

REVISED

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LEGISLATIVE COUNCIL BRIEF

Import and Export Ordinance

(Chapter 60)

IMPORT AND EXPORT (FEES) (AMENDMENT) REGULATION 2003

INTRODUCTION

At the meeting of the Executive Council on 11 November 2003, the Council ADVISED and the Acting Chief Executive ORDERED that, under section 31(1)(x) of the Import and Export Ordinance, the Import and Export (Fees) (Amendment) Regulation 2003 at Annex A should be made.

A

JUSTIFICATIONS

2. A Textiles Controls Registration (TCR) is a prerequisite for traders receiving quota allocations or using quotas for export of textiles products to countries with quantitative restrictions on imports from Hong Kong. Under the Import and Export (Fees) Regulations (the Fees Regulations), an annual fee is charged for TCR. The registration is valid for 12 months.

3. Pursuant to the World Trade Organisation (WTO) Agreement on Textiles and Clothing, all textiles exports from Hong Kong and all other members of the WTO will no longer be subject to quota restraint starting 1 January 2005. Without quotas, all TCRs will lapse after 31 December 2004. As a result, TCRs which commence or will be renewed after 1 January 2004 will only be valid for less than 12 months when they end on 31 December 2004. It is necessary to amend the Fees Regulations to enable the collection of pro-rata registration fees on a monthly basis.

THE REGULATION

4. The main provisions are –
- (a) adding new Regulation 2(3A) to enable the Director* to collect pro-rata registration fees calculated according to the number of months of validity for those TCRs where the registration will end on 31 December 2004 and the duration of the registration will be less than 12 months; and
 - (b) consequentially, amending Regulation 2(4) to apply the calculation method of pro-rata registration fees to Regulation 2(3A).

B The existing provisions being amended are at Annex B.

LEGISLATIVE TIMETABLE

5. The Regulation will be tabled at the Legislative Council on 19 November 2003.

IMPLICATIONS OF THE PROPOSAL

- C 6. The proposal has financial and economic implications as set out at Annex C. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It has no civil service, productivity, environmental or sustainability implications, and will not affect the binding effect of the Fees Regulations.

PUBLIC CONSULTATION

7. The proposed amendments are straightforward and involve mainly administrative changes in the calculation of registration fees payable for those TCRs valid for less than 12 months. It is considered that public consultation is not necessary.

* Note Under the Import and Export Ordinance, “Director” means the Director-General of Trade and Industry and, except where the expression “Director-General of Trade and Industry” is used, any Deputy or Assistant Director-General of Trade and Industry.

PUBLICITY

8. The Regulation will be published in the Gazette on 14 November 2003. Trade and Industry Department (TID) will announce the new arrangements in trade circulars later and inform the concerned TCR registrants upon the renewal of their registrations. The new arrangements will also be detailed on TID's web portal. A spokesman will be available for answering media enquiries.

ENQUIRIES

9. For any enquiries on this brief, please contact Miss Charmaine LEE, Assistant Director-General, Trade and Industry Department at 2398 5138.

Trade and Industry Department
12 November 2003

**IMPORT AND EXPORT (FEES)
(AMENDMENT) REGULATION 2003**

ANNEXES

- Annex A - The Regulation

- Annex B - Extracts of the relevant provisions of Import and Export (Fees) Regulations (Cap. 60 sub. leg.)

- Annex C - Financial and Economic Implications

IMPORT AND EXPORT (FEES) (AMENDMENT) REGULATION 2003

(Made by the Chief Executive in Council under section 31 of the Import and Export Ordinance (Cap. 60))

1. Commencement

This Regulation shall come into operation on a day to be appointed by the Director-General of Trade and Industry by notice published in the Gazette.

2. Prescribed fees and manner of payment

Regulation 2 of the Import and Export (Fees) Regulations (Cap. 60 sub. leg. B) is amended -

(a) by adding -

"(3A) The fee to be collected by the Director in respect of registration of a person for textile controls purposes for a period of less than 12 months ending on 31 December 2004 shall be a fee of an amount pro rata to the annual fee under item 3 of the Schedule and calculated according to the number of months in the period.";

(b) in paragraph (4), by adding "or (3A)" after "paragraph (3)".

Clerk to the Executive Council

COUNCIL CHAMBER

Explanatory Note

This Regulation provides for the collection of a pro rata registration fee in the case of registration of a person for textile controls purposes for a period of less than 12 months ending on 31 December 2004.

▼	Chapter:	60B	Title:	IMPORT AND EXPORT (FEES) REGULATIONS	Gazette Number:	L.N. 170 of 2001
	Regulation:	2	Heading:	Prescribed fees and manner of payment	Version Date:	13/07/2001

(1) The fees specified in the third column of the schedule shall be the fees to be collected by the Director in respect of the matters specified in the second column of the schedule. (L.N. 388 of 1983)

(2) The fees set out in items 1(c), 4(a) and 14 of the Schedule shall be paid-

- (a) where the application or lodgement is made on paper-
- (i) in cash or through a payment system known as the Easy Pay System provided by the Electronic Payment Services Company (HK) Limited; or
 - (ii) in the form of adhesive postage stamps or impressed postage stamps of the total value indicated in that item affixed or franked, as the case may be, on the application or production notification; or (L.N. 128 of 2001)
- (b) where the application or lodgement is made using services provided by a specified body, in the manner agreed by the Government and the specified body. (L.N. 81 of 1975; L.N. 258 of 1982; L.N. 543 of 1995)

(3) The Director may collect fees for items 3, 12 and 13 of the Schedule pro rata on a monthly basis-

- (a) on a person making an application for the purpose; and
- (b) if the Director is satisfied that it will enable the registration of that applicant in respect of each of those items to have the same expiry date, being a date determined by the Director. (L.N. 128 of 2001)

(4) In calculating the fees payable under paragraph (3)-

- (a) any period of less than one month shall be regarded as a whole month; and
- (b) any fraction of a dollar that is less than \$0.50 shall be disregarded and any fraction of a dollar that is not less than \$0.50 shall be regarded as a whole dollar. (L.N. 128 of 2001)

(L.N. 195 of 1999)

▼	Chapter:	60B	Title:	IMPORT AND EXPORT (FEES) REGULATIONS	Gazette Number:	L.N. 252 of 2002
	Schedule:		Heading:	SCHEDULE	Version Date:	02/01/2003

[regulation 2]

SCALE OF FEES

Item		\$
1.	(a) Application for issue of import licence otherwise than in respect of textiles (L.N. 160 of 1992)	No fee
	(b) Application for issue of export licence otherwise than in respect of textiles	No fee
	(c) In respect of textiles-	
	(i) application for issue of export licence (Form 4 TIC 353) (L.N. 315 of 1984; L.N. 129 of 1989; 56 L.N. 160 of 1992)	
	(ii) application for issue of export licence-	
	(A) where the application is made on paper (Form 5 TIC 353A)	216
	(B) where the application is made using services provided by a specified body (L.N. 484 of 1996)	141
	(iii) application for swing of quotas (Form TIC 395) (L.N. 126 of 1984; L.N. 315 of 1984; L.N. 160 of 1992)	251
	(iv) application for free quota export authorizations (Form TIC 355 (FQ)) (L.N. 315 of 1984; L.N. 160 of 1992)	508
	(v) application for transfer of quotas (Forms TIC 396, TIC 397, TIC 398) (L.N. 126 of 1984; L.N. 160 of 1992)	280
	(vi) (Repealed L.N. 484 of 1996)	
	(vii) application for issue of import licence (Form 7 TRA 23) (L.N. 315 of 1984; L.N. 129 of 1989)	40
	(viii) (Repealed L.N. 189 of 1993)	
	(ix) application for issue of special export licence (Forms 8a TRA 534A and 8d TRA 534D) (L.N. 160 of 1992)	58
	(x) application for issue of special import licence (Forms 8b TRA 534B, 8c TRA 534C and 8e TRA 534E) (L.N. 160 of 1992)	43
	(xi) application for issue of export licence-	
	(A) where the application is made on paper (Form 8 TRA 534)	216
	(B) where the application is made using services provided by a specified body (L.N. 484 of 1996)	141

Chapter: 60B Title: IMPORT AND EXPORT (FEES) Regulations Gazette Number: L.N. 252 of 2002
 Schedule: Heading: SCHEDULE Version Date: 02/01/2003

[regulation 2]

SCALE OF FEES

Item		\$
2.	Issue of import or export licence in respect of prohibited, restricted or controlled articles, other than rough diamonds (L.N. 180 of 2002)	No fee
3.	Annual fee for registration of a person for textile controls purposes (L.N. 315 of 1984; L.N. 160 of 1992; L.N. 128 of 2001)	1712
4.	(a) Application for the issue of a certificate of Hong Kong origin, certificate of processing or of any other certificate mentioned in item 5 other than a generalized preference certificate- (i) where the application is made on paper (Form TIC 185)	110
	(ii) where the application is made using services provided by a specified body (L.N. 195 of 1999)	95
	(b) Application for the issue of a generalized preference certificate (Form TIC 185B) (L.N. 390 of 1989; L.N. 237 of 1992; L.N. 245 of 1997)	324
5.	Issue of certificate of Hong Kong origin (Form TIC 16), certificate of processing (Form TIC 288), generalized preference certificate (Form A), any other form of certificate of origin or any certificate relating to the origin of goods (L.N. 120 of 1990)	No fee
6.	Issue of a landing certificate (Form TIC 42) (L.N. 106 of 1990; L.N. 160 of 1992)	385
7.	(Repealed L.N. 484 of 1996)	
8.	Issue of a certificate of accuracy of any copy of, or extract from, official records, except where an appropriate fee is prescribed in any other enactment (L.N. 160 of 1992)	300
9.	Issue of any copy of official records of statistical data derived or extracted from import and export declarations, such fee being calculated at per sheet or part thereof (L.N. 160 of 1992)	15
10.	Issue of any statistical data, other than copies of official records, derived from import and export declarations, such fee being calculated according to the actual work done including all overheads charges	Fee as calculated
10A.	Issue of a delivery verification certificate for the certification of delivery of strategic commodities into Hong Kong (L.N. 259 of 1985; L.N. 160 of 1992)	203
10B.	Issue of a certified copy of import declaration or export declaration or manifest (L.N. 106 of 1990; L.N. 160 of 1992).....	245
10C.	Issue of an international import certificate (L.N. 160 of 1992)	65
11.	(Repealed L.N. 484 of 1996)	
12.	Annual fee for registration of a person under Part IIIA of the Import and Export (General) Regulations (Cap 60 sub. leg. A) or regulation 7 of the Export (Certificates of Origin) Regulations (Cap 60 sub. leg. H) (L.N. 248 of 1990; L.N. 237 of 1992; L.N. 245 of 1997; L.N. 195 of 1999; L.N. 128 of 2001)	3003
13.	Annual fee for any period beginning on or after 1 July 1993 for person registered as textiles trader under 2825 the Import and Export (General) Regulations (Cap 60 sub. leg. A) (L.N. 112 of 1993)	
14.	Fee payable when a production notification is lodged- (a) where the production notification is lodged on paper (Form TRA 579)	49
	(b) where the production notification is lodged using services provided by a specified body (L.N. 195 of 1999)	
15.	In respect of rough diamonds- (a) fee for registration as a registered rough diamond trader under Part VI of the Import and Export (General) Regulations (Cap 60 sub. leg. A) for a period of 2 years (i) in the case of an initial registration	840
	(ii) in the case of a registered rough diamond trader renewing his registration	595
	(b) issue of import licence	175
	(c) issue of export licence (L.N. 180 of 2002)	200

(L.N. 258 of 1982; L.N. 189 of 1993; L.N. 259 of 1994; L.N. 203 of 1995; L.N. 202 of 1996; L.N. 245 of 1997)

IMPORT AND EXPORT (FEES) (AMENDMENT) REGULATION 2003 :

FINANCIAL AND ECONOMIC IMPLICATIONS

FINANCIAL IMPLICATIONS

Currently, the annual registration fee of TCR is \$1,712. Although there is no additional cost implication, the proposal will reduce the revenue in 2004 by about \$4.07 million.

ECONOMIC IMPLICATIONS

2. The proposal would bring some savings to over 99.4% of the TCR registrants in 2004, thus helping to reduce their business and operating costs.