HANDLING PROCEDURES
FOR
KNOWN CONSIGNORS (KC)

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Notes:

Since the publication of the Handling Procedures for KC, the document has been a living document. As such, the document may be revised and updated from time to time.

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Record of Amendments

Revision (Rev.) No.	Amendment (Amdt.) No.	Date
Initial Publication	——	May 2020
1	——	September 2022

PART A

1. ALLOCATION OF KNOWN CONSIGNOR (KC) CODES

1.1 Registration of KC is site-specific. Civil Aviation Department (CAD) allocates a KC code to each accepted site on CAD's register in accordance with the format below:

"KC" + Unique registration number (4 digits)
example: *"KC1234"*

1.2 CAD maintains a register of valid KCs. The register is available at the CAD website:-
https://www.cad.gov.hk/english/vkc_register.html

2. AIR CARGO TENDERED BY KCs

2.1 General

2.1.1 Under the KC Validation Scheme, a KC is an entity which produces or manufactures or assembles goods in a secure facility within Hong Kong in which the finished goods will be eventually transported as air cargo. Such cargo is known as "Known Cargo" (with security status "SPX") and is normally not required to undergo security screening.

2.1.2 A KC has to protect Known Cargo consignments from unauthorized interference during production, assembly, packaging, storage, and where applicable, transportation. Relevant security requirements are described in detail under KC Security Programme (KCSP, i.e. Part II of Application for Validation as KC).

2.1.3 A KC shall only tender Known Cargo to other parties on the air cargo supply chain regulated by CAD, e.g. Regulated Agents (RAs), Cargo Terminal Operators (CTOs) or Aircraft Operator. A Regulated Air Cargo Screening Facility (RACSF) shall only receive cargo from RAs for security screening. An RACSF shall not directly receive cargo from KC, unless the RACSF itself is an RA and is eligible to annotate the security status ("SPX") of the Known Cargo and its RA code on the shipping documents before tendering the cargoes to CTOs / airlines. If a KC is involved in transportation of Known Cargo, it shall apply one of the secure transportation (ST) means accepted by CAD (see *https://www.cad.gov.hk/english/icao2021_ts.html*) before the cargo can be accepted by the next entity on the air cargo supply chain.

2.1.4 Under the following scenarios, cargo tendered by a KC shall be treated as Unknown Cargo and shall be security screened by RACSFs or CTOs before allowed carriage onboard an aircraft:

(a) The Known Cargo has been passed out of the custody of entities regulated by CAD (i.e. RAs, RACSFs, CTOs or aircraft operators); or

(b) The Known Cargo has **not** been protected using CAD's accepted ST means during transportation; or

(c) The cargo is not originated (i.e. neither produced nor assembled) from the KC's premises.

2.2 Annotation of Security Status and KC Code

2.2.1 If the air cargo is originated from the KC and is tendered as Known Cargo, a KC shall annotate "SPX" immediately above its KC code at the bottom right corner of its Shipper's Letter of Instructions (SLI) (or other shipping documents such as House Air Waybill (HAWB), where applicable) (see *Annex 1a*).

2.2.2 If the cargo is tendered as Unknown Cargo, a KC shall <u>not</u> annotate any security status or any KC code on its SLI (or other shipping documents such as HAWB, where applicable) (see *Annex 1b*).

2.3   Cargo Acceptance Procedures by other parties on the Air Cargo Supply Chain

2.3.1   Cargo Acceptance Procedures by an RA include:

(a)   Documentation Check
 (i)   Consignment of cargo shall be accompanied by shipping documents, including Master Air Waybill (MAWB) and HAWB / SLI / Packing List and/or other shipping documents, where applicable.
 (ii)   The shipping documents shall contain at least the following information.
   - nature / content of the consignment;
   - quantity of the consignment (including weight, number of packages, dimension / volume);
   - KC code of the tendering KC, if the consignment is directly received from a KC;
     OR
     RA code of the tendering RA, if the consignment is received with routing through another RA; and
   - security status of the cargo consignment.
 (iii)   The security status of the cargo consignment and the status of the tendering RA or KC shall be checked (i.e. checking RA code against CAD's RA register, or checking KC code against CAD's KC register).
 (iv)   If in doubt, the identity of the person delivering the cargo consignment shall be verified (e.g. check of company identification document) to ascertain that the person is the authorized representative of the tendering KC, RA or RACSF, or the transportation contractor.

(b)   Appearance Check
 (i)   The quantity (e.g. number of cartons), weight, dimension and the outer physical appearance of the cargo consignment shall be reasonably checked against the information contained in the shipping documents mentioned in *2.3.1(a)* above.
 (ii)   The packaging of the consignment shall be reasonably examined for any signs of tampering and suspicion, such as:-
   - signs of reseal or forcible opening, or
   - unreasonable packaging, or
   - wires, oil stains or other indications that the consignment may contain explosives or incendiary devices.

(c)   If an RA receives consignment with unknown status from the tendering RA / KC (i.e. no annotation of RA / KC code and/or security status on shipping documents), the RA shall deliver the consignment to either RACSF or CTO for security screening.

2.3.2   Cargo Acceptance Procedures by CTO / airline include:

(a)   Documentation Check
 (i)   Consignment of cargo shall be accompanied by shipping documents, including MAWB and HAWB / SLI and/or other shipping documents, where applicable.
 (ii)   The shipping documents shall contain at least the following information.
   - nature / content of the consignment;
   - quantity of the consignment (including weight, number of packages, dimension / volume);

   - RA code of the tendering RA, if the consignment is received from an RA;
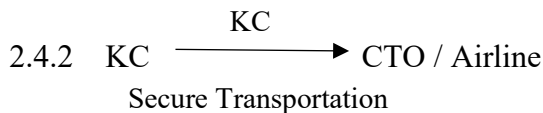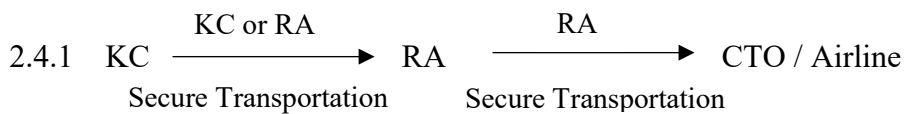
<div align="center">OR</div>

KC code of the tendering KC, if the consignment is directly received from a KC without routing through an RA; and
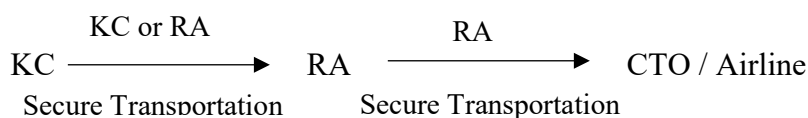
- security status of the cargo consignment.

    (iii)   The security status of the cargo consignment and the status of the tendering RA or KC shall be checked (i.e. checking RA code against CAD's RA register, or checking KC code against CAD's KC register).

    (iv)   If in doubt, the identity of the person delivering the cargo consignment shall be verified (e.g. check of company identification document) to ascertain that the person is the authorized representative of the tendering KC, RA or RACSF, or the transportation contractor.

    (b)   Appearance Check

    (i)   The quantity (e.g. number of cartons), weight, dimension and the outer physical appearance of the cargo consignment shall be reasonably checked against the information contained in the shipping documents mentioned in *2.3.2(a)* above.

    (ii)   The packaging of the consignment shall be reasonably examined for any signs of tampering and suspicion, such as:-

- signs of reseal or forcible opening, or
- unreasonable packaging, or
- wires, oil stains or other indications that the consignment may contain explosives or incendiary devices.

    (c)   If CTO / airline receives consignment with unknown status from an RA / KC (i.e. no annotation of RA/KC code and/or security status on shipping documents), the CTO / airline shall apply security screening to the consignment.

2.4   Typical Cargo Flow under the KC Validation Scheme

Below are the 2 typical channels through which a KC can tender a consignment to an airline.

2.4.1   KC $\xrightarrow[\text{Secure Transportation}]{\text{KC or RA}}$ RA $\xrightarrow[\text{Secure Transportation}]{\text{RA}}$ CTO / Airline

2.4.2   KC $\xrightarrow[\text{Secure Transportation}]{\text{KC}}$ CTO / Airline

2.4.1   KC Validated by CAD → RA → CTO / Airline

KC $\xrightarrow[\text{Secure Transportation}]{\text{KC or RA}}$ RA $\xrightarrow[\text{Secure Transportation}]{\text{RA}}$ CTO / Airline

(Note: This is a typical scenario for KCs, which have business dealing with RAs for tendering cargo to airlines.)

2.4.1.1   KC

2.4.1.1.1   To facilitate the RA in accepting the consignment, the KC shall annotate its KC code, which is site-specific, and the security status "SPX" at the right bottom corner of its SLI (or on other shipping documents such as HAWB, where applicable).

2.4.1.1.2   Tender the Known Cargo consignment to the RA for acceptance.

2.4.1.1.3   [Where applicable, depending on the arrangement between the KC and the RA]

The Known Cargo consignment above shall be delivered and safeguarded from unlawful interference using ST means accepted by CAD, until acceptance by the RA. If the ST means is applied by the KC, a pre-declaration shall be submitted by the KC before tendering the cargo to the RA which shall include, at a minimum, the company names and KC / RA codes of the KC / RA, date and time of dispatch, the seal serial number(s), MAWB / HAWB / ULD no. and vehicle licence plate no. for the RA to perform acceptance check as per *2.3.1*. A sample of such pre-declaration is attached at *Annex 2b*.

2.4.1.1.4   Maintain the documents as per *Part A Section 4* of this document and *Part II Section 10* of the Application for Validation as KC. Documentation and recording by electronic means are acceptable provided that hard copies can be made available upon inspection by CAD.

2.4.1.2   RA

2.4.1.2.1   Perform the acceptance check as per *2.3.1*, which includes the checking of KC code against CAD's KC register, the security status of Known Cargo (i.e. "SPX") and the integrity of the ST means including seal serial number(s).

2.4.1.2.2   Accept the consignment from the KC if the above acceptance check is satisfactory.

2.4.1.2.3   Annotate its RA code and the security status "SPX" on the MAWB as per *Part A, 1.2* of the Handling Procedures for Regulated Agent Regime.

2.4.1.2.4   Deliver and safeguard the consignment from unlawful interference until acceptance by a CTO using ST means accepted by CAD. Before tendering the cargo to CTO, a pre-declaration shall be submitted by the RA to CTO through respective CTO's pre-declaration platform to include, at a minimum, the KC code, information of the ST means, seal serial number(s) and vehicle licence

plate no. together with other information of the consignment (e.g. AWB / ULD no.) for the CTO to perform acceptance check as per *2.3.2*. Obtain Reception Check List (RCL) from CTO.

2.4.1.2.5 Deliver the MAWB and RCL to the airline.

2.4.1.2.6 Maintain the documents as per *Part II Section 10.5* of the Application for Registration as RA. Documentation and recording by electronic means are acceptable provided that hard copies can be made available upon inspection by CAD.

Note:

Airlines require that an RA types its full name in the "Issuing Carrier's Agent Name and City" box at the top of MAWB.

2.4.1.3 CTO

2.4.1.3.1 Receive the physical consignment from RA.

2.4.1.3.2 Perform the acceptance check as per *2.3.2(a)* and *2.3.2(b)*. Issue RCL.

2.4.1.3.3 Safeguard the consignment from unlawful interference after its reception.

2.4.1.3.4 Apply security screening if required by airline.

2.4.1.3.5 Record the applied security screening and maintain the record of security screening for a period of at least **3 months** after the consignment is flown. Documentation and recording by electronic means are acceptable provided that hard copies can be made available upon inspection by CAD.

2.4.1.4 Airline

2.4.1.4.1 Perform the acceptance check as per *2.3.2(a)* and *2.3.2(b)*, which includes the checking of RA code against CAD's RA register and the status of Known Cargo (i.e. "SPX"), and receive the RCL.

2.4.1.4.2 Instruct the CTO to apply further security screening if the above acceptance check is unsatisfactory or while the airline deems it necessary.

2.4.1.4.3 Keep the shipping documents and RCL for at least **31 days** after the consignment is flown, for inspection by CAD. Documentation and recording by electronic means are acceptable provided that hard copies can be made available upon inspection by CAD.

2.4.2   KC Validated by CAD → CTO / Airline

$$\text{KC} \xrightarrow[\text{Secure Transportation}]{\text{KC}} \text{CTO / Airline}$$
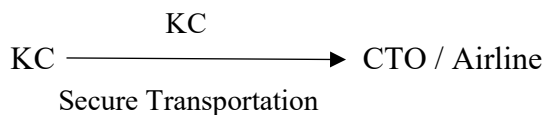
(Note: This scenario is for KCs which have direct business dealing with airlines without routing through RAs.)

2.4.2.1   KC

2.4.2.1.1   To facilitate CTO / airline in accepting the consignment, the KC shall annotate its KC code, which is site-specific, and the security status "SPX" at the right bottom corner of the its SLI (or on the MAWB direct, where applicable).

2.4.2.1.2   Tender the Known Cargo consignment to CTO / airline for acceptance.

2.4.2.1.3   The Known Cargo consignment above shall be delivered and safeguarded from unlawful interference using ST means accepted by CAD, until acceptance by the CTO / Airline.

2.4.2.1.4   Maintain the documents as per *Part A Section 4* of this document and *Part II Section 10* of the Application for Validation as KC. Documentation and recording by electronic means are acceptable provided that hard copies can be made available upon inspection by CAD.

2.4.2.2   CTO

2.4.2.2.1   Receive the physical consignment from KC.

2.4.2.2.2   Perform the acceptance check as per *2.3.2(a)* and *2.3.2(b)*. Issue RCL.

2.4.2.2.3   Safeguard the consignment from unlawful interference after its reception.

2.4.2.2.4   Apply security screening if required by airline.

2.4.2.2.5   Record the applied security screening and maintain the record of security screening for a period of at least **3 months** after the consignment is flown. Documentation and recording by electronic means are acceptable provided that hard copies can be made available upon inspection by CAD.

2.4.2.3   Airline

2.4.2.3.1   Perform the acceptance check as per *2.3.2(a)* and *2.3.2(b)*, which include the checking of KC code against CAD's KC register and the status of Known Cargo (i.e. "SPX"), and receive the RCL.

2.4.2.3.2   Instruct the CTO to apply further security screening if the above acceptance check is unsatisfactory or while the airline deems it necessary.

2.4.2.3.3   Keep the shipping documents and RCL for at least **31 days** after the consignment is flown, for inspection by CAD. Documentation and recording by electronic means are acceptable provided that hard copies can be made available upon inspection by CAD.

2.5   Unknown Cargo tendered by KCs

2.5.1   A KC may tender Unknown Cargo (e.g. non-originated air cargo) to RAs for arranging security screening at RACSF / CTO. A KC may also tender Unknown Cargo directly to CTO for screening. As per *2.2.2*, a KC shall <u>not</u> annotate KC code or security status on its shipping documents.

2.5.2   For such cases, the KC shall still maintain the documents as per *Part A Section 4* of this document and *Part II Section 10* of the Application for Validation as KC, including record of security screening (screening receipt issued by RACSF or RCL from CTO) obtained from the RA. Documentation and recording by electronic means are acceptable provided that hard copies can be made available upon inspection by CAD.

3. KEEPING OF CONTRACTOR DECLARATION FORMS

3.1 A KC may contract out some of its duties to contractors. However, the contractors shall duly complete contractor declaration form(s) applicable to their scope of duties and submit them to the KC for its keeping. Two types of contractor declaration forms are available under the KC scheme, namely:

- Packing / Storage Contractor Declaration Form (Blank form in *Annex 3*); and

- Transportation Contractor Declaration Form (Blank form in *Annex 4*).

4. DOCUMENTATION FOR CARGO SECURITY

4.1 The following documents shall be maintained by KC, where applicable, for every consignment of air cargo for a period of at least **31 days** after the consignment is flown.
- MAWB / HAWB (where applicable)
- SLI
- Cargo Manifest / House Cargo Manifest
- RCL
- Packing List / Invoice
- Record of security control for handling suspect cargo
- Register of security seals for tendering known cargo (A sample is attached at *Annex 2a* for reference) (if involved in transportation of Known Cargo)
- Pre-declaration for tendering known cargo to RA (A sample is attached at *Annex 2b* for reference) (if involved in transportation of Known Cargo)
- Record of security screening applied on Unknown Cargo (e.g. x-ray screening record) obtained from corresponding RA or Aircraft Operators (airlines) (if applicable)

4.2 The following documents shall be maintained **as long as a KC continues to hold a status of KC under the KC Validation Scheme**.
- KC Security Programme including Packing / Storage Contractor Declaration Form and Transportation Contractor Declaration, if any.
- Certificates of KC training organised by training institutes.

4.3 The required retention periods of other documents can be found in Part II Section 10.2 of the Application for Validation as KC.

PART B

1.   ABOUT THE KNOWN CONSIGNOR (KC) VALIDATION SCHEME

1.1   For the security of air cargo to be in line with the Annex 17 to the Convention on International Civil Aviation (Safeguarding International Civil Aviation Against Acts of Unlawful Interference), the Hong Kong Aviation Security Programme which, is enforceable under the Aviation Security Ordinance, has incorporated the Regulated Agent Regime (RAR) since March 2000. The regime was formulated after consultation with the air cargo industry representative bodies like the Hong Kong Shippers' Council, Hong Kong Association of Freight Forwarding and Logistics Limited (HAFFA) and Aircraft Operators (airlines).

1.2   The KC Validation Scheme is a new initiative aiming to meet the latest policy direction on air cargo security issued by the International Civil Aviation Organisation (ICAO), which requires that, by June 30, 2021, consignors of all ICAO Contracting States / Administrations have to be approved by the respective aviation security authority as validated KCs. Otherwise, all cargo handled by the consignor will be subject to 100% security screening prior to being loaded onto a commercial aircraft. As a result, the CAD launched the regulated air cargo screening facility (RACSF) scheme in 2018 and the KC validation scheme for Hong Kong-based consignors which originate air cargo from Hong Kong to be qualified as KCs in 2020 to meet the latest ICAO requirements whilst revamping the RAR, after consultation with the air cargo industry representative bodies.

1.3   The **five main entities** under the air cargo security regime are aircraft operator (airline), cargo terminal operator (CTO), regulated agent (RA), RACSF and KC. A KC is required to comply with the relevant requirements set out in its KC Security Programme (KCSP) and the Handling Procedures for KC in order to prevent the unauthorized carriage of explosives and incendiary devices in the consignments of cargo intended for carriage by commercial aircraft.

2.   NOTICES TO KCs

2.1   All KCs shall comply with all the requirements and directions contained in the Notices to KCs given from time to time by the Civil Aviation Department (CAD). KCs will normally receive an email or a letter from the CAD when a Notice is given to them.

3.   KC TRAINING

3.1   Requirements

3.1.1   Each KC shall nominate two persons as Nominated Persons (NP) for Cargo Security accountable for overseeing the effective implementation of cargo security operations and their compliance with the requirements in the KCSP (i.e. Part II of the Application for Validation as KC). The KC shall ensure that the two NPs have attended a KC Security Training Programme acceptable to the CAD (the Training Programme). Upon successful completion of the Training Programme, training certificates will be issued to individual candidates. All training certificates carry a validity of 3 years. Before expiry of the 3-year period, KCs shall arrange for their staff to complete the Training Programme for revalidation of the training certificates for another 3 years. KCs who have their trained staff left their companies should arrange training for their replacement staff to comply with the above training requirements within 3 months after the departure of the trained staff.

3.1.2   Those who have completed the Training Programme should internally brief the staff members of KC involved in production, manufacturing, assembly, packing or storage processes, and contractors with access to consignment designated as air cargo and/or related shipping documents. It is the responsibility of a KC to arrange their respective in-house refresher training in order to ensure their staff members are continuously familiarised with the KC requirements. KCs shall maintain records of **internal security awareness training** conducted as per the intended frequency specified in their KCSP. A sample of such internal security awareness training record is attached at ***Annex 7***.

3.1.3   Those who failed the Training Programme should attend the next Training Programme to meet the KC training requirement.

3.2   KC Training Course Organisers

3.2.1   Course organisers offering KC Security Training Programme acceptable to CAD can be found on CAD's website (*https://www.cad.gov.hk/english/vkc_training.html*). Interested parties can contact the organisers direct for enrolment.

3.3   Syllabus of KC Training and Revalidation Test

1. Objective of cargo security
   a. To prevent the unauthorized carriage of explosives and incendiary devices in the consignments of cargo intended for carriage on commercial aircraft
2. International and local requirements
   a. Annex 17 to the Convention on International Civil Aviation
   b. Background of ICAO new policy direction
   c. Aviation Security Ordinance (Cap. 494) and Aviation Security Regulation (Cap. 494A)
   d. Security Programme
      (i) Hong Kong Aviation Security Programme
      (ii) Aircraft Operator Security Programme / KC Security Programme / RA Security Programme / RACSF Security Programme
   e. Handling Procedures for RAR, RACSFs and KCs
   f. Notices to RAs, RACSFs and KCs
3. Threats and risks to civil aviation
   a. Previous acts of unlawful interference with civil aviation and terrorist acts, and potential consequences in case of insufficient safeguarding or complacency
4. Identification of potential threats and recognition of suspicious behavior or activities
5. Key parties of air cargo security regime
   a. 5 main parties of the regime (aircraft operator, CTO, RA, RACSF and KC)
   b. Definition and responsibilities of aircraft operator, CTO, RA, RACSF and KC
6. Known Cargo and Unknown Cargo handling procedures
   a. Classification of Known Cargo (SPX cargo) and Unknown Cargo
   b. Procedures for handling Known Cargo (SPX cargo) and Unknown Cargo
7. Exempted cargo
8. Scope of operations
   a. Nature of business – production/manufacturing or assembly
   b. Associated measures of the production / manufacturing / assembly process, as well as the process of package and storage
   c. Consignment integrity – originated items and non-originated items
9. Physical protection of cargo
   a. Facility security (physical measures, access controls, segregation of known cargo from Unknown Cargo and protection of Known Cargo prior to loading into trucks)
   b. Chain of custody – Secure Transportation (driver, vehicle, secure transportation means)
10. KC Training for Nominated Persons and Security Awareness Training
11. Personnel security
    a. Pre-employment and recurrent background check of staff and contractors
12. Handling Procedures for KC
13. Maintenance of documents
    a. Required documents
    b. Document retention period
    c. Confidentiality
14. Treatment of high-risk cargo (including suspect cargo)
    a. Actions on high-risk cargo (including suspect cargo)
    b. Actions on unresolved suspicions
    c. Actions when explosive or incendiary device identified
15. Self-assessment and regulatory oversight

4.   NOTIFICATION OF CHANGE OF KC SECURITY PROGRAMME

4.1   As stipulated in the Declaration of Compliance – KC (i.e. Part III of the Application for Validation as KC), a KC shall inform the CAD in writing as soon as reasonably possible if there is any change of the information contained in the Application Form, including the KCSP. A KC can do so by submitting a duly completed Notification of Change of KCSP (*Annex 5*) by fax: 2362 4257 or by e-mail to *vkc@cad.gov.hk*.

4.2   The Notification of Change of KC Security Programme might be updated from time to time. Please refer to *https://www.cad.gov.hk/chinese/vkc_form.html* for the most up-to-date form.

5.   KC REGULAR SELF-ASSESSMENT

5.1   KC shall conduct regular self-assessment with reference to the KCSP and the Handling Procedures for KC, at least once every two years, in order to identify deficiencies or security procedures that are not being properly implemented or that may require enhancement. The results of each self-assessment shall be maintained for 2 years and be made available for the announced and unannounced inspections by CAD (see *Annex 6* – Sample Checklist for Regular Self-Assessment).

6.   REGULATORY OVERSIGHT BY CAD

6.1   KCs are subject to announced and unannounced inspection by CAD for the purpose of monitoring the compliance with the relevant security requirements stipulated in their KCSP, the Handling Procedures for KC, notices and any other directions given from time to time by CAD.

6.2   Failure to comply with the stipulated requirements may lead to the request of submission of a corrective action plan (CAP) to CAD. **Major deficiencies identified may result in suspension or de-registration of the KC status.** The following are some non-exhaustive examples of **major deficiencies**:

    a)   tendering unknown cargo as known cargo;
    b)   failing to prevent unlawful interference or ensure tamper evidence of known cargo (including not using Secure Transportation (ST) means accepted by CAD when transporting known cargo);
    c)   not having any qualified personnel to take up the position of nominated persons; and
    d)   failing to implement a previous CAP for deficiencies.

SHIPPER'S LETTER OF INSTRUCTIONS TO ARRANGE FOR SHIPMENT OF GOODS

Shipper Name and Address :		To The Agent	Export Licence No
ABC MANUFACTURING COMPANY LTD UNIT 1234, OCEAN PLAZA, 1 MOUNTAIN ST., CHEUNG SHA WAN, KLN, HK			Cert. Of Origin No

BR

Name : SUSAN   Tel : (

Consignee Name and Address :

LONG THANH DISTRICT, DONG NAI PROVINCE, VIETNAM

USCI

Name : JENNIFER/KAREN   Tel :

Notify Party :

SAME AS CONSIGNEE

Airfreight Charges :	☐ To be prepaid	☑ To be Collect (If service available)
Other Charges	☐ To be prepaid	☑ To be Collect (If service available)

USCI

Name :   Tel :

Freight Terms

☐ FOB   ☑ EXW   ☐ FCA   ☐ CFR
☐ DAP   ☐ DDP   ☐ Others :

MAWB No.   HAWB No.

Special Instructions

Name of Carrier   Departure Airport
HONGKONG

Destination   Airline Counter-Signature
VIETNAM   ☐ Yes   ☐ No

Marks & Nos. (箱嘜)	Description of Goods (貨物名稱)	Kind of Packages(箱數) CTNS / PALLETS	Gross Weight (貨重盤) - KG	Measurement(呎碼), L X W X H (CM)
	EX-FACTORY TOTAL: TWENTY TWO (22) CARTONS ONLY.	22CTNS	66.31KG	0.45CBM

Specify Country	Declared Value for Customs	Declared Value for Carriage	Insurance Amount	Shipper's C.O.D.

Documents to accompany airwaybill or house airwaybill..................................

Packing List ☐ ;   Commercial Invoice ☐ ;   Certificate of Origin ☐

The Agent acknowleghes receipt of the above instructions from the Customer. This acknowledgment does not constitue an acceptance of the instructions by

SHIPPER'S DE

Customer declares that all descriptions, values . The Customer undertakes to indemnify the A ilities *whatsoever* arising from any inaccuracy or omission, even if such inaccuracy or omissio ny negligence.

Customer declares that pursuant to Condition 15 of the Conditions of Contract overleaf it shall for all charges and expenses relation to the goods whether or not the charges an expenses ar r collected.

...ized officer of   Signatory's Name in Block Letters

...contract appearing on this page a...   Signature and Stamp
ne fully understands them and agress on behalf the Customer that they should form part of the contract which, upon acceptance to the above instructions by the Agent, will be concluded between the Customer and the Agent

SPX
KC 1234

Date :   (Month/Day/Year)   Date :

Known Consignor's full name and address in the Shipper's Name and Address box

Security status of the air cargo consignment

KC code of the Known Consignor "ABC Manufacturing Company Ltd." in the right bottom corner

SHIPPER'S LETTER OF INSTRUCTIONS TO ARRANGE FOR SHIPMENT OF GOODS

Shipper Name and Address :		To The Agent	Export Licence No
			Cert. Of Origin No

ABC MANUFACTURING COMPANY LTD
UNIT 1234, OCEAN PLAZA, 1 MOUNTAIN ST.,
CHEUNG SHA WAN, KLN, HK

Known Consignor's full name and address in the Shipper's Name and Address box

BR

Name : SUSAN   Tel : (

Consignee Name and Address :

LONG THANH DISTRICT, DONG NAI PROVINCE,
VIETNAM

USCI

Name : JENNIFER/KAREN   Tel :

Notify Party :

SAME AS CONSIGNEE

Airfreight	☐ To be prepaid	☑ To be Collect
Charges :		(If service available)
Other Charges	☐ To be prepaid	☑ To be Collect
		(If service available)

USCI

Name :   Tel :

MAWB No.	HAWB No.

Freight Terms

☐ FOB ☑ EXW ☐ FCA ☐ CFR
☐ DAP ☐ DDP ☐ Others :

Special Instructions

Name of Carrier	Departure Airport HONGKONG
Destination VIETNAM	Airline Counter-Signature ☐ Yes ☐ No

Marks & Nos. (箱嘜)	Description of Goods (货物名稱)	Kind of Packages(箱数) CTNS / PALLETS	Gross Weight (货重量) - KG	Measurement(呎碼), L X W X H (CM)
	EX-FACTORY TOTAL: TWENTY TWO (22) CARTONS ONLY.	22CTNS	66.31KG	0.45CBM

Specify Country	Declared Value for Customs	Declared Value for Carriage	Insurance Amount	Shipper's C.O.D.

Documents to accompany airwaybill or house airwaybill..

Packing List ☐ ;   Commercial Invoice ☐ ;   Certificate of Origin ☐

The Agent acknowledges receipt of the above instructions from the Customer. This acknowledgment does not constitue an acceptance of the instructions by the Agent. Acceptance of the instructions will be made by way of the issue of the Agent's House Airwaybill, House Airbill, Air Consignment Note or the Air Carrier's Air Waybill or other such similar documents.
Where goods or documents are delivered to and accepted by the Agent before the Agent accepts the Customer's instructions, no liability whatsoever for such goods or documents will be accepted by the Agent. If, however, the Agent is held to be ;oable all the provisions of limitation of liabilities specified in the Conditions of Contract overleaf will apply. The Customer shall reimburse the Agent will all expenses and costs incurred and will indemnify the Agent for all losses and liabilities howsoever caused.

Signature and stamp

SHIPPER'S DE

1.   The Customer declares that all descriptions, values and complete. The Customer undertakes to indemnify the A any other liabilities whatsoever arising from any inaccuracy or omission, even if such inaccuracy or omissio is not due to any negligence.

2.   The Customer declares that pursuant to Condition 15 of the Conditions of Contract overleaf it shall be responsible for all charges and expenses relation to the goods whether or not the charges an expenses are to be prepaid or collected.

3.   The undersigned authorized officer of Customer hereby declares the he has read the Conditions of Contract overleaf and the terms and conditions appearing on this page and that he fully understands them and agrees on behalf the Customer that they should form part of the contract which, upon acceptance to the above instructions by the Agent, will be concluded between the Customer and the Agent

Do not annotate any security status or KC code.

Signatory's Name in Block Letters
Signature and Stamp

Date :   (Month/Day/Year)

Date :

C - 2

Register of Security Seals Used for Tendering Known Cargo

S/N	Date	Departure Time from KC	Truck No.	To which CTO / RA	MAWB No.	ULD No.	Type of Secure Net used	Seal No. of Secure Net	Seal No. for Box Truck	Seal No. for ULD Container
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										

ABC Production Ltd. (KC9876) – Pre-declaration for tendering known cargo to RA

Known cargo tendering to	: XYZ Freight Forwarding Ltd. (RA Code: XXXXX)	**Date & Time of Dispatch**	: 1/1/2022 22:59
Seal Serial No.	: ABC1234567, ABC1234568	**MAWB / HAWB No.**	: 168-2910 8695
Vehicle Licence Plate No.	: VH 1234		

Details of the known cargo

S/N	Piece(s)	Gross Weight (Kg)
1	13	312.00
2	1	1000.00
Total	**: 14**	**1312.00**

Signature with company chop : *Chan Tai Man*

ABC Cargo Forwarding Co. Ltd.

Note:

This is only a sample of the Pre-declaration for tendering known cargo to RA. KCs may design their own format as long as all the required information can be covered.

Known Consignor (KC)
Packing / Storage Contractor Declaration

Civil Aviation Department (CAD)
The Government of the Hong Kong Special Administrative Region

(To be completed and signed by the person-in-charge of the packing / storage contractor company)

I, for and on behalf of, _____ *(company name of packing / storage contractor)* hereby declare to:-

_____ *(company name of the KC who engages my company to provide packing / storage service)* (hereafter referred to as "the principal") at _____ (Site Address) that when packing, storing, consolidating and / or dispatching consignment designated as air cargo originated from my principal (i.e. SPX cargo) on behalf of the principal at the specified site address, the following security procedures shall be adhered to / have been complied with:-

(a) The identity of each packing / storage processing staff with access to consignment designated as air cargo and / or related documents shall be established by means of documentary evidence such as a national identity card or passport.

(b) Each packing / storage processing staff with access to consignment designated as air cargo and / or related shipping documents has received the security awareness training (initial and recurrent) set out in Part II Section 9 of the principal's KC Security Programme (SP), and shall continue to comply with the requirement.

(c) The security procedures set out in Part II Sections 5, 6.2 and 6.4 of the principal's KCSP, where applicable (based on the actual scope of work of the packing /storage contractor), shall be adhered to.

(d) The personnel security procedures (including pre-employment and recurrent background checks) set out in Part II Section 8 of the principal's KCSP have been and shall continue to be complied with to ensure that all drivers are reliable and that they would not pose a potential threat to civil aviation.

(e) Recruitment records, subsequent assessment records and recurrent background check records of packing / storage processing staff members shall be kept for at least the duration of employment plus one year.

(f) Packing / storage service shall not be further sub-contracted to a third party, unless the third party has also signed a "Packing / Storage Contractor Declaration" with the principal for the specified site address.

I understand that making false declaration knowingly may be liable to prosecution and I accept the responsibility for this declaration.

Full Name (in block letter): _____ *(as appeared on HKID / passport)*

Position in Company: _____

Signature: _____

Company Chop: _____

Company Address: _____

_____

Date: _____

Note   1   ***This Declaration shall be renewed every 2 years.***
       2   *This Declaration shall be completed and signed by the **person-in-charge** of the packing / storage contractor company.*
       3   *The original of this Declaration shall be retained by the KC with a copy provided to the packing / storage contractor company.*

Known Consignor (KC)
Transportation Contractor Declaration

Civil Aviation Department (CAD)
The Government of the Hong Kong Special Administrative Region

(To be completed and signed by the person-in-charge of the transportation contractor company)

I, for and on behalf of, _____ *(company name of transportation contractor)* hereby declare to:-

_____ *(company name of the KC who engages my company to provide cargo transportation service)* (hereafter referred to as "the principal") at _____ (Site Address) that when collecting, carrying, storing and / or delivering consignment designated as air cargo originated from my principal (i.e. SPX cargo) on behalf of the principal at the specified site address, the following security procedures shall be adhered to:-

(a) The identity of each driver shall be established by means of documentary evidence such as a national identity card, passport or driving license.

(b) Each driver shall have received the security awareness training (initial and recurrent) set out in Part II Section 9 of the principal's KC Security Programme (KCSP), and shall continue to comply with the requirement.

(c) The security procedures set out in Part II Sections 5 and 7.2 of the principal's KCSP, where applicable, shall be adhered to.

(d) The personnel security procedures (including pre-employment and recurrent background checks) set out in Part II Section 8 of the principal's KCSP have been and shall continue to be complied with to ensure that all drivers are reliable and that they would not pose a potential threat to civil aviation.

(e) Recruitment records, subsequent assessment records and recurrent background check records of drivers shall be kept for at least the duration of employment plus one year.

(f) Cargo transportation service shall not be further sub-contracted to a third party, unless the third party has also signed a "Transportation Contractor Declaration" with the principal for the specified site address.

I understand that making false declaration knowingly may be liable to prosecution and I accept the responsibility for this declaration.

Full Name (in block letter): _____ *(as appeared on HKID / passport)*

Position in Company: _____

Signature: _____

Company Chop: _____

Company Address: _____

_____

Date: _____

Note   1   **This Declaration shall be renewed every 2 years.**
     2   This Declaration shall be completed and signed by the **person-in-charge** of the transportation contractor company.
     3   The original of this Declaration shall be retained by the KC with a copy provided to the transportation contractor company.

Known Consignor (KC) Validation Scheme -
Notification of Change of KC Security Programme (KCSP)

1. This form is for validated Known Consignor (KC) to notify the Civil Aviation Department (CAD) of any change(s) to their KC Security Programme (KCSP).	
2. Please submit **a) this notification form, b) the relevant page(s) of KCSP and c) the relevant supplementary document(s)** to the Aviation Security Section, Airport Standards Division, CAD at least **14 working days** before the effective date of your proposed change(s):-	

	by fax to	**2362 4257**
or	**by e-mail to**	**vkc@cad.gov.hk**

Part A – Basic Information

Company Name : _____

KC Code : _____

Tel : _____

Fax : _____

Email : _____

Date : _____

Signature of Person-in-charge or Nominated Person with

Company Chop:

_____

(Full name): _____

Part B – Changes to the KCSP

My company would like to submit the following change(s) in our KCSP to the CAD:-

* Please ✓ the appropriate box(es) and fill in the effective date where appropriate.

	Item(s) to change	Required Documents	
		Relevant Page(s) of KCSP	**Supplementary Documents**
☐	(a) Company Name (Effective date: _____)	P.3	(i) A copy of the Business Registration Certificate issued under Business Registration Ordinance (Cap. 310); and (ii) A copy of the Certificate of Change of Name issued under Companies Ordinance (Cap. 32)
☐	(b) Site Address (*) (Effective date: _____)	P.3	A copy of the Business Registration Certificate issued under Business Registration Ordinance (Cap. 310)
☐	(c) Correspondence Address / Email Address / Contact Phone Number / Fax Number (Effective date: _____)	P.3 and/or P.4	Nil
☐	(d) Person-In-Charge (Effective date: _____)	P.3	An updated organisation chart of your company
☐	(e) Nominated Person for Cargo Security / Second Nominated Person (Effective date: _____)	P.4	(i) A copy of valid KC Training certificate; and (ii) An updated organisation chart of your company
☐	(f) Scope of Operations (*) (Effective date: _____)	P.5 to 7	Sample of labels for products / consignments identified as air cargo and other items including Unknown Cargo (if used)
☐	(g) Packing / Storage Operations (*) (Effective date: _____)	P.8 to 11	(i) A copy of completed Packing / Storage Contractor Declaration, if used; (ii) Facility floor plan, clearly indicating the locations of access points, security installations, CCTV coverage, specially assigned storage areas for segregating known / unknown cargo and non-air cargo (if any); (iii) Sample of labels for known / unknown cargo, if used

	Item(s) to change	Required Documents	
		Relevant Page(s) of KCSP	Supplementary Documents
☐	(h) Transportation Security (*) (Effective date: _____)	P.13 to P.15	(i) A copy of Transportation Contractor Declaration, if used; (ii) Photos of the proposed secure transportation measure(s)

(*) The CAD may arrange an inspection to assess the proposed changes for these items.

Anti-bribery Reminder

Anyone, while having dealings of any kind with the Civil Aviation Department (CAD), should not offer advantage to the CAD officers, or else he may commit an offence under section 4(1) and/or section 8 of the Prevention of Bribery Ordinance (Chapter 201 of Laws of Hong Kong), and be liable to a maximum penalty of a fine of $500,000 and imprisonment for 7 years.

- End -

Known Consignor Validation Scheme –
Sample Checklist for Regular Self-Assessment

1. This document serves as a sample checklist for Known Consignors (KCs) to conduct regular self-assessments as required under Part II, Section 11 of their Known Consignor Security Programme (KCSP).

2. **The use of this sample checklist is <u>not mandatory</u>. KCs may design their own checklist(s) in accordance with the requirements as specified in the KCSP and the Handling Procedures for Known Consignors, as they see fit.**

3. Regular self-assessment shall be conducted by each KC **at least once every two years**. The results of each self-assessment shall be maintained for 3 years for inspection by the Civil Aviation Department (CAD).

Part I – Basic Information

Company Name: _____ KC Code: _____

Part II – Regular Self-Assessment Checklist

1. Please tick (✓) at the appropriate box(es) as you go through the checklist.
2. **If you answer "No" to any of the items, please write your corrective actions in Part H of this checklist.**

A) General Information	Yes	No	N/A	Remarks
1 Are the following particulars of my KCSP up-to-date? [KCSP Part III para. (d)(i)]				
• Company Particulars (Company Name and Address – same as BRC)				
• KCSP Personnel (Person-in-charge, Nominated Persons for Cargo Security)				
• KCSP Personnel's Contact Details				
• Scope of Operations				
2 Business Registration Certificate (BRC) [KCSP Part II Section 2(d)]				
• Original copy available and valid?				
• Address on BRC same as the address registered on the KCSP?				

B) KCSP Personnel and Training	Yes	No	N/A	Remarks
1 KCSP Personnel and Training Records [KCSP Part II Section 4(a) & 4(b)]				
• KC Training Certificates of the two Nominated Persons valid?				
2 Internal Security Awareness Training [KCSP Part II Section 9]				
• Training provided to all own staff and contractor staff who have access to air cargo and/or related shipping documents?				
• Frequency of internal training in accordance with KCSP?				
• Training records properly maintained for at least previous 2 years? (including own staff & contractors)				
• Trainer's signature on training records				
• Training records content in accordance with the requirements in Part II Section 9?				

		Yes	No	N/A	Remarks
	• Training materials available, appropriate and up to date?				

C)	Packing and Storage	Yes	No	N/A	Remarks
1	Packing / Storage Contractor (if applicable) [KCSP Part II Section 6.1(c)]	░	░	░	
	• Packing / Storage Contractor Declaration signed by the contractor and original available?				
2	Physical Security [KCSP Part II Section 6.2(a)]	░	░	░	
	• Physical barriers (e.g. fences, gates and walls) are in place to protect the premises for processing and storing the consignment against unauthorized access?				
	• All doors, gates, roller shutters or other access points to the consignments are closed, locked or guarded when not in use?				
	• Regular inspections on physical barriers are carried out?				
	• Personnel doors and vehicle access gates are used so as to ensure access control over entry and exit? These doors are locked or guarded when not in use?	░	░	░	
	• Processing and storage areas for known cargo under CCTV surveillance and recording?	░	░	░	
	• CCTV image records properly maintained for at least 31 days?	░	░	░	
	• Other measures (if any):- _____	░	░	░	
3	Access Control [KCSP Part II Section 6.2(b)]	░	░	░	
	• Number of access points:- _____	░	░	░	
	• Access to cargo production, assembly, packing and storage facilities and areas restricted to individuals with an operational need for access?				
	• Identity check conducted on all persons entering the facilities, including staff members and visitors?				
	• Gates through which vehicles and/or personnel enter or leave are manned by security personnel or monitored by automated devices?				
	• CCTV image records properly maintained for at least 31 days?				
	• Other measures (if any):-_____	░	░	░	
4	Security screening of Unknown (UNK) cargo [KCSP Part II Section 6.3(b)]	░	░	░	
	Engaged RACSF via a RA or Cargo Terminal Operators or an aircraft operator to conduct security screening on UNK cargo?				
5	Segregation of cargo using methods as specified in KCSP (i.e. by labelling or by ground demarcation?) [KCSP Part II Section 5(h), 6.4(a)]				
	• Segregation of products / items transported as air cargo from products / items not transported as air cargo				
	• Segregation of Known (SPX) Cargo from UNK Cargo				

6	Prevention of unlawful interference on known cargo [KCSP Part II Section 6.4(b)]			
	• Known cargo held in cages, compartments, rooms or buildings that are secured against unauthorized access or its packaging has been made tamper-evident by using seals or locks, or other means of protection against unlawful interference when consignments are left unattended?			
	• Continuous monitoring of the known cargo by personnel and supplement by CCTV surveillance and recording. In the event that CCTV surveillance and recording of known cargo and consolidated cargo is not feasible, put in place alternative means to ensure the security of the cargo concerned?			
	• Integrity of seals or locks are verified?			
7	Warehouse floor plan up-to-date? [KCSP Part II Section 6.5]			
	• Security installations (if any)			
	• Access points			
	• Specially assigned area (if any)			

D) Chain of Custody – Secure Transportation (if applicable)	Yes	No	N/A	Remarks
1 Transportation contractor (if applicable) [KCSP Part II Section 7.1(c)]				
• Transportation Contractor Declaration signed by the contractor and original available?				
2 Drivers [KCSP Part II Section 7.2(a)]				
• ID check by cargo dispatcher using ID document				
• Check for sign of tampering, suspicion or evidence of unlawful interference at all times?				
3 Vehicles [KCSP Part II Section 7.2(b)(i)(ii)]				
• Load compartment searched immediately prior to loading and the integrity of search maintained until loading is completed?				
• All vehicles used in the transportation of air cargo are secured immediately following the completion of loading against unlawful interference at all times?				
4 Secure Transportation (ST) measures (if applicable) [KCSP Part II Section 7.2(b)]				
• For box truck, the use of numbered tamper-evident seals on all doors observed as in order?				
• For open truck, any ST means accepted by the CAD applied?				
• For open truck, is the application of ST means in line with the Standard Operating Procedures provided by the vendor?				
• Integrity of tamper-evident means verified and seal serial number verified in accordance with the prior declaration when receiving cargo protected by ST measures?				
• Access to the tamper-evident seals is controlled?				
• Records on the use of tamper-evident seals properly maintained for at least 31 days?				

E) Documentation	Yes	No	N/A	Remarks
1 Shipping Documents [KCSP Part II Section 10.1 and 10.2]				
• Full set available and kept for 31 days or more? (A full set should include MAWB, HAWB, SLI, packing list or invoice, record of security control and screening, where applicable)				
• Content of shipping documents / annotation of security status (SPX) and KC code in accordance with Handling Procedures for KC published by CAD?				
• For unknown cargo, record of security screening (e.g. RACSF security screening receipt) properly maintained?				
3 Confidentiality [KCSP Part II Section 10.4]				
• Security sensitive information about security procedures or operations is properly protected?				
• Security sensitive information about security procedures or operations is only disseminated on a "need-to-know" basis?				

F) Personnel Security	Yes	No	N/A	Remarks
1 Personnel Security [KCSP Part II Section 8]				
• Job application form available, and content in accordance with the requirements in Part II Section 8(a) and 8(b) of KCSP?				
• Job Application Records of staff members and contractors properly maintained for duration of employment +1 year? *				
• Job Interview Records of staff members and contractors properly maintained for duration of employment +1 year? *				
• Pre-employment check for staff members and contractors conducted?				
• Recurrent background checks for existing staff members and contractors conducted at least once every two years?				
• Pre-employment and recurrent background check records of staff members and contractors properly maintained for duration of employment +1 year? *				

* Personnel records of contractors may be maintained by respective contractors.

G) Self-Assessment	Yes	No	N/A	Remarks
1 Regular Self-Assessment [KCSP Part II Section 11]				
• Conducted at least once every 2 years?				
• Records properly maintained for at least 2 years?				
• Are deficiencies identified effectively during the last self-assessment process? (if applicable)				
• Are the corrective actions proposed in the last self-assessment followed up properly? (if applicable)				

H) Corrective action plan

If you have answered "No" to any of the item(s) on the checklist, please write your proposed corrective action(s) below, together with the corresponding follow-up date(s) and action party/ies.

Assessment
conducted by: _____

(Name and Post)

_____

(Signature)

Date: _____

Known Consignor (KC) Validation Scheme –
Sample Internal Security Awareness Training Record Form

1. This document serves as a sample record form for internal security awareness training to be conducted by the KC to satisfy the requirements stipulated under Part II, Section 9 of their KC Security Programme (KCSP). Please tick (✓) the box(es) ☐ as appropriate.

2. **The use of this sample form is <u>not mandatory</u>. KCs may design their own training record form in accordance with the requirements as specified in the KCSP, as they see fit.**

3. The internal security awareness training shall be conducted in accordance with the interval specified by the KC in their KCSP.   The training record shall be maintained for at least 2 years for inspection by the Civil Aviation Department (CAD).

Part I – Basic Information

1. Company Name: _____ KC Code: _____

2. Intended training frequency of recurrent training indicated in KCSP: _____

3. Name of trainer: _____

4. Post title of trainer: _____

5. Signature of trainer: _____

6. The trainer is: ☐ the Nominated Person (NP) for Cargo Security; or
      ☐ other trainer with equivalent qualification

7. The trainer has completed a KC training programme acceptable to CAD on: _____ (DD/MM/YYYY)

Part II – Training Attendance

Date of Internal Security Awareness Training: _____ (DD/MM/YYYY)

Name of Trainees	Post Titles of Trainees	Signature of Trainees

Part III – Type and Contents of Training

Type of Delivery: ☐ Face to face   ☐ Virtual   ☐ Others, please specify: _____

Training Materials used:

• Company's KCSP;

• Handling Procedures for KC;

• Notices to KCs; and

• Materials of the training programme from the training institutes acceptable to CAD