Capacity Building Workshop on Quantitative Restrictions

- Experience Sharing on Hong Kong, China’s Internal Coordination

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April 2018
Outline

- Brief Introduction to HKC’s Notification of Quantitative Restrictions (QRs)
- Challenges Faced and Tips For Coordination
- Example of Coordination Exercise for Notification of QRs
Brief Introduction to HKC’s Notification of Quantitative Restrictions (QRs)

- **What**
  - In principle all QRs should be notified, including export and import restrictions, as well as seasonal ones
    (e.g. prohibitions, global quotas, non-automatic licensing)

- **Who**
  - Involving:
    - Authorities which have policy purview / enforcing QRs
    - Customs authorities/the Census and Statistics Department

- **Where**
  - Existing measure / regulations; also new initiative or Government policies
  - International organizations (e.g. the ITC, UNCTAD, the World Bank, and the OECD)

Source: JOB/MA/101
Brief Introduction to HKC’s Notification of Quantitative Restrictions (QRs)

**When**
- Complete notifications of all quantitative restrictions in force - two yearly intervals in 2012, 2014 and 2016
- Notification of changes - as soon as possible, but not later than six months from their entry into force

QR notification procedures give Members the right to notify, at any time, corrections to their own notifications.

**How**
- Notify QRs using agreed formats and provided to the Secretariat in electronic form

Source: JOB/MA/101
Challenges in Coordinating Notifications of QRs

- Unaware of new QRs implemented by other departments / bureaux
- Difficult to judge if a measure is classified as a QR
- Difficult to identify and set out all relevant HS codes for some products in the notification
- Difficult to identify the most suitable provision as the justification for a QR
Tips for Coordination

- Keep abreast of governmental policies or new initiatives of regulation which may be related to QRs
- Set up contact mechanism (e.g. point of contact) for exchange of information
- Provide background information of QRs to different authorities so as to cultivate their understanding
- Regular consultation with different authorities for their existing policies / measures
Example of Coordination Exercise for Notification of QRs

Mechanism:

- Review the existing policy and measures and list out the QRs involved
- Identify relevant authority and the contact point
- Consult the relevant authority for their input/comment
- Consolidate a return which is in the agreed format
- Submission to WTO Secretariat
Example: Prohibition of the import and transhipment of asbestos and asbestos containing materials

- Import, transshipment, supply and use of all forms of asbestos and asbestos containing materials are banned in HKC.
Elements considered during the coordination

- **QR involved?**
  - Yes (Import Ban)

- **Type of items?**
  - Asbestos and asbestos containing materials

- **Ordinance for the control?**
  - Air Pollution Control (Amendment) Ordinance

- **Responsible Authority?**
  - Environment Protection Department

- Include in QRs notification
- Identify the HS codes
- Include in the notification
- Invite for comment
Completion of the QRs Notification after gathering information

<table>
<thead>
<tr>
<th>QR No.</th>
<th>General description of the restriction</th>
<th>Type of restriction (Symbol in Annex 2 of the Decision)</th>
<th>Tariff line code(s) affected, based on HS2012</th>
<th>Detailed Product Description</th>
<th>WTO Justification (e.g. Article XX(g) of the GATT, etc.) and Grounds for Restriction, e.g., Other International Commitments (e.g., Montreal Protocol, CITES, etc.)</th>
<th>National legal basis and entry into force (i.e. Law, regulation or administrative decision)</th>
<th>Administration, modification of previously notified measures, and other comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>Prohibition of the import and transhipment of asbestos and asbestos containing materials</td>
<td>CP 25241000 25249010 25249020 25249090 68114010 68114090 68115000 68129110 68129190 68129210 68129290 68129310 68129390 68129910 68129990 68132010 68132090</td>
<td>Asbestos and asbestos containing materials, except for goods in transit, registered proprietary Chinese medicine or other exempted articles</td>
<td>Article XX(b) of the GATT 1994</td>
<td>Air Pollution Control Ordinance, Cap. 311 Date of entry into force: 4 April 2014</td>
<td>The restriction is administered through a prohibition on import of and transhipment of asbestos and asbestos containing materials, except for goods in transit, registered proprietary Chinese medicine or other exempted articles on an MFN basis to protect human health.</td>
<td></td>
</tr>
</tbody>
</table>
Thank you

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