

LEGISLATIVE COUNCIL BRIEF

Import and Export (Fees) Regulations
(Cap. 60 subsidiary legislation)

Import and Export (Fees) (Amendment) Regulation 2001

INTRODUCTION

At the meeting of the Executive Council on 5 June 2001, the Council ADVISED and the Chief Executive ORDERED that the Import and Export (Fees)(Amendment) Regulation 2001 (“the Amendment Regulation”), at Annex A, should be made under section 31 of the Import and Export Ordinance to -

- (a) allow payment in cash or through the Easy Pay System where a specified application or notification is made to the Trade and Industry Department (TID) on paper; and
- (b) enable the Director¹ to collect fees in respect of registrations under certain textiles control related schemes pro rata on a monthly basis.

BACKGROUND AND ARGUMENT

Payment of Prescribed Fees

2. At present, most textiles-related licences, certificates of origin, and production notifications² are applied or lodged through the specified body³, and the rest are made on paper. Regulation 2(2) of the Import and Export (Fees) Regulations (“the Fees Regulations”) currently specifies that where an

¹ 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.

² Under section 6AB(1) of the Import and Export Ordinance, a person must lodge a production notification with the Director before he can commence the production of certain specified textiles.

³ “Specified body” is defined in the Import and Export Ordinance as a body specified in Schedule 2 of the Ordinance. Tradelink Electronic Commerce Limited is currently the body so specified.

application or notification is lodged on paper, the fees concerned should be paid in the form of postage stamps. This payment arrangement was introduced at a time when a large number of applications and notifications were made on paper. Such an arrangement relieved counter-staff of the need to handle a large amount of cash. To provide traders who lodge applications or notifications on paper with additional means of payment, it is considered appropriate to allow payment in cash or through the Easy Pay System as well.

Pro Rata Registration Fees

3. Currently, importers, exporters, manufacturers, carriers and forwarders who wish to make use of the textiles licensing and certification facilities provided by TID must register under one or more of the three schemes maintained by TID, viz the Textiles Controls Registration (TCR)⁴, Factory Registration (FR)⁵ and Textiles Trader Registration (TTR)⁶ schemes. It is not uncommon that a trader registers under more than one scheme and in most circumstances the registrations have different expiry dates⁷. A trader who has multiple registrations needs to renew the registrations at different times in a year.

4. As a trade facilitation measure, a trader who registers under more than one of the three schemes mentioned above will be given an option to align the expiry dates of the registrations. In this connection, it is necessary to enable the Director to specify a common expiry date for multiple registrations, and to charge the relevant registration fees pro rata on a monthly basis.

⁴ A trader must register under the TCR scheme if he wishes to export Hong Kong origin textiles to a restrained market, i.e. where there is quantitative restriction on exports of textiles from Hong Kong maintained under the World Trade Organisation Agreement on Textiles and Clothing.

⁵ A factory must register under the FR scheme before it can apply for a textiles export licence or a certificate of origin to cover the exports of the products manufactured by the factory in Hong Kong.

⁶ A company must register under the TTR scheme before it can get exemption from the licensing requirement in exporting textiles to a non-restrained market or in importing textiles into Hong Kong.

⁷ Registrations under the TTR scheme are valid for 12 months from the date of issue as stipulated under regulation 5AB(3) of the Import and Export (General) Regulations. Registrations under the TCR scheme expire on 1 November each year as stipulated under item 3 of the Schedule to the Fees Regulations. Registrations under the FR scheme have a fixed expiry date on 1 August each year under an administrative arrangement.

5. For new applications for multiple registrations, the registrations will commence on the same date and be valid for 12 months from the date of issue. Annual registration fees will be charged.

THE AMENDMENT REGULATION

6. The Amendment Regulation amends the Fees Regulations by -

- (a) amending regulation 2(2)(a) to allow payment in cash or through the Easy Pay System where a specified application or notification is made on paper (section 2);
- (b) adding new regulations 2(3) and 2(4) to enable the Director to collect certain registration fees pro rata on a monthly basis (section 2); and
- (c) amending item 3 of the Schedule to remove the date fixed for payment of registration fees under the TCR scheme (section 3).

7. Extracts of the relevant provisions of the Fees Regulation are at Annex B.

PUBLIC CONSULTATION

8. The amendments concerned are straightforward and involve mainly administrative changes in certain application and registration procedures. It is considered that public consultation is not necessary.

BASIC LAW IMPLICATIONS

9. The Department of Justice advises that the amendments are consistent with the Basic Law.

HUMAN RIGHTS IMPLICATIONS

10. The Department of Justice advises that the amendments have no human rights implications.

BINDING EFFECT

11. The amendments will not affect the current binding effect of the Fees Regulations.

FINANCIAL AND STAFFING IMPLICATIONS

12. The amendments have no additional financial or staffing implications for the Government.

ECONOMIC IMPLICATIONS

13. The amendments would help relieve the administrative burden on the traders concerned and thus help reduce their operating costs.

LEGISLATIVE TIMETABLE

14. The Amendment Regulation will be tabled at the Legislative Council on 13 June 2001.

PUBLICITY

15. The Amendment Regulation will be published in the Gazette on 8 June 2001. TID will inform the trade about the new arrangements. A spokesman will be available for answering media enquiries.

ENQUIRIES

16. For any enquiries on this brief, please contact Ms Vivian Sum, Assistant Director-General, Trade and Industry Department at 2398 5138.

Commerce and Industry Bureau
8 June 2001