

# 立法會

## *Legislative Council*

LC Paper No. LS30/06-07

### **Paper for the House Committee Meeting on 26 January 2007**

### **Legal Service Division Report on Proposed Resolution under section 31 of the Import and Export Ordinance (Cap. 60)**

The Secretary for Commerce, Industry and Technology has given notice to move a motion at the Legislative Council's meeting on 7 February 2007. The motion seeks the Legislative Council's approval of the Import and Export (Registration) (Amendment) Regulation 2007 ("the Amendment Regulation") made under section 31(1)(aa) of the Import and Export Ordinance (Cap. 60) to amend Regulation 8 of the Import and Export (Registration) Regulations (Cap. 60 sub. leg. E) ("the Principal Regulations").

2. Under Regulations 4 and 5 of the Principal Regulations, a person who imports or exports any article other than an exempted article is required to lodge an import/export declaration relating to such article. Regulation 8(1) stipulates that a person who lodges an import/export declaration is required to pay an import/export declaration charge.

3. The Financial Secretary announced in his Budget Speech in February 2006 that the Administration would consider providing a concession in declaration charges for gold with a view to supporting the development of Hong Kong as a logistics hub and gold trading centre, alongside with the Hong Kong Airport Authority's proposal to establish a gold depository at the Hong Kong International Airport.

4. The Amendment Regulation would exempt the declaration charges relating to gold bars within the meaning of the Imports and Exports Classification List. The Administration will set out in the Imports and Exports Classification List issued by the Commissioner of Customs and Excise that only gold bars of 995.0 fineness (the internationally acceptable trading standard) are eligible for exemption. The exemption would enhance Hong Kong's competitiveness in the international gold market by reducing the relevant transaction costs. It is estimated that the exemption will have a

revenue implication of \$5.1 million. Members may refer to the LegCo Brief dated 16 January 2007 issued by the Commerce, Industry and Technology Bureau (ref.: CIB 43/63/10 II) for details.

5. The Administration has discussed the proposal with the industry including the Chinese Gold and Silver Exchange Society and the Airport Authority. The Panel on Commerce and Industry was also briefed on the proposed amendment at its meeting on 21 November 2006. The proposal has their general support.

6. Subject to the approval of LegCo, the Amendment Regulation will be gazetted on 9 February 2007 for commencement of operation on the same date.

7. No difficulties relating to the legal and drafting aspects of the Amendment Regulation have been identified.

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