

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 2013

INTRODUCTION

The Director-General of Trade and Industry (DGTI) has made the Import and Export (General) Regulations (Amendment of Schedule 7) Notice 2013 (“the Notice”) to add the Kingdom of Cambodia, the Republic of Kazakhstan and the Republic of Panama 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 Kingdom of Cambodia, the Republic of Kazakhstan and the Republic of Panama have become participants of the KP. We need to include these countries in Schedule 7 so that Hong Kong can trade rough diamonds with them.

THE NOTICE

6. The Notice adds the Kingdom of Cambodia, the Republic of Kazakhstan and the Republic of Panama to the list of specified countries or places in Schedule 7 to the Regulations.

LEGISLATIVE TIMETABLE

7. The Notice will be gazetted on 24 May 2013 and will be tabled at the Legislative Council on 29 May 2013.

8. The Notice will be effective on 19 July 2013.

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

21 May 2013

Annex

**Import and Export (General) Regulations
(Amendment of Schedule 7) Notice 2013**

A copy of the captioned notice is attached.

Import and Export (General) Regulations (Amendment of Schedule 7) Notice 2013

(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 19 July 2013.

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

“Cambodia, Kingdom of
Kazakhstan, Republic of
Panama, Republic of”.


Director-General of Trade and
Industry

15 May 2013

Explanatory Note

Part 6 of the Import and Export (General) Regulations (Cap. 60 sub. leg. A) implements in Hong Kong the Kimberley Process Certification Scheme under which trade in rough diamonds is regulated. Schedule 7 to the Regulations specifies—

- (a) the countries and places for which the Scheme is effective; and
- (b) other countries and places that are permitted by the Kimberley Process to trade rough diamonds with countries and places described in subparagraph (a).

2. This Notice adds the Kingdom of Cambodia, the Republic of Kazakhstan and the Republic of Panama to that Schedule so that trade in rough diamonds with those countries may be carried out.