

立法會
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**Paper for the House Committee Meeting
of the Legislative Council
on 17 March 2000**

**Legal Service Division Report on
Air Cargo Transhipment (Facilitation) Bill 2000**

Object of the Bill

This omnibus Bill seeks to relax the import and export control over certain categories of air cargo that are transhipped through Hong Kong by air.

LegCo Brief Reference

2. TIB CR 14/46/17(SD) issued by the Trade and Industry Bureau in March 2000.

Date of First Reading

3. 15 March 2000.

Comments

4. At present, air transhipment cargo passing through Hong Kong are treated as both "import" and "export" and are accordingly subject to licensing control during air transhipment.

5. This Bill seeks to amend 4 ordinances and 15 regulations so as to relax the licensing control over certain categories of air transhipment cargo. The proposed relaxation in import and export control over air transhipment cargo aims to facilitate developing Hong Kong into an international and regional air cargo hub. The proposed amendment to individual ordinances and regulations are contained in the Schedules of the Bill. The cargoes affected by this Bill are as follows:-

Cargoes	Ordinance/Regulation	Schedule
(a) Pharmaceutical products, optical disc mastering and replica equipment, left-hand drive vehicles, outboard engines and pesticides	Import and Export Ordinance (Cap. 60) and its subsidiary legislation	1
(b) Radiocommunication transmitting apparatus	Telecommunication Ordinance (Cap. 106)	2
(c) Dutiable commodities including alcoholic liquor, tobacco, hydrocarbon oil and methyl alcohol	Dutiable Commodities Ordinance (Cap. 109) and its subsidiary legislation	3
(d) Food with colouring matter, artificial sweetener, metallic contamination and harmful substance; imported game, meat, poultry; preservatives and smokeless tobacco product	Subsidiary legislation under Public Health and Municipal Services Ordinance (Cap. 132)	4
(e) Poultry carcass and poultry product	Poultry (Slaughtering for Export) Regulations (Cap. 139 sub. leg.)	5
(f) Specified marine fish	Marine Fish (Marketing and Exportation) Regulations (Cap. 291 sub. leg.)	6
(g) Reserved commodities such as rice, frozen poultry and frozen beef	Reserved Commodities (Control of Imports, Exports and Reserve Stocks) Regulations (Cap. 296 sub. leg.)	7
(h) Ozone depleting substances	Ozone Layer Protection Ordinance (Cap. 403)	8
(i) Animal product and carcass	Rabies Regulation (Cap. 421 sub. leg.)	9

6. Licence will not be required if the above-mentioned cargoes remain within the cargo transshipment area of the Hong Kong International Airport (defined in the Bill) at all times during transshipment. If any of these cargoes is removed to another area in Hong Kong, it would be considered as imported into Hong Kong at the time of its being removed from the transshipment area and the relevant import control provisions would apply. The importer without a licence would have breached import provisions and be held liable to the respective penalty provisions under existing legislation.

7. To give due facilitation to air transshipment of less sensitive strategic commodities, the Administration proposes to implement a Transshipment Cargo Exemption Scheme. Under this Scheme, legitimate air carriers and their agents could seek exemption of individual licensing requirements from the Director-General of Trade (sections 3, 9 and 10 of Schedule 1 of the Bill).

8. Sensitive strategic commodities and air transshipment cargoes not affected by this Bill including textiles continue to be subject to the existing scheme of licensing control.

Public Consultation

9. According to paragraph 16 of the Brief, the key players of the air cargo industry have been consulted on the outline of the Bill and their responses are favourable.

Consultation with the LegCo Panel

10. The Administration submitted a paper on this Bill to the Panel on Trade and Industry on 15 February 2000. Members were generally in support of the Bill. One Member asked whether this Bill could achieve any financial savings and another Member asked whether the relaxation on import and export control over certain cargoes would lead to abuse. Paragraph 13 of the LegCo Brief deals with these two points. The Administration states that "as the number of these licences issued each year is small, any savings arising from the implementation of the proposal should be negligible. The Customs and Excise Department will introduce additional safeguards to guard against any possible abuses".

Conclusion

11. The Legal Service Division is seeking clarifications from the Administration on some technical points and would prepare a further report in due course. Meanwhile, Members may wish to decide whether it is necessary to set up a Bills Committee to scrutinize this Bill.

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