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REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

HONG KONG

Revision

The following revised notification¹ has been received from Hong Kong in response to the Questionnaire on Import Licensing Procedures annexed to L/5640/Rev.10. It updates and replaces document L/5640/Add.36/Rev.7.

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¹A copy of Guide to Import and Export Licensing Requirements (TL202) is available in English for consultation in the Secretariat (Office No. 3013).

1.A. IMPORT LICENSING SYSTEM FOR TEXTILES

Outline of System

1. Hong Kong maintains an import licensing system for textile imports from all sources. It functions as a surveillance system to back up Hong Kong's textiles export control system. The system is administered by the Trade Department of the Hong Kong Government. Importers are required to apply for a textile import licence to cover each consignment prior to the actual arrival of the goods, unless they have been registered under the Textiles Trader Registration Scheme and exempted from the import licensing requirements.

Purposes and Coverage of Licensing

2. The licensing system covers the importation of all textile products.
3. The system applies to textiles coming from all countries/territories.
4. The textiles import licensing system is not intended to restrict the quantity or value of imports, but to function as a surveillance system to back up Hong Kong's textiles export control system. It is supplemented by the Textiles Trader Registration Scheme under which registered textiles traders need only submit notifications completed by themselves, in lieu of licences issued by the Trade Department, to cover their imported consignments.
5. The textiles import licensing system is a statutory requirement maintained under the Import and Export Ordinance, Chapter 60 of the Laws of Hong Kong which also provides for registered textile traders to be exempted from certain licensing requirements. The legislation does not leave designation of products to be subjected to licensing to administrative discretion. The abolition of the textiles import licensing system requires legislative approval.

Procedures

6. Not applicable.
7. (a) A textiles importer should obtain an import licence prior to, but not more than, 28 days before the arrival of goods as a textiles import licence is valid for 28 days. Provided that there are no complications, a licence application so submitted to the Trade Department is approved two clear working days after the date upon which the application is received. Late applications i.e. after the goods in question have arrived, may be approved retrospectively subject to certain conditions being met.

A textiles trader registered under the Textiles Trader Registration Scheme may submit an import notification or a transshipment notification (if the goods are transshipment cargo) completed by himself, in lieu of an import licence, at the time of importation.
- (b) Expeditious issue of a licence may be granted in justified cases.
- (c) There are no limitations as to the period of the year during which licence applications may be made.
- (d) The Trade Department of the Hong Kong Government is the sole administrative organ regarding the processing and approval of textiles import licences.

8. An application for an import licence is normally granted if it meets the ordinary criteria. In the event of refusal to issue a licence, the reasons will be given, and the applicant may appeal to the Governor of Hong Kong by writing to the Chief Secretary of the Hong Kong Government.

Eligibility of Importers to Apply for Licence

9. All persons, firms and institutions are eligible to apply for textiles import licences. All importers, exporters, manufacturers, carriers and freight forwarders may apply to be registered under the Textiles Trader Registration Scheme. The registration fee is currently HK\$2,200 per annum.

For Special Import Licence (Textiles) covering imports of finished piece-knitted garments made from Hong Kong origin knit-to-shape panels assembled outside Hong Kong for eventual exportation to the United States, applicants must first be registered with the Trade Department under a special factory registration arrangement as a factory knitting knit-to-shape panels and/or manufacturing piece-knitted garments for export to the United States. An annual registration fee of HK\$1,813 is payable.

The are no published lists of authorized importers.

Documentational and Other Requirements for Application for Licence

10. For the application of textile import licence, the importer has to provide information on particulars of the importer, foreign exporters and details of the shipment.

Samples of Import Licence (Textiles) Form 7, Special Import Licence (Textiles) Form 8b, Form 8c and Form 8e, Import Notification (Textiles), and Transshipment Notification (Textiles) are attached (Appendix I).¹

No supporting documents are required for import licence applications (Form 7) submitted before the arrival of goods. For Special Import Licences, supporting documents such as the relevant special export licence or certificate of origin should be submitted together with the licence applications.

11. A valid textiles import licence or a completed import notification or transshipment notification is required upon actual importation.

12. The fee for an application for Import Licence (Textiles) Form 7, Special Import Licence Form 8b, 8c and 8e is HK\$31, to be paid in the form of adhesive or impressed postage stamps affixed or franked on the application. No fee is charged for the completion and submission of notifications.

13. No deposit or advance payment required.

Conditions of Licensing

14. A textiles import licence is valid for 28 days from the date of issue. The validity of a licence cannot be extended. The licence applicant should request for cancellation of the expired licence and apply for a new licence.

15. A textiles import licence not utilized within the validity period should be cancelled within one calendar month after expiry of the licence. Similarly, a licence should be submitted for amendment for short-shipment within one calendar month after the date of arrival of the goods. The Trade

¹Available for consultation in the Secretariat (Office No. 3013).

Department may take legal and/or administrative action against unreported short-shipment or non-utilization of licences.

16. Not transferable.

17. No.

Other Procedural Requirements

18. No.

19. No foreign exchange control.

1.B. IMPORT CONTROL ON ARMS AND AMMUNITIONS, RADIO TRANSMITTING EQUIPMENT, EXPLOSIVES AND STRATEGIC COMMODITIES

Outline of System

1. Import control on strategic commodities is primarily exercised by the Trade Department of the Hong Kong Government. However, several other Government departments are also involved in the system of import controls for products in their respective jurisdiction.

Purposes and Coverage of Licensing

2. Import licences are required for arms and ammunitions; radio transmitting equipment; explosives; and strategic commodities including nuclear materials, nuclear facilities and nuclear equipment, high-speed digital computers, high-capacity static RAM and EEPROM memory integrated circuits, high-capacity fibre optics communication systems, chemical weapon precursors and manufacturing facilities, certain biological agents and manufacturing facilities and articles for a use relating to nuclear, chemical or biological weapons.

3. The licensing system applies to goods originating in and coming from any territory.

4. The import licensing system on strategic commodities is not intended to restrict the quantity or value of imports. Instead, it is to monitor Hong Kong's access to high technology and in turn to protect Hong Kong's access to high technology products. Alternative method has been considered but not adopted because the existing licensing system is considered satisfactory.

5. The import licensing system is a statutory requirement maintained under respective Ordinances and their subsidiary legislations under the Laws of Hong Kong (see below). Legislations do not leave designation of products to be subject to licensing for administrative discretion. Any changes such as subjecting a new product to import licensing or removal of an existing product therefrom require legislative approval.

<u>Product</u>	<u>Relevant Ordinance</u>
Arms and ammunitions	: Firearms and Ammunition Ordinance, Cap. 238
Radio transmitting equipment	: Sections 8 and 9 of the Telecommunication Ordinance, Cap. 106

<u>Product</u>	<u>Relevant Ordinance</u>
Explosives	: Dangerous Goods (General) Regulations, Cap. 295
Strategic commodities (other than the above)	: Import and Export (Strategic Commodities) Regulations, Cap. 60

Procedures

6. Not applicable.
7. (a) Licence applications should be submitted in advance of importation taking into account the processing time required by Trade Department, which is at least three clear working days for import applications covering strategic commodities, and the processing time of the endorsing departments:
 - (i) Royal Hong Kong Police Force (for arms and ammunition): normally one-two working days for Limited Licence for Possession or to obtain the Full Dealer's Licence which requires 12 to 24 months.
 - (ii) Telecommunications Authority (for radio transmitting equipment): within 14 working days for Radio Dealer's Licence and one clear working day for Import Permit.
 - (iii) Marine Department (for direct transhipment of explosives in vessels): instantly.
- (b) Import licences can be obtained within a shorter time-limit on request when there are sufficient justifications. For strategic goods imported without a licence owing to inadvertency, an import licence can still be issued retrospectively provided that the following documents are submitted:
 - (i) a letter giving reasons for the late lodgement of the licence application. The letter should state whether or not the shipping, airline or transportation company has already released the goods for importation;
 - (ii) if the importer has not taken delivery of the goods, a written confirmation from the carrier company or its cargo agent; and
 - (iii) the relevant Bill(s) of Lading or Air Waybill(s).

A licence can be granted immediately on request only in exceptional cases where the applicant can give a reasonable excuse and/or provide evidence to support his claim.
- (c) There are no limitations as to period of the year during which application for licence and/or importation may be made.
- (d) Import licence applications concerning products in paragraph 7(a)(iii) above must be endorsed by the relevant government department before they could be considered. Applications would not be passed on to other organizations by Trade Department for approval or information under normal circumstances. However, for import applications concerning products in paragraph 7(a)(i) and (ii) above, the importer has to approach the relevant government department as well for legal possession of the subject products.

8. Import licence applications may be refused in cases where an international trade sanction on the exporting country is in force. The reason(s) for a refusal may be given to the applicant. An applicant has a right of appeal to the Governor of Hong Kong who may confirm, vary or reverse the decision of the Director-General of Trade. The appeal must be lodged with the Chief Secretary within 14 days from the date the importer was informed of the decision or within such further period as the Governor may allow in any particular cases by notice in writing. The right to appeal to the Governor is statutorily provided.

Eligibility of Importers to Apply for Licence

9. All firms and institutions are eligible to apply for import licences except under special circumstances where licensing facilities to them are denied owing to malpractices of the firm/institution or some other special reasons.

For the purpose of interference control, any person who imports or exports radio transmitting equipment is required to obtain a permit from the Telecommunications Authority unless he is a holder of a "Radio Dealers Licence" issued by the Telecommunications Authority to deal in the course of trade or business.

Documentational and Other Requirements for Application for Licence

10. A sample form is attached (Appendix II).¹ Catalogues/technical specifications of the products under application are to be submitted with the application for technical classification purpose. In case of late application concerning strategic commodities, the documents (i)-(iii) in paragraph 7(b) have also to be provided.

11. Only the import licence is needed upon actual importation.

12. No licensing fee is charged.

13. No deposit or advance payment required.

Conditions of Licensing

14. An import licence covering strategic commodities is valid for six months from the date of issue. The validity cannot be extended under normal circumstances.

15. No. Importers should however submit an unused licence to Trade Department for cancellation.

16. Not transferable.

17. The following condition is normally attached to the issue of an import licence concerning strategic commodities: "Diversion en route prohibited. Re-export not permitted except under and in accordance with an export licence issued by the Department" and "Conditions of issue: The goods are not to be used in relation to nuclear, biological or chemical weapons or missile capable of delivering these weapons".

Other Procedural Requirements

18. No other administrative procedures required.

¹Available for consultation in the Secretariat (Office No. 3013).

19. No foreign exchange controls.
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I.C. IMPORT CONTROL ON RICE, FROZEN MEAT AND POULTRY, PESTICIDES, PHARMACEUTICAL PRODUCTS AND MEDICINES, RADIOACTIVE SUBSTANCES AND IRRADIATING APPARATUS, OZONE DEPLETING SUBSTANCES AND GOODS FROM AREAS UNDER TRADE SANCTIONS

Outline of System

1. Licences are required for import of rice, frozen meat and poultry, pesticides, pharmaceutical products, and medicines, radioactive substances and irradiating apparatus and ozone depleting substances. All goods imported from Iraq, Serbia, Montenegro, the United Nations protected areas in Croatia, those areas of Bosnia-Herzegovina under the control of Bosnian Serb forces and Haiti are prohibited. These import controls are applied for safety, health and environmental protection reasons, for fulfilment of Hong Kong's international obligation. The control system is primarily operated by the Hong Kong Trade Department. Pesticides import licences are issued by the Agriculture and Fisheries Department under delegation from the Trade Department. However, endorsement from other government departments may be required for some of the products before an import licence is issued.

Purposes and Coverage of Import Control

2. Import licensing/control is intended for the following purposes:

<u>Products</u>	<u>Purpose of control</u>
(a) rice, frozen meat and frozen poultry	maintaining a reserve stock for emergency purposes
(b) pesticides	public health
(c) pharmaceutical products and medicines	public health
(d) radioactive substances and irradiating substances	public health
(e) ozone depleting substances	environmental protection
(f) ban on all goods imported from Iraq, Serbia, Montenegro, the United Nations protected areas in Croatia, those areas of Bosnia-Herzegovina under the control of Bosnian Serb forces and Haiti	international trade sanctions

3. The system applies to products coming from all countries except items (e) and (f) of paragraph 2 above. For item (e), all imports of ozone depleting substances from non-parties to the Montreal Protocol are banned. All imports of halons for local consumption has been banned since 1 January 1994. For item (f), all imports from the following areas are banned under the following legislation or authorization:

<u>Countries</u>	<u>Legislation/Authorization</u>
(i) Iraq	Iraq and Kuwait (United Nations Sanctions) (Dependent Territories) Order 1990
(ii) Serbia and Montenegro	Serbia and Montenegro (United Nations Sanctions) (Dependent Territories) Order 1992
(iii) The United Nations protected areas in Croatia and those areas of Bosnia-Herzegovina under the control of Bosnian Serb forces	Import and Export (General) Regulations (Amendment of Schedules) Order 1993 in conjunction with the Serbia and Montenegro (United Nations Sanctions) (Dependent Territories) Order 1993
(iv) Haiti	Haiti (United Nations Sanctions) (Dependent Territories) Order 1994

4. The principal objective of the import licensing system is not to restrict the quantity or value of imports, but for purposes set out in paragraph 2 above. However, a quantitative limit is imposed for imports of rice and ozone depleting substances to ensure:

- | | |
|--------------------------------------|--|
| (a) (for rice) | - regular and adequate supply and to provide a reserve stock for emergency situations; and |
| (b) (for ozone depleting substances) | - that the amount of ozone depleting substances retained for local consumption does not exceed levels agreed under Montreal Protocol on Substances that Deplete the Ozone Layer. |

5. The import licensing system is a statutory requirement maintained under respective Ordinances under the Laws of Hong Kong (see below). Legislations do not leave designation of product to be subjected to licensing to administrative discretion. Any changes such as subjecting a new product to import licensing or removal of an existing product therefrom require legislative approval.

<u>Product</u>	<u>Relevant Ordinance</u>
Rice:	Reserved Commodities Ordinance, Cap. 296
Frozen meat and poultry:	Reserved Commodities Ordinance, Cap. 296
Pesticides:	Pesticides Ordinance, Cap. 133 Import and Export (General) Regulations, Import and Export Ordinance, Cap. 60
Pharmaceutical products and medicines:	Pharmacy and Poisons Ordinance, Cap. 138 Import and Export (General) Regulations, Import and Export Ordinance, Cap. 60

Product

Relevant Ordinance

Ozone depleting substances:

Ozone Layer Protection Ordinance, Cap. 403

Radioactive substances and irradiating apparatus:

Import (Radiation) (Prohibition) Regulations,
Import and Export Ordinance, Cap. 60

Procedures

- e 6. Only the importation of rice and ozone depleting substances are subject to quantitative restriction:

A. Rice

- I. The Trade Department answers enquiries on all information on the import licensing of rice, including that concerning allocation of quotas and formalities of filing applications for licences.
- II. The size of quotas is calculated to be able to meet the level of demand which is adjusted quarterly.
- III. Import licences are issued to registered rice importers, none of whom is a domestic producer of rice. In accordance with the objective of ensuring an adequate supply of rice to Hong Kong, the importers are obliged to import rice in accordance with quotas allocated to them and thus there would not be any unused allocation. Information on the names of importers is given to the public on request. Such information would similarly be given to the governments and export promotion bodies of exporting countries upon request.
- IV. After announcement of the quarterly rice quota, applications for import licences may be submitted immediately until the applicant's quarterly quota is fully utilized.
- V. Import licences for rice are issued in one clear working day.
- VI. The importers can have their licences issued immediately before the commencement of the quarterly period. Accordingly they can use the full quarterly period for the importation of rice.
- VII. Import licences for rice are handled singly by Trade Department.
- VIII. Licences are issued to registered importers only. Normally, there is no provision for new importers.
- IX.-XI. Not applicable.

B. Ozone depleting substances

- I. Invitation for quota applications is issued through Gazette notification and press release. Letters are also sent to potential importers reminding them of the event. Descriptions of the licensing and quota systems are published in guidebooks which are available

to the general public free of charge. Information on the total amount of quotas is available in the form of information leaflets upon request.

- II. The size of quotas is determined on a 12-month basis. Licences are issued to registered companies on individual consignment basis.
 - III. The Government will closely monitor the utilization of quotas and licences. Unused allocations will not be added to quotas for the succeeding control period because the maximum level for each control period is fixed. A list of quota holders is available upon request.
 - IV. Submission of applications for licences may be made at any time. However, applications for imports of CFCs and methyl chloroform for local use will only be considered if the applicants have enough valid quotas for the relevant control period.
 - V. Import licences are normally issued in two clear working days.
 - VI. The current control period for ozone depleting substances is from 1 January to 31 December 1994. To facilitate imports at the beginning of the following control period, the Trade Department will provide licensing service one week prior to the expiry of the current control period.
 - VII. Importers only need to approach the Trade Department for registration and application and issue of licences.
 - VIII. Quotas are allocated to importers with regard to their performance in the previous control period. Free quotas for ozone depleting substances, where applicable, are allocated during the control period to cater for new importers or additional import demands. A point system, which takes into consideration past records of individual importers, their incentive of using recycling equipment as well as the local demand for ozone depleting substances, are also used to determine the amount to be allocated to the applicants. New importers can also procure the quotas through quota transfer from the existing quota holders.
 - IX. Not applicable.
 - X. Not applicable.
 - XI. In the case of import for re-export where quotas are not required, import licences will be issued on condition that the goods will have to be exported.
7. (a) Application for import licences should be submitted in advance of importation taking into account the processing time. The processing time includes the processing time by the Trade Department and for pesticides import licences, the Agriculture and Fisheries Department, which is one clear working day for items 2(a), (b), (c) and (d) above and two clear working days for item (e), and the processing time of the endorsing departments (see (d) below) which is as follows:
- | | |
|---|-----------------|
| Department of Health (for pharmaceutical products and medicine) | one working day |
|---|-----------------|
- (b) In exceptional cases, a licence can be granted immediately on request.

- (c) There are no limitations as to the period of the year during which application for licence and/or importation may be made.
- (d) Import licences for pharmaceutical products and medicine must be endorsed by the Department of Health as indicated in sub-paragraph (a) above. The importer has to approach the department himself for the endorsement of the licence.

8. Under normal circumstances, an application for an import licence is usually granted if it meets the ordinary criteria. In the event of refusal, the reasons will be given. Applicants may appeal to the Governor of Hong Kong in the event of refusal to issue an import licence. The Governor of Hong Kong may confirm, vary or reverse the decision of the Director-General of Trade. The right to appeal to the Governor is statutorily provided.

Eligibility of Importers to Apply for Licence

- 9.
- (a) For rice, frozen meat and frozen poultry, a company is required to be registered with the Trade Department first before it can apply for an import licence. With the exception of rice, registration is open to all business enterprises dealing in trade in other reserved commodities like frozen meat and frozen poultry. At present no fee is charged for the registration. An up-to-date list of registered importers is maintained by the Department for inspection by the public at a fee of HK\$5.
 - (b) For ozone depleting substances, a company is required to register with the Trade Department before it can apply for an import licence. Registration is open to all companies on payment of a fee of HK\$1,505. A list of registered importers is available on request.
 - (c) For pharmaceutical products, only those products which have been registered with the Pharmacy and Poisons Board are allowed to be imported for the purpose of local sale or distribution. A company is required to hold an appropriate dealer's licence issued by the Pharmacy and Poisons Board before it can apply for an import licence. Application for the dealer's licence is open to all business enterprises dealing in pharmaceutical products and medicines. A fee is charged for the licence. There is no published list of licensed importers.
 - (d) For pesticides, a company is required to hold an appropriate pesticides licence/permit issued by the Agriculture and Fisheries Department before it can apply for an import licence except where the pesticide is being imported on a valid through bill of lading. If imported on such a bill of lading, no pesticides licence/permit is required. Application for a pesticides licence/permit is open to all business enterprises wishing to deal in pesticides. A fee is charged for the licence/permit. There is no published list of licensed/permitted importers.

Documentational and Other Requirements for Application for Licence

10. Information to be supplied includes particulars of the importer, of the importation and of the products to be imported. Certain documents are also required to support licence applications of the following products:

<u>Item</u>	<u>Documents</u>
(a) Rice for local consumption subject to quantitative requirement	Contract between buyer and seller

<u>Item</u>	<u>Documents</u>
(b) Frozen meat and poultry	Health certificate issued by the recognized authority of the exporting country concerned or by specific prior approval from the Department of Health
(c) Radioactive substances and irradiating apparatus	A copy of the radioactive substances licence or irradiating apparatus licence as appropriate issued by the Radiation Board, Department of Health
(d) Pharmaceutical products	Endorsement from the Pharmacy and Poisons Board
(e) Pesticides	A pesticides licence or pesticides permit issued by the Agriculture and Fisheries Department authorizing the importer to trade in pesticides <u>or</u> a valid through bill of lading

11. The import licence is the only document required by the Government on actual importation.

12. Apart from applications covering ozone depleting substances, no licensing fee is required for import licence applications. For ozone depleting substances import licence, a fee of HK\$755 is charged on the issue of a licence. The price of non-textiles import licence forms is HK\$21 per pad.

13. No deposit or advance payment required.

Conditions of Licensing

14. An import licence is valid for 28 days for ozone depleting substances, six weeks for reserved commodities and six months for the other products listed in paragraph 2. The period of validity can be extended by the Director-General of Trade depending on the merits of individual requests.

15. No. Importers should however cancel or amend the licences.

16. Not transferable.

17. (a) Apart from the licensing conditions printed on the back of the import licence (Appendix III)¹, conditions set out in Appendix IV¹ are applicable to rice and ozone depleting substances which are subject to quantitative restriction.

(b) Apart from the licensing conditions printed on the import licence (Appendix V)¹, the conditions set out in Appendix VI¹ are applicable to frozen meat and poultry which are not subject to quantitative restriction.

¹Available for consultation in the Secretariat (Office No. 3013).

Other Procedural Requirements

18. No.
19. No foreign exchange controls.

2.A. IMPORT LICENSING SYSTEM FOR DUTIABLE COMMODITIES

Outline of System

1. The import of dutiable commodities (tobacco, liquors, methyl alcohol and hydrocarbon oil) are controlled through (i) licensing of importers and (ii) issuing of removal permits. An importer has to be licensed with the Customs and Excise Department before he can apply for removal permit for import of dutiable commodities. The purpose of the licensing system is to protect the excise duty imposed on the dutiable commodities and to collect the excise duty.

Purposes and Coverage of Licensing

2. Removal permit is issued to licensed importer by Customs and Excise Department to control the import and movement of dutiable commodities.
3. The system applies to dutiable commodities coming from all countries.
4. The import licensing system is not intended to restrict the quantity nor the value of import, but to protect and collect the excise duty imposed on the dutiable commodities. The existing licensing system is deemed satisfactory and no alternative method has been considered.
5. Import licences and removal permits are statutorily required under the Dutiable Commodities Ordinance, Chapter 109. Legislation does not leave designation of products to be subjected to licensing to administrative discretion. Legislative approval is required should there be any change in existing system.

Procedures

6. Not applicable.
7.
 - (a) Application for removal permit from a licensed importer should be submitted in advance of importation taking into account of the processing time. For an application for an importer to be licensed, the normal processing time is fourteen working days. For the issue of a removal permit to a licensed importer, it would require two working days.
 - (b) A licence cannot be granted immediately on request because of the time required to process the application.
 - (c) There is no limitation of time during the year on the application for licence and/or importation.
 - (d) Yes, the import licence and removal permit are issued by the Customs and Excise Department only. It is not necessary for the applications to be passed on to other departments or organs for visa, note or approval. The importer is only required

to apply for the import licence and removal permit from the Customs and Excise Department.

8. Application for an importer to be licensed will normally be granted provided the ordinary criteria are met. In case an application is refused, the reason for the refusal will be given to the applicant. An applicant has the right to appeal to Governor in Council against the decision of refusal to grant an import licence or a removal permit by the Commissioner of Customs and Excise.

Eligibility of Importers to Apply for Licence

9. All persons, firms and institutions are eligible to apply to be licensed by the Customs and Excise Department.

Documentational and Other Requirements for Application for Licence

10. For the application of an importer to be licensed, information including particulars of the applicant and the proposed licensed premises have to be provided. For the application of a removal permit, commercial documents relating to the dutiable commodities have to be provided. Samples of Application form, licence and removal permits are at Appendices VII, VIII and IX respectively.¹

11. A removal permit is required upon actual importation of the dutiable commodities. In relation to import of liquors, a certificate of age may be required.

12. The administrative charge for an import licence is HK\$500 for each year and the issue of the removal permit is free of charge.

13. No deposit or advance payment required.

Conditions of Licensing

14. The import licence for dutiable commodities is valid for one year which can be renewed upon application on a yearly basis.

15. No. Licensed importer should however cancel or apply to amend the removal permit.

16. Not transferable between importers.

17. No other conditions attached to the licence.

Other Procedural Requirements

18. No other administrative/procedural requirements prior to importation.

19. No foreign exchange control.

¹Available for consultation in the Secretariat (Office No. 3013).

2.B. IMPORT LICENSING SYSTEM FOR ACETYLATED SUBSTANCE

Outline of System

1. The import of acetylated substance is controlled through (i) licensing of dealers and (ii) issuing of import authorization. A dealer has to be licensed with the Customs and Excise Department before he can apply for an import authorization to import the acetylated substances. The purpose of controlling the import of acetylated substances is to suppress the illegal use of acetylated substances for the manufacture of dangerous drugs.

Purposes and Coverage of Licensing

2. Import authorization is issued to licensed dealers by Customs and Excise Department to regulate the import of acetylated substances.

3. The system applies to acetylated substances coming from all countries.

4. The import licensing system is not intended to restrict the quantity nor the value of import, but to control the illegal use of acetylated substances for the manufacture of dangerous drugs. The extant licensing system is deemed satisfactory and no alternative method has been considered.

5. Dealer licences and import authorizations are statutorily required under the Acetylated Substance (Control) Ordinance, Chapter 145. Legislation does not leave designation of products to be subjected to licensing to administrative discretion. Legislative approval is required should there be any change in the existing system.

Procedures

6. Not applicable.

7. (a) Application for import authorization should be submitted in advance of importation taking into account the processing time. For an application from a dealer to be licensed, the normal processing time would require 14 days. For the issue of an import authorization to a licensed dealer, it would require four working days.

(b) A licence cannot be granted immediately on request because of the time required to process the application.

(c) There is no limitation of time during the year on the application for licence and/or importation.

(d) Yes, the dealer licence and import authorization are issued by the Customs and Excise Department. It is not necessary for the applications to be passed on to other departments or organs for visa, note or approval. The importer is only required to apply for the dealer licence and import authorization from the Customs and Excise Department.

8. Application for a dealer to be licensed will normally be granted provided the ordinary criteria such as safety standards of the storage place are met. In case the application is refused, the reason for the refusal will be given to the applicant. An applicant has right to appeal to Governor in Council against the decision of refusal to grant a dealer licence or an import authorization by the Commissioner of Customs and Excise.

Eligibility of Importers to Apply for Licence

9. All persons, firms and institutions are eligible to apply to be licensed by the Customs and Excise Department.

Documentational and Other Requirements for Application for Licence

10. For the application of a dealer to be licensed, information including particulars of the dealer, premises of storage, etc. have to be provided. For the application of an import authorization, commercial documents relating to the import of acetylating substances have to be provided. Samples of Application forms for import licence and authorization are at Appendices X and XI respectively.¹

11. The import authorization is the only document required by the government upon actual importation.

12. The administrative charge for a dealer licence is HK\$100 for each year and import authorization is issued free of charge.

13. No deposit or advance payment is required.

Conditions of Licensing

14. The licence for an acetylating substance dealer is valid for one year which can be renewed upon application on yearly basis.

15. No. Licensed dealers should however cancel or amend the import authorization.

16. Not transferable between importers.

17. No other conditions attached to the licence.

Other Procedural Requirements

18. No other administrative/procedural requirements prior to importation.

19. No foreign exchange control.

3. IMPORT CONTROL SYSTEM FOR SAND

Outline of System

1. A permit to transport sand in Hong Kong is required under the Sand Ordinance. The permit system is to protect the beaches and seabed in Hong Kong. Permits are issued by the Civil Engineering Department (CED).

¹Available for consultation in the Secretariat (Office No. 3013).

Purposes and Coverage of Permits

2. Permits issued by CED are required for the importation of sand in excess of 100 kg.
3. The system applies to natural sand imported from all countries. Processed sand and washed sands are not covered by the Ordinance.
4. The permit system is not intended to restrict the quantity or value of imports but to provide a mechanism to enable the protection of beaches and seabed in Hong Kong.
5. The permit system is statutorily required under Section 3 of the Sand Ordinance, Cap. 147. Any changes to the permit system will require legislative approval.

Procedures

6. Not applicable.
7.
 - (a) Permits to import sand are issued upon written application. Permit application should be submitted in advance of importation taking into account the processing time which takes a few days.
 - (b) In exceptional cases, a permit can be granted immediately upon written request.
 - (c) There are no limitations as to the period of the year during which permit applications may be made.
 - (d) CED is the sole administrative organ regarding the processing and approval of applications for a permit.
8. Applications for a permit will not be refused if the ordinary criteria are met. Reasons for refusal will be given to applicant in case of unsuccessful application.

Eligibility of Importers to Apply for Licence

9. All persons or import companies are eligible to apply for sand permits. There is no registration fee. There is no published list of authorized importers.

Documentational and Other Requirements for Application for Licence

10. Information required relates to source, quantity and destination (see Appendix XII).¹
11. Proof of valid vehicular or vessel licence.
12. No fees are charged for sand permits.
13. No deposit or advance payment is required.

¹Available for consultation in the Secretariat (Office No. 3013).

Conditions of Licensing

14. Permits are valid for six months. This period can be extended upon application. A new permit will be issued.
15. There is no penalty for the non-utilization of a permit.
16. Permits are issued for a particular vehicle or vessel which could be used by different importers.
17. There are no other conditions attached to the issuance of a permit other than proof of a valid vehicular or vessel licence.

Other Procedural Requirements

18. PRC river trade cargo vessels engaging in importation of sand from China are required to be registered through a local shipping agent with Harbour Control Section of the Immigration Department prior to importation.
 19. No foreign exchange controls.
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4.A. IMPORT CONTROL ON PLANTS, PLANT PESTS AND SOIL

Outline of System

1. Import Licences, supported by phytosanitary certificates, are required for import of plants. Prior authorizations are required for import of plant pest or soil.

The plant quarantine requirements are framed under the Plant (Importation and Pest Control) Ordinance (Cap. 207) administered by the Agriculture and Fisheries Department. All principles and procedures are based on the Plant Protection Agreement for the Asia and Pacific Region and the International Plant Protection Convention.

Purposes and Coverage of Licensing

2. For import of plant, a Plant Import licence (PIL) issued by the Agriculture and Fisheries Department is required. "Plant" includes timber, trees, shrubs, leaves, roots, flowers, fruits, tubers, bulbs, corns, stocks, cuttings, layers, slips, suckers, seeds, and any part of a plant whether or not intended for growing, planting or propagation or from which further plants may be grown, planted or propagated.

For import of plant pest or soil, an authorization in writing (AIW) issued by the Director of Agriculture and Fisheries is required. "Plant pest" means any bacterium, fungus, virus, mycoplasma, mycoplasma-like organism, alga, viroid or other plant or any invertebrate animal which is capable of being injurious or destructive to plants. "Soil" includes earth, sand, clay and peat.

3. PIL and AIW apply to plants originating in and coming from all countries. The only exception is the exemption of PIL for plants imported from China.

4. Neither PIL nor AIW is intended for restricting the quantity or value of imports. The sole purpose is to establish an effective means for plant quarantine to prevent the spread of plant pest in compliance with the recommendations of the Plant Protection Agreement for the Asia and Pacific Region.

5. PIL and AIW are statutory instruments under the Plant (Importation and Pest Control) Ordinance, Chapter 207 of the Laws of Hong Kong. Legislation does not leave designation of plant to be subjected to licensing to administrative discretion. It is not possible for government to abolish the system without legislative approval.

Procedures

6. Not applicable.

7. (a) Application for PIL or AIW should be submitted in advance of importation. It should be taken into account that processing of applications takes two clear working days.

(b) PIL only, but not AIW, can be granted immediately on request when there is a genuine need under exceptional cases.

(c) There are no limitations as to the period of the year during which application for importation to be made.

(d) Both PIL and AIW are administered by the Agriculture and Fisheries Department. No other administrative body is involved.

8. Application of PIL and AIW will not be refused if the ordinary criteria are met. The reasons for any refusal are always given to the applicant who has the right to appeal to the Hong Kong Governor by notice in writing within 14 days from the date when he was informed of the decision.

Eligibility of Importers to Apply for Licence

9. All persons, firms and institutions are eligible to apply for PIL and AIW without any pre-conditional requirement.

Documentational and Other Requirements for Application for Licence

10. The required information is outlined in the sample application form for PIL attached (Appendix XIII).¹ The additional requirement for AIW is a written justification for the importation.

11. Upon actual importation, all First Schedule (Part I) plants and *Gossypium* spp. must be accompanied by a PIL, a valid phytosanitary certificate (PSC) and certificate of fumigation/disinfection (CF/D) issued by the exporting country or else the consignment will be seized for destruction. For all other plants, only PIL and PSC are required.

¹Available for consultation in the Secretariat (Office No. 3013).

Actual importation of plant pest or soil requires AIW and other documents, usually PSC and CF/D stated on the AIW as special conditions for the authorization.

12. No fee is charged for PIL and AIW.
13. No deposit or advance payment required.

Conditions of Licensing

14. The validity for both PIL and AIW is two months.
15. There is no penalty for non-utilization of PIL or AIW.
16. Neither PIL nor AIW is transferable.
17. (a) Not applicable.
(b) There may be special quarantine requirements attached to the PIL and AIW. The conditions are based on the principles and procedures recommended by the Asia and Pacific Plant Protection Commission.

Other Procedural Requirements

18. No.
 19. Not applicable.
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4.B. IMPORT LICENSING SYSTEM FOR ENDANGERED SPECIES OF ANIMALS AND PLANTS

Outline of System

1. Import licences are required for import of endangered species of animals and plants, whether alive, dead, stuffed specimen, parts for derivatives. The licensing system basically is meant to protect endangered species and to prevent their over exploitation in accordance with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) also known as Washington Convention.

Purposes and Coverage of Licensing

2. Import licences issued by the Agriculture and Fisheries Department are required for the import of animals and plants listed in CITES Appendices, (including their readily recognizable parts and derivatives) and medicines containing or claiming to contain tiger or rhino ingredients.
3. The import licensing requirement applies to traders as well as individuals importing these items from all countries.
4. The import licensing system is not used to restrict the quantity or value of imports, but to protect endangered species and to prevent their over exploitation.

5. The import licensing system is a statutory requirement maintained under Chapter 187 of the Laws of Hong Kong which gives effect to the CITES. Legislation does not leave designation of the items to be subjected to licensing to administrative direction. Any changes require legislative approval.

Procedures

6. Not applicable.
7. (a) Application for import licences should be submitted well in advance of importation (at least five working days or more depending on complexity). However, the issue of a licence is not automatic and shipments should not be effected unless and until the licence has been issued.
- (b) Normally an import licence cannot be granted immediately upon request.
- (c) There are no limitations as to the period of the year during which application for licence and/or importation may be made.
- (d) Agriculture and Fisheries Department is the sole authority in considering endangered species aspects but all applications for import licences have to be supported by CITES export permits issued by the exporting countries.

Moreover, CITES Secretariat or the CITES authority of exporting countries may have to be consulted in certain applications.

8. Licensing policy follows closely the provisions and spirit of CITES. Any applicant aggrieved by the refusal of a licence may appeal by way of petition to the Governor.

Eligibility of Importers to Apply for Licence

9. Endangered species: any person who can fulfil the CITES requirements may submit their applications.

Documentational and Other Requirements for Application for Licence

10. The required information is summarized in the sample application form attached at Appendix XIV¹. With respect to live specimens, controls of and requirements for import of live animals and plants also apply.

11. Import licence issued by The Agriculture and Fisheries Department together with original of the CITES Export Permit issued by the exporting country are required upon actual importation.

12. The current licence fees are as follows:

- | | | |
|-----|---|---------|
| (a) | Import Licence for live animals | HK\$330 |
| (b) | Import Licences for animals/plant parts | HK\$110 |

13. No.

¹Available for consultation in the Secretariat (Office No. 3013).

Conditions of Licensing

14. The Import Licences are normally valid for three months or less. The validity of a licence can be extended provided that the licensee submits an application and gives satisfactory justification to the Director of Agriculture and Fisheries before its expiry.

15. No.

16. Not transferable.

17. Yes.

Other Procedural Requirements

18. No.

19. Not applicable.

4.C. IMPORT CONTROLS OF LIVE ANIMALS

Outline of System

1. A special permit is required for all live animals and birds imported into Hong Kong. Such animals or birds must be sent into Hong Kong as manifest cargo. The system aims to protect public health and animal health; to provide for public safety and animal welfare; and to prevent cruelty to animals.

Purposes and Coverage of Licensing

2. A special permit issued by the Agriculture and Fisheries Department is required for the import of animals or birds.

3. The system applies to any person bringing any animal or bird into Hong Kong, except that non-CITES birds imported directly from China are excluded from the system.

4. The special permit is not used to restrict the quantity or value of imports, but to ensure public health, animal health and animal welfare.

5. The special permit system is a statutory requirement either under Chapter 139 and/or Chapter 421 with linkage to Chapter 169 of the Laws of Hong Kong. Legislation does not leave designation of the items to be subjected to licensing to administrative direction. Any changes require legislative approval.

Procedures

6. Not applicable.

7. (a) Application for a special permit should be submitted well in advance of importation (at least five working days). Flexibility can be given in unforeseen

circumstances. However, the granting of a special permit is not automatic and importation must not be arranged unless a permit is obtained in advance.

- (b) Depending on circumstance a special permit can be granted immediately on request.
- (c) There are no limitations as to the period of the year during which application for licence and/or importation may be made.
- (d) The Agriculture and Fisheries Department has the sole authority to grant special permits subject to full compliance with requirements.

8. Applications may be rejected or refused if requirements cannot be met. The refused applicant may appeal to the Governor in Council.

Eligibility of Importers to Apply for Licence

9. Any person may submit an application.

Documentational and Other Requirements for Application for Licence

10. The required information is summarized in the sample application form attached (Appendix XV)¹.

11. A special permit issued by the Agriculture and Fisheries Department together with original health certificate from the exporting country and Captain's Affidavit/Airline Certification are required to be produced upon animal arrival.

12. The current fee for special permits is enclosed in the attached Schedule copy (Appendix XVI)¹.

13. Fee must be paid upon application.

Conditions of Licensing

14. A special permit is valid for three months. Permits for regular importers of livestock and exotic animals into Hong Kong from China are valid for six months. The validity of permits may be extended for a month upon application at a fee of HK\$125.

15. No.

16. Not transferable.

17. Yes, varying upon the type of animal and country of origin.

Other Procedural Requirements

18. No.

19. Not applicable.

¹Available for consultation in the Secretariat (Office No. 3013).