

File Ref. : TRA CR 1651/3/1

LEGISLATIVE COUNCIL BRIEF

Import and Export Ordinance
(Chapter 60)

Import and Export (General) Regulations (Amendment of Schedule 7) Notice 2012

INTRODUCTION

The Director-General of Trade and Industry (DGTI) has made the Import and Export (General) Regulations (Amendment of Schedule 7) Notice 2012 (“the Notice”) to add the Republic of Cameroon and Swaziland to the list of specified countries or places in Schedule 7 to the Import and Export (General) Regulations (Cap. 60 sub. leg. A) (“the Regulations”). The Notice is at Annex.

Annex

JUSTIFICATIONS

2. The Kimberley Process Certification Scheme (KPCS) was developed by the Kimberley Process (KP), an international negotiating forum that seeks to stop trade in “conflict diamonds¹” from fuelling armed conflicts, activities of rebel movements and illicit proliferation of armament. Under the KPCS, participating economies cannot trade rough diamonds with non-participants. Initially, some 40 economies, including all of Hong Kong’s major trading partners in rough diamonds such as Belgium, Mainland China, India, Israel, South Africa, the United Arab Emirates, the United Kingdom and the United States, participated in the KP and implemented the KPCS.

¹ “Conflict diamonds” is defined under the KPCS to mean rough diamonds used by rebel movements or their allies to finance conflicts aimed at undermining legitimate governments, as described in relevant United Nations Security Council (UNSC) resolutions insofar as they remain in effect, or in other similar UNSC resolutions which may be adopted in the future, and as understood and recognised in United Nations General Assembly (UNGA) Resolution 55/56, or in other similar UNGA resolutions which may be adopted in future.

3. To safeguard Hong Kong's interest as a trading hub of diamonds in the region, and to minimise disruption to the local diamond industry, we implemented the KPCS in Hong Kong from 2 January 2003 by way of legislation.

4. The Regulations were amended and came into effect on 2 January 2003 to provide the legal backing for the implementation of the KPCS in Hong Kong. The countries and places from/to which Hong Kong traders can import/export rough diamonds are specified in Schedule 7 to the Regulations. Under reg. 7(2) of the Regulations, DGTI has the authority to amend Schedule 7 to add or remove any countries or places.

5. The Republic of Cameroon and Swaziland have become participants of the KP. We need to include these two countries in Schedule 7 so that Hong Kong can trade rough diamonds with them.

THE NOTICE

6. The Notice adds the Republic of Cameroon and Swaziland to the list of specified countries or places in Schedule 7 to the Regulations.

LEGISLATIVE TIMETABLE

7. The Notice is gazetted on 16 November 2012 and will be tabled at the Legislative Council on 21 November 2012.

8. The Notice is effective upon gazettal on 16 November 2012. This is to ensure that the trade can reap the benefit of the amended Regulations at the earliest opportunity.

PUBLICITY

9. Trade and Industry Department will inform the trade of the details of the amended Regulations through a trade circular and through the Department's general advisory service.

ENQUIRIES

10. For any enquiries on this brief, please contact Ms. Anita Tse, Principal Trade Officer of the TID at 2398 5483.

Trade and Industry Department
16 November 2012

Annex

**Import and Export (General) Regulations
(Amendment of Schedule 7) Notice 2012**

A copy of the captioned notice is attached.

L.N. 173 of 2012

Import and Export (General) Regulations (Amendment of Schedule 7) Notice 2012

(Made by the Director-General of Trade and Industry under regulation 7(2) of the Import and Export (General) Regulations (Cap. 60 sub. leg. A))

1. Commencement

This Notice comes into operation on 16 November 2012.

2. Import and Export (General) Regulations amended

The Import and Export (General) Regulations (Cap. 60 sub. leg. A) are amended as set out in section 3.

3. Schedule 7 amended (specified countries or places)

Schedule 7—

Add in alphabetical order

“Cameroon, Republic of Swaziland”.

Kenneth MAK
Director-General of Trade and Industry

9 November 2012

Explanatory Note

This Notice adds the Republic of Cameroon and Swaziland to the list of specified countries or places in Schedule 7 to the Import and Export (General) Regulations (Cap. 60 sub. leg. A). Part 6 of and Schedule 7 to those Regulations implement in Hong Kong an international certification scheme for rough diamonds known as the Kimberley Process Certification Scheme.

2. The amendment made by this Notice reflects the fact that trade in rough diamonds may be carried out with the Republic of Cameroon and Swaziland under the Kimberley Process Certification Scheme.