The Mainland authorities are implementing measures to facilitate travel to Hong Kong.   For example, Shenzhen residents with household registration may apply for multiple-journey exit endorsement to visit Hong Kong with effect from April 2009, whereas those without household registration may apply for single-journey exit endorsement in Shenzhen without the need to return to their original place of domicile for the purpose from December 2009 onwards.   In anticipating a continued growth in the number of Mainland visitors, we need to enhance the handling capacity as well as efficiency of the ImmD.   Rather than augmenting the manpower and immigration

counters continuously, we propose allowing eligible Mainland frequent visitors to use e-Channels after enrolment.

Details of the Proposal

6.   Visitors are imposed appropriate limit and conditions of stay by the ImmD upon arrival in Hong Kong.   The ImmD will issue such limit and conditions on a print-out slip for electronic EEP holders and other visitors to Hong Kong in the future.   This is similar to the existing arrangements for the issue of limit and conditions of stay for frequent visitors and Macao visitors using e-Channel service.   To this end, the ImmD needs to procure around 560 compact printers for installation at immigration counters at the various control points including the Airport.

7.   To meet the requirements of processing electronic EEP, the ImmD plans to enhance its computer systems, namely the Entry / Exit Processing and Records System (EXPRESS) and the Application and Investigation Easy System (APPLIES), to handle immigration-related matters for holders of electronic EEP including applications for extension of stay and various types of registration[1].   The ImmD also plans to install about 740 readers at immigration counters of various control points as well as the immigration offices that handle immigration-related

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[1] EXPRESS supports the process of immigration clearance at counters, while APPLIES is an electronic records system which supports the handling of applications for visas, permits, travel passes, as well as relevant records management service.

applications. The reader will enable the retrieval of information from electronic EEP following decryption. The relevant information so retrieved is the same as that displayed in EEPs at present.

8. In 2009, the number of frequent visitors from the Mainland (i.e. those who have visited Hong Kong for three times or more) was around 290 000. On the basis of the significant growth in the overall number of Mainland visitors, we expect that the number of Mainland frequent visitors will also continue to grow in the coming years. In allowing those Mainland frequent visitors who are holders of electronic or other EEPs to use the e-Channel service, the visitors concerned will be required to enrol in advance at the relevant control points and provide personal information to the ImmD staff at designated counters. The procedure is similar to the enrolment procedure for other frequent visitors. We will review the eligibility criteria for Mainland frequent visitors using e-Channel service in the light of actual experience, so as to ensure that effective immigration control is maintained while immigration facilitation is provided.

9. Taking into account the physical constraints of control points, the utilisation rate of e-Channels and the growth in number of Mainland visitors, we plan to install 20 new-type e-channels at the two most popular control points for Mainland visitors, i.e. Lo Wu and Lok Ma Chau, and enhance 40 existing e-Channels at other control points. We will decide on the actual distribution of the new-type e-Channels in the light of actual passenger pattern.

10.   The new/enhanced e-Channels can be used by Mainland visitors who are holders of electronic and other EEPs, as well as other visitors. By design they can also serve as Express e-Channels for use by enrolled Hong Kong residents to enjoy faster automated clearance service. The ImmD will deploy the relevant e-Channel facilities in view of the prevailing passenger mix.

Financial Implications

11.   We estimate that the implementation of the project will require a non-recurrent cost of about $250 million over a three-year period from 2010-2011 to 2012-13, with breakdowns as follows -

Items	2010-11 ($'000)	2011-12 ($'000)	2012-13 ($'000)	Total ($'000)
(a) Hardware and software	-	78,003	33,310	111,313
(b) Implementation and contract staff services	607	76,803	19,961	97,371
(c) Site preparation	-	6,514	-	6,514
(d) Start-up consumables	-	5,410	3,638	9,048
(e) Communications lines	-	767	-	767
(f) Contingency	61	16,750	5,691	22,502
Total	**668**	**184,247**	**62,600**	**247,515**

12.   The project will also entail an additional non-recurrent staff cost of around $18 million, for the deployment of departmental staff. In addition, we estimate that the project will incur an additional recurrent expenditure of around $43 million per annum, mainly for the maintenance of hardware and software, payment for contract staff, consumables and communication lines.   Allowing eligible frequent Mainland visitors to use e-Channels will require staff to handle the large number of enrolment applications of Mainland frequent visitors for e-Channel service and to provide on-site support.   There will also be a net saving of a small number of immigration staff.

Implementation Plan

13.   We plan to seek funding approval from the Finance Committee by July 2010.   Subject to funding approval, we plan to commence the procurement process and system development in the second half of 2010, with a view to rolling out the service in early 2012.

Security Bureau
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