

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

Notification under Article 7.3 of the  
Agreement on Import Licensing Procedures

HONG KONG, CHINA

Revision

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## **1. TRADE DEPARTMENT**

### **1.A IMPORT LICENSING SYSTEM FOR TEXTILES**

#### **Outline of System**

1. Hong Kong, China maintains an import licensing system for textile imports from all sources. It functions as a surveillance system to back up Hong Kong's textiles export control system. The system is administered by the Trade Department. Importers are required to apply for textile import licences to cover each consignment prior to the actual arrival of the goods, unless they have been registered under the Textiles Trader Registration Scheme and exempted from the import licensing requirements.

#### **Purposes and Coverage of Licensing**

2. The licensing system covers the importation of all textile products.

3. The system applies to textiles coming from all territories.

4. The textiles import licensing system is not intended to restrict the quantity or value of imports, but to function as a surveillance system to back up Hong Kong's textiles export control system. Traders are, however, provided with a convenient alternative of joining the Textiles Trader Registration Scheme, under which registered textiles traders need only to submit notifications completed by themselves, in lieu of licences issued by the Trade Department, to cover their imported consignments.

5. The textiles import licensing system is a statutory requirement maintained under the Import and Export Ordinance, Chapter 60 of the Laws of Hong Kong which also provides for registered textiles traders to be exempted from certain licensing requirements. The legislation does not leave designation of products to be subjected to licensing to administrative discretion. The abolition of the textiles import licensing system requires legislative approval.

#### **Procedures**

6. Not applicable.

7. (a) A textiles importer should obtain an import licence prior to, but not more than, 28 days before the arrival of goods as a textiles import licence is valid for 28 days. Provided that there are no complications, an import licence application so submitted to the Trade Department is approved two clear working days after the date upon which the application is received. For Special Import Licence (Textiles) Forms 8b, 8c and 8e (Appendix I<sup>1</sup>), provided that there are no complications, applications are approved on an instantaneous basis. Late applications i.e. after the goods in question have arrived, may be approved retrospectively subject to certain conditions being met.

A textiles trader registered under the Textiles Trader Registration Scheme may submit an import notification or a transshipment notification (if the goods are transshipment cargo) completed by himself, in lieu of an import licence, at the time of importation.

(b) Expeditious issue of a licence may be granted in justified cases.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).

- (c) There are no limitations as to the period of the year during which licence applications may be made.
- (d) The Trade Department is the sole administrative organ regarding the processing and approval of textiles import licences.

8. An application for an import licence is normally granted if it meets the ordinary criteria. In the event of refusal to issue a licence, the reasons will be given, and the applicant may appeal to the Chief Executive of the Hong Kong Special Administrative Region of the People's Republic of China (HKSAR) by writing to the Chief Secretary for Administration of the Government of the HKSAR.

#### **Eligibility of Importers to Apply for Licence**

9. All persons, firms and institutions are eligible to apply for textiles import licences. All importers, exporters, manufacturers, carriers and freight forwarders may apply to be registered under the Textiles Trader Registration Scheme. The registration fee is currently HK\$2,825 per annum.

For Special Import Licence (Textiles) Form 8b (Appendix I), covering imports of finished piece-knitted garments made from Hong Kong origin knit-to-shape panels assembled outside Hong Kong for eventual exportation to the United States, applicants must first be registered with the Trade Department under a special factory registration arrangement as a factory knitting knit-to-shape panels and/or manufacturing piece-knitted garments for export to the United States. An annual registration fee of HK\$3,003 is payable.

There are no published lists of authorized importers.

#### **Documentational and Other Requirements for Application for Licence**

10. For the application of textile import licence, the importer has to provide information on particulars of the importer, foreign exporter and details of the shipment.

Samples of Import Licence (Textiles) Form 7, Special Import Licence (Textiles) Form 8b, Form 8c and Form 8e, Import Notification (Textiles), and Transshipment Notification (Textiles) are at Appendix I.

No supporting documents are required for import licence applications (Form 7) submitted before the arrival of goods. For Special Import Licences, supporting documents such as the relevant special export licence or certificate of origin should be submitted together with the licence applications.

11. A valid textiles import licence or a completed import notification or transshipment notification is required upon actual importation.

12. The fee for an application for Import Licence (Textiles) Form 7 is HK\$40 and that for Special Import Licence Forms 8b, 8c and 8e is currently HK\$43, to be paid in the form of adhesive or impressed postage stamps affixed or franked on the application. No fee is charged for the completion and submission of notifications.

13. No deposit or advance payment is required.

### **Conditions of Licensing**

14. A textiles import licence is valid for 28 days from the date of issue. The validity of a licence cannot be extended. The licence applicant should request cancellation of the expired licence and apply for a new licence.

15. A textiles import licence not utilized within the validity period should be cancelled within 14 days after expiry of the licence. Similarly, a licence should be submitted for amendment for short-shipment within 14 days after the date of arrival of the goods. The Trade Department may take legal and/or administrative action against unreported short-shipment or non-utilization of licences.

16. Not transferable.

17. No.

### **Other Procedural Requirements**

18. No.

19. No foreign exchange control.

## **1.B IMPORTATION OF ARMS AND AMMUNITION, RADIO TRANSMITTING EQUIPMENT, EXPLOSIVES AND OTHER STRATEGIC COMMODITIES**

### **Outline of System**

1. Import control on arms and ammunition, radio transmitting equipment, explosives and other strategic commodities is primarily exercised by the Trade Department. However, several other Government departments are also involved in the system of import controls for products in their respective jurisdiction.

### **Purposes and Coverage of Licensing**

2. Import licences are required for certain arms and ammunition; radio transmitting equipment; explosives; and other strategic commodities. These include nuclear materials, facilities and equipment; high-speed digital computers; memory devices made from compound semiconductors, single mode optical fibre, sophisticated communication system; chemical weapon precursors and manufacturing facilities; certain biological agents, plant pathogens, and related manufacturing equipment; and facilities and articles for a use relating to nuclear, chemical or biological weapons.

3. The licensing system applies to goods originating in and coming from any territory.

4. The import licensing system on strategic commodities is not intended to restrict the quantity or value of imports. Instead, it is to monitor Hong Kong's access to high technology and in turn to protect Hong Kong's access to high technology products. Alternative method has been considered but not adopted because the existing licensing system is considered satisfactory.

5. The import licensing system is a statutory requirement maintained under respective Ordinances and their subsidiary legislation under the Laws of Hong Kong (see below). Legislation does not leave designation of products to be subject to licensing to administrative discretion. Any changes such as subjecting a new product to import licensing or removal of an existing product therefrom require legislative approval.

<u>Product</u>	<u>Relevant Ordinance</u>
Arms and ammunition	: Firearms and Ammunition Ordinance, Cap. 238
Radio transmitting equipment	: Sections 8 and 9 of the Telecommunication Ordinance, Cap. 106
Explosives	: Dangerous Goods (General) Regulations, Cap. 295
Strategic commodities	: Import and Export (Strategic Commodities) Regulations, made under the Import and Export Ordinance, Cap. 60

### Procedures

6. Not applicable.
7. (a) Licence applications should be submitted in advance of importation taking into account the processing time required by the Trade Department, which is at least three clear working days for import applications covering strategic commodities, and the processing time of the endorsing departments:
  - (i) Hong Kong Police Force (for arms and ammunition): normally two working days (by hand) or ten working days (by post) for Limited Licence for Possession or to obtain the Arms Dealer's Licence which requires six to twelve months.
  - (ii) Telecommunications Authority (for radio transmitting equipment): within 5 working days for Radio Dealer's Licence and one clear working day for Import Permit.
  - (iii) Marine Department (for direct transshipment of explosives in vessels): 48 hours before arrival of the goods.
  - (iv) Civil Engineering Department (for endorsement on import licence application of explosives): instantly.
- (b) Import licences can be obtained within a shorter time-limit on request when there are sufficient justifications. For strategic goods imported without a licence owing to inadvertency, consideration will be given to issuing a retrospective import licence provided that the following documents are submitted:
  - (i) a letter giving reasons for the late lodgement of the licence application. The letter should state whether or not the shipping, airline or transportation company has already released the goods for importation;
  - (ii) if the importer has not taken delivery of the goods, a written confirmation from the carrier company or its cargo agent; and
  - (iii) the relevant Bill(s) of Lading or Air Waybill(s).
- (c) A licence can be granted immediately on request only in exceptional cases where the applicant can give a reasonable explanation and/or provide evidence to support his

claim. There are no limitations as to the period of the year during which application for licence and/or importation may be made.

- (d) Applications would not be passed on to other organizations by the Trade Department for approval or information under normal circumstances. For applications concerning arms, ammunition, radio transmitting equipment and explosives, the importer has to approach the relevant government departments in paragraph 7(a) above as well for endorsement on import or legitimate possession of the subject products.

8. Import licence applications may be refused in cases where an international trade sanction on the exporting country is in force. The reason(s) for a refusal may be given to the applicant. An applicant has a right of appeal to the Chief Executive of the HKSAR who may confirm, vary or reverse the decision of the Director-General of Trade. The appeal must be lodged with the Chief Secretary for Administration within 14 days from the date the importer was informed of the decision or within such further period as the Chief Executive may allow in any particular cases by notice in writing. The right to appeal to the Chief Executive is statutorily provided.

#### **Eligibility of Importers to Apply for Licence**

9. All firms and institutions are eligible to apply for import licences except under special circumstances where licensing facilities to them are denied owing to malpractices of the firm/institution or some other special reasons.

For the purpose of interference control, any person who imports or exports radio transmitting equipment is required to obtain a permit from the Telecommunications Authority unless he is a holder of a "Radio Dealers Licence" issued by the Telecommunications Authority to deal in the course of trade or business.

#### **Documentational and Other Requirements for Application for Licence**

10. A sample form is attached ([Appendix II](#)<sup>1</sup>). Catalogues/technical specifications of the products under application are to be submitted with the application for technical classification purpose. In the case of late application concerning strategic commodities, the documents (i)-(iii) in paragraph 7(b) have also to be provided.

11. Only the import licence is needed upon actual importation.

12. No licensing fee is charged.

13. No deposit or advance payment is required.

#### **Conditions of Licensing**

14. An import licence covering strategic commodities is valid for six months from the date of issue. The validity cannot be extended under normal circumstances.

15. No. Importers should however submit an unused licence to Trade Department for cancellation.

16. Not transferable.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).

17. The following conditions are normally attached to the issue of an import licence concerning strategic commodities: "Diversion en route prohibited. Re-export not permitted except under and in accordance with an export licence issued by the Department" and "Conditions of issue: The goods are not to be used in relation to nuclear, biological or chemical weapons or missile capable of delivering these weapons".

#### **Other Procedural Requirements**

18. No other administrative procedures required.
19. No foreign exchange controls.

#### **1.C IMPORT CONTROL ON RICE, FROZEN MEAT AND FROZEN POULTRY, PESTICIDES, PHARMACEUTICAL PRODUCTS AND MEDICINES, RADIOACTIVE SUBSTANCES AND IRRADIATING APPARATUS, OZONE-DEPLETING SUBSTANCES AND GOODS FROM IRAQ**

#### **Outline of System**

1. Licences are required for import of rice, frozen meat and frozen poultry, pesticides, pharmaceutical products and medicines, radioactive substances and irradiating apparatus and ozone-depleting substances. All goods imported from Iraq are prohibited except petroleum or petroleum product being imported by a person who has the approval of the Committee established by the Security Council of the United Nations in Resolution No. 661 to do so. These import controls are applied for safety, health, environmental protection reasons, or for fulfilment of Hong Kong's international obligations. The control system is primarily operated by the Trade Department. Ozone-depleting substances import licences are issued by the Trade Department under delegation from the Environmental Protection Department. Pesticide import licences are issued by the Agriculture and Fisheries Department under delegation from the Trade Department. However, endorsement from other Government departments may be required for some of the products before an import licence is issued.

#### **Purposes and Coverage of Licensing**

2. Import licensing/control is intended for the following purposes:

<u>PRODUCTS</u>	<u>PURPOSE OF CONTROL</u>
(a) rice, frozen meat and frozen poultry	maintaining a reserve stock for emergency purpose
(b) pesticides	public health
(c) pharmaceutical products and medicines	public health
(d) radioactive substances and irradiating apparatus	public health
(e) ozone-depleting substances	environmental protection
(f) ban on all goods imported from Iraq (except petroleum and petroleum products under prescribed circumstances)	international trade sanctions

3. The system applies to products coming from all territories except items (e) and (f) of paragraph 2 above. For item (e), all imports of ozone-depleting substances from non-parties to the Montreal Protocol

are banned. Only imports from Montreal Protocol signatories of methyl bromide and hydrochlorofluorocarbon are allowed for local consumption starting from 1 January 1995 and 1 January 1996 respectively. For item (f), all imports from Iraq are banned under the United Nations Sanctions (Iraq) Regulation made under the United Nations Sanctions Ordinance.

4. The principal objective of the import licensing system is not to restrict the quantity or value of imports, but for purposes set out in paragraph 2 above. However, a quantitative limit is imposed for imports of rice and ozone-depleting substances to ensure:

- (a) (for rice) - regular and adequate supply and to provide a reserve stock for emergency situations; and
- (b) (for ozone-depleting substances) - that the amount of ozone-depleting substances retained for local consumption does not exceed levels agreed under Montreal Protocol on Substances that Deplete the Ozone Layer.

5. The import licensing system is a statutory requirement maintained under respective Ordinances under the Laws of Hong Kong (see below). Legislation does not leave designation of product to be subjected to licensing to administrative discretion. Any changes such as subjecting a new product to import licensing or removal of an existing product therefrom require legislative approval.

<b><u>Product</u></b>	<b><u>Relevant Ordinance</u></b>
Rice:	Reserved Commodities Ordinance, Cap. 296
Frozen meat and frozen poultry:	Reserved Commodities Ordinance, Cap. 296
Pesticides:	Pesticides Ordinance, Cap. 133 Import and Export (General) Regulations, Import and Export Ordinance, Cap. 60
Pharmaceutical products and medicines:	Pharmacy and Poisons Ordinance, Cap. 138 Import and Export (General) Regulations, Import and Export Ordinance, Cap. 60
Ozone-depleting substances:	Ozone Layer Protection Ordinance, Cap. 403
Radioactive substances and irradiating apparatus:	Import (Radiation) (Prohibition) Regulations, Import and Export Ordinance, Cap. 60

### **Procedures**

6. Only the importation of rice and ozone-depleting substances for local consumption are subject to quantitative restriction:

#### **A. Rice**

- I. The Trade Department answers enquiries on all information on the import licensing of rice, including that concerning allocation of quotas and formalities of filing applications for licences.



- II. The size of quotas is calculated to be able to meet the level of demand which is adjusted quarterly.
- III. Import licences for local consumption are issued to registered rice importers, none of whom is a domestic producer of rice. In accordance with the objective of ensuring an adequate supply of rice to Hong Kong, the importers are obliged to import rice in accordance with quotas allocated to them and thus there would not be any unused allocation. Information on the names of importers is given to the public on request. Such information would similarly be given to the governments and export promotion bodies of exporting countries upon request.
- IV. After announcement of the quarterly rice quota, applications for import licences may be submitted immediately until the applicant's quarterly quota is fully utilized.
- V. Import licences for rice are issued in one clear working day.
- VI. The importers can have their licences issued immediately before the commencement of the quarterly period. Accordingly they can use the full quarterly period for the importation of rice.
- VII. Import licences for rice are handled singly by the Trade Department.
- VIII. Licences are issued to registered importers only. Normally, there is no provision for new importers.
- IX. Not applicable.
- X. In the case of import for re-export where quotas are not required, import licences will be issued on condition that the goods will have to be exported.

**B. Ozone-depleting substances**

- I. Invitation for quota applications is issued through Gazette notification and press release. Letters are also sent to potential importers inviting their applications. Successful applicants will be notified of the amount of quotas allocated. Descriptions of the licensing and quota systems are available to the general public free of charge in the form of leaflets. Information on the total amount of quotas is contained in the press release and also available upon request.
- II. The size of quotas is determined on a 12-month basis. Licences are issued to registered companies on individual consignment basis.
- III. The Government will closely monitor the utilization of quotas and licences. Unused allocations will not be added to quotas for the succeeding control period because the maximum level for each control period is fixed. A list of quota holders is available upon request.
- IV. Submission of applications for licences may be made at any time. However, applications for imports of hydrochlorofluorocarbons (HCFCs) for local consumption will only be considered if the applicants have enough valid quotas for the relevant control period. Methyl bromide could be imported with a valid licence provided that importers have obtained pesticide permit from the Agriculture and Fisheries Department and the import

of methyl bromide is restricted to the purpose of quarantine and preshipment applications.

- V. Import licences are normally issued in two clear working days.
  - VI. The current control period for ozone-depleting substances is from 1 January to 31 December 1997. To facilitate imports at the beginning of the following control period, the Trade Department will provide licensing service one week prior to the expiry of the current control period.
  - VII. Importers only need to approach the Trade Department for registration and application and issue of licences.
  - VIII. Quotas are allocated to importers with regard to their performance in the previous control period. Free quotas for HCFCs, operated in two phases, are allocated during the control period to cater for new importers/users or additional import demands. A point system, which takes into consideration past records of individual importers, their incentive of using recycling equipment as well as the local demand for HCFCs to replace CFCs, halons and 1,1,1-trichloroethane applications, are also used to determine the amount to be allocated to the applicants. New importers can also acquire the quotas through quota transfer from the existing quota holders.
  - IX. Not applicable.
  - X. Not applicable.
  - XI. In the case of import for re-export where quotas are not required, import and export licences will be issued at the same time on condition that the goods will have to be exported within the validity period of the export licences.
7. (a) Application for import licences should be submitted in advance of importation taking into account the processing time. The processing time includes the processing time by the Trade Department and for pesticides import licences, the Agriculture and Fisheries Department, which is one clear working day for items 2(a), (b), (c) and (d) above, and the processing time of the endorsing departments (see (d) below) which is as follows:

**Endorsing Department**

**Processing time**

Department of Health on behalf of the Pharmacy and Poisons Board (for pharmaceutical products and medicine)

one working day

- (b) In exceptional cases, a licence can be granted immediately on request.
- (c) There are no limitations as to the period of the year during which application for licence and/or importation may be made.
- (d) Import licences for pharmaceutical products and medicine must be endorsed by the Department of Health on behalf of the Pharmacy and Poisons Board as indicated in sub-paragraph (a) above. The importer has to approach the department himself for the endorsement of the licence.

8. Under normal circumstances, an application for an import licence is usually granted if it meets the ordinary criteria. In the event of refusal, the reasons will be given. Applicants may appeal to the Chief Executive of the HKSAR in the event of refusal to issue an import licence. The Chief Executive may confirm, vary or reverse the decision of the Director-General of Trade. The right to appeal to the Chief Executive is statutorily provided.

#### **Eligibility of Importers to Apply for Licence**

9. (a) For rice, frozen meat and frozen poultry (imported for local consumption), a company is required to be registered with the Trade Department first before it can apply for an import licence. With the exception of rice, registration is open to all business enterprises. At present no fee is charged for the registration. An up-to-date list of registered importers is maintained by the Department for inspection by the public at a fee of HK\$5.
- (b) For ozone-depleting substances, a company is required to register with the Trade Department before it can apply for an import licence. Registration is open to all companies on payment of a fee of HK\$2,090. A list of registered importers is available on request.
- (c) For pharmaceutical products, only those products which have been registered with the Pharmacy and Poisons Board are allowed to be imported for the purpose of local sale or distribution. A company is required to hold an appropriate dealer's licence issued by the Pharmacy and Poisons Board before it can apply for an import licence. Application for the dealer's licence is open to all business enterprises dealing in pharmaceutical products and medicines. A fee is charged for the licence, which may range from HK\$390 to HK\$1,220 depending on the type of licence. There is no published list of licensed importers.
- (d) For pesticides, a company is required to hold an appropriate pesticides licence/permit issued by the Agriculture and Fisheries Department before it can apply for an import licence except where the pesticide is being imported on a valid through bill of lading. If imported on such a bill of lading, no pesticides licence/permit is required. Application for a pesticides licence/permit is open to all business enterprises wishing to deal in pesticides. A fee is charged for the licence/permit, which may range from around HK\$550 to HK\$1,450 depending on the type of licence/permit. There is no published list of licensed/permitted importers.

#### **Documentational and Other Requirements for Application for Licence**

10. Information to be supplied includes particulars of the importer, of the importation and of the products to be imported. Certain documents are also required to support licence applications of the following products:

<b><u>Item</u></b>	<b><u>Documents</u></b>
(a) Rice for local consumption subject to quantitative requirement	Contract between buyer and seller
(b) Frozen meat and frozen poultry	Health certificate issued by the recognized authority of the exporting territory concerned or by specific prior approval from the Department of Health

- |     |  |   |
|-----|--|---|
| (c) | Radioactive substances and irradiating apparatus | A copy of the radioactive substances licence or irradiating apparatus licence as appropriate issued by the Radiation Board, Department of Health                                      |
| (d) | Pharmaceutical products                          | Endorsement from the Pharmacy and Poisons Board   |
| (e) | Pesticides                                       | A pesticides licence or pesticides permit issued by the Agriculture and Fisheries Department authorizing the importer to trade in pesticides <u>or</u> a valid through bill of lading |
11. The import licence is the only document required by the Government on actual importation.
12. Apart from applications covering ozone-depleting substances, no licensing fee is required for import licence applications. For ozone-depleting substances import licence, a fee of HK\$850 is charged on the issue of a licence. The price of non-textiles import licence forms is HK\$24 per pad. Each pad contains about 20 forms.
13. No deposit or advance payment is required.

### **Conditions of Licensing**

14. An import licence is valid for 28 days for ozone-depleting substances, six weeks for rice and most of frozen meat and frozen poultry, two weeks for frozen meat and frozen poultry from specific countries not accompanied by valid health certificates and six months for the other products listed in paragraph 2. The period of validity can be extended by the Director-General of Trade depending on the merits of individual requests.
15. No. Importers should however cancel or amend the licences.
16. Not transferable.
17. (a) Apart from the licensing conditions printed on the back of the import licence (a sample of the import licence form for rice is attached at Appendix II. The import licence form for ozone-depleting substances is attached at Appendix III<sup>1</sup>), conditions set out in Appendix IV<sup>1</sup> are applicable to rice and ozone-depleting substances which are subject to quantitative restriction.
- (b) Apart from the licensing conditions printed on the import licence (Appendix II), the conditions set out in Appendix V<sup>1</sup> are applicable to frozen meat and frozen poultry which are not subject to quantitative restriction.

### **Other Procedural Requirements**

18. No.
19. No foreign exchange controls.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).

## **2. CUSTOMS AND EXCISE DEPARTMENT**

### **2.A IMPORT LICENSING SYSTEM FOR DUTIABLE COMMODITIES**

#### **Outline of System**

1. The import of dutiable commodities (tobacco, liquors, methyl alcohol and hydrocarbon oil) are controlled through (i) licensing of importers and (ii) issuing of removal permits. An importer has to be licensed with the Customs and Excise Department before he can apply for removal permit for import of dutiable commodities. The purpose of the licensing system is to protect the excise duty imposed on the dutiable commodities and to collect the excise duty.

#### **Purposes and Coverage of Licensing**

2. Removal permit is issued to licensed importer by Customs and Excise Department to control the import and movement of dutiable commodities.

3. The system applies to dutiable commodities coming from all places outside Hong Kong.

4. The import licensing system is not intended to restrict the quantity nor the value of import, but to protect and collect the excise duty imposed on the dutiable commodities. The existing licensing system is deemed satisfactory and no alternative method has been considered.

5. Import licences and removal permits are statutorily required under the Dutiable Commodities Ordinance, Chapter 109. Legislation does not leave designation of products to be subjected to licensing to administrative discretion. Legislative approval is required should there be any change in existing system.

#### **Procedures**

6. Not applicable.

7. (a) Application for removal permit from a licensed importer should be submitted in advance of importation taking account of the processing time. For an application for an importer to be licensed, the normal processing time is 14 working days. For the issue of a removal permit to a licensed importer, it would require two working days.

(b) A licence cannot be granted immediately on request because of the time required to process the application.

(c) There is no limitation of time during the year on the application for licence and/or importation.

(d) Yes, the import licence and removal permit are issued by the Customs and Excise Department only. It is not necessary for the applications to be passed on to other departments or organs for visa, note or approval. The importer is only required to apply for the import licence and removal permit from the Customs and Excise Department.

8. Application for an importer to be licensed will normally be granted provided the ordinary criteria are met. In case an application is refused, the reason for the refusal will be given to the applicant.

An applicant has the right to appeal to Administrative Appeals Board against the decision of refusal to grant an import licence or a removal permit by the Commissioner of Customs and Excise.

### **Eligibility of Importers to Apply for Licence**

9. All persons, firms and institutions are eligible to apply to be licensed by the Customs and Excise Department.

### **Documentational and Other Requirements for Application for Licence**

10. For the application of an importer to be licensed, information including particulars of the applicant and the proposed licensed premises have to be provided. For the application of a removal permit, commercial documents relating to the dutiable commodities have to be provided. Samples of application form, licence and removal permits are at Appendices VI, VII and VIII respectively<sup>1</sup>.

11. A removal permit is required upon actual importation of the dutiable commodities. In relation to import of liquors, a certificate of age may be required.

12. The administrative charge for an import licence is HK\$750 for each year and the issue of the removal permit is free of charge.

13. No deposit or advance payment is required.

### **Conditions of Licensing**

14. The import licence for dutiable commodities is valid for one year which can be renewed upon application on a yearly basis.

15. No.

16. Not transferable between importers.

17. No other conditions attached to the licence.

### **Other Procedural Requirements**

18. No other administrative/procedural requirements prior to importation.

19. No foreign exchange control.

## **2.B IMPORT LICENSING SYSTEM FOR CONTROLLED CHEMICALS** **(for substances listed on Schedules 1 and 2 of the Control of Chemicals Ordinance, Chapter 145 only)**

### **Outline of System**

1. The import of controlled chemicals is controlled through (i) licensing of importers and (ii) issuing of import authorization. An importer has to be licensed with the Customs and Excise Department before he can apply for an import authorization to import the controlled chemicals for each consignment.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).

The purpose of controlling the import of controlled chemicals is to prevent diversion of these chemicals into illicit manufacture of narcotic drugs and psychotropic substances.

### **Purposes and Coverage of Licensing**

2. Import authorization is issued to licensed importers by Customs and Excise Department to regulate the import of controlled chemicals.
3. The system applies to controlled chemicals coming from all places outside Hong Kong.
4. The import licensing system is not intended to restrict the quantity nor the value of import, but to prevent diversion of controlled chemicals into illicit manufacture of dangerous drugs. It is deemed satisfactory and no alternative method has been considered.
5. The licence requirement is statutorily required under the Control of Chemicals Ordinance, Chapter 145. Legislation does not leave designation of products to be subjected to licensing to administrative discretion. Legislative approval is required should there be any change in the existing system.

### **Procedures**

6. Not applicable.
7.
  - (a) Application for licences and import authorization should be submitted in advance of importation taking into account the processing time. For an application from an importer for a licence, the normal processing time would require 14 days. For the issue of an import authorization to a licensed importer, it would require four working days.
  - (b) A licence cannot be granted immediately on request because of the time required to process the application.
  - (c) There is no limitation of time during the year on the application for licence and/or importation.
  - (d) Yes, the licences and import authorizations are issued by the Customs and Excise Department. It is not necessary for the applications to be passed on to other departments or organs for visa, note or approval. The importer is only required to apply for a licence and an import authorization for each of his subsequent imports of controlled chemicals from the Customs and Excise Department.
8. Licences will normally be granted to established companies and educational or scientific organizations on application. In case an application is refused, the reason for the refusal will be given to the applicant. An applicant has right to appeal to Administrative Appeals Board against the decision of refusal to grant a licence by the Commissioner of Customs and Excise.

### **Eligibility of Importers to Apply for Licence**

9. All importers may apply for an import licence under the Control of Chemicals Ordinance, Cap. 145.

### **Documentational and Other Requirements for Application for Licence**

10. An applicant for a licence is required to provide the Customs and Excise Department with information about his personal and company particulars, business address and storage place for controlled chemicals, etc. in his application. For the application of an import authorization, commercial documents relating to the import of controlled chemicals have to be provided. Samples of application forms for licence and import authorization are at Appendices IX and X respectively<sup>1</sup>.

11. The import authorization is the only document required under the Control of Chemicals Ordinance, Cap. 145 upon actual importation. For the import of ephedrine, pseudoephedrine, ergometrine and ergotamine, import licences under the Import and Export Ordinance, Cap. 60 are also required.

12. The administrative charge for a licence is HK\$790 for each year and that for an import authorization is free of charge.

13. No deposit or advance payment is required.

### **Conditions of Licensing**

14. The licence is valid for one year which can be renewed upon application on yearly basis.

15. No penalty for non-utilization. Licensee should however surrender his licence and/or import authorization(s) for amendment or cancellation where appropriate.

16. Not transferable between importers.

17. No other conditions attached to the licence for products.

### **Other Procedural Requirements**

18. No other administrative/procedural requirements prior to importation.

19. No foreign exchange control.

## **2.C IMPORT LICENSING SYSTEM FOR LEFT-HAND DRIVE VEHICLES AND OUTBOARD ENGINES EXCEEDING 111.9 KILOWATTS (150 HORSEPOWER)**

### **Outline of System**

1. The import of left-hand drive vehicles and outboard engines are controlled through the issuing of import licence for each import, consignment of these two types of articles. The purpose of the licensing system is to combat smuggling activities involving left-hand drive vehicles and to prevent application of high-powered outboard engine in these illicit activities.

### **Purposes and Coverage of Licensing**

2. The system applies to the import of left-hand drive vehicles and outboard engines exceeding 111.9 kilowatts (150 horsepower).

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).



3. The system applies to goods originating from all places outside Hong Kong.
4. The licensing is not intended to restrict the quantity or value of imports. The system aims to bring the import of left-hand drive vehicles and outboard engines under government control so as to prevent the engagement of these articles in smuggling activities.
5. The licensing is statutorily provided under the Import and Export Ordinance (Chapter 60), Laws of Hong Kong. It is not possible for government to abolish the system without legislative approval.

### **Procedures**

6. Not applicable.
7.
  - (a) Application for a licence should be made in advance of importation taking into account the processing time by the licence office. The issue of an import licence under normal circumstances requires two working days.
  - (b) A licence cannot be granted immediately on request.
  - (c) There is no limitation of time during the year where application for licence and/or importation may be made.
  - (d) Consideration of licence applications is only effected by a single administrative organ.
8. Application for a licence will be granted provided the ordinary criteria are met. In case an application is refused, the reasons for the refusal will be given to the applicant. Applicants may appeal to the Chief Executive of the HKSAR against a decision of refusal for issuing a licence.

### **Eligibility of Importers to Apply for Licence**

9. All persons, firms and institutions are eligible to apply for the licence.

### **Documentational and Other Requirements for Application for Licence**

10. An applicant for a licence is required to provide the Customs and Excise Department with information about his personal and company particulars and the arrival details, etc. in his application. Related supporting documents have to be provided. Samples of the application forms are at Appendix XVII<sup>1</sup>.
11. No document other than the import licence is required upon actual importation.
12. There is no licensing fee or administrative charge.
13. No deposit or advance payment is required.

### **Conditions of Licensing**

14. The licence is valid for six months and cannot be extended upon expiry.
15. No.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).

16. Licences are not transferable.
17. No other conditions are attached to the issue of a licence.

### **Other Procedural Requirements**

18. No other administrative procedures are required.
  19. No foreign exchange control.
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## **3. CIVIL ENGINEERING DEPARTMENT**

### **3.A IMPORT CONTROL SYSTEM FOR SAND**

#### **Outline of System**

1. A permit to transport sand in Hong Kong is required under the Sand Ordinance. The permit system is to protect the beaches and seabed in Hong Kong. Permits are issued by the Civil Engineering Department (CED).

#### **Purposes and Coverage of the Permits**

2. Permits issued by CED are required for the importation of sand in excess of 100 kg.
3. The system applies to natural sand imported from all countries. Processed sand and washed sand are not covered by the Ordinance.
4. The permit system is not intended to restrict the quantity or value of imports but to provide a mechanism to enable the protection of beaches and seabed in Hong Kong.
5. The permit system is statutorily required under Section 3 of the Sand Ordinance, Cap. 147. Any changes to the permit system will require legislative approval.

#### **Procedures**

6. Not applicable.
7.
  - (a) Permits to import sand are issued upon written application. Permit application should be submitted in advance of importation taking into account the processing time which takes a few days.
  - (b) In exceptional cases, a permit can be granted immediately upon written request.
  - (c) There are no limitations as to the period of the year during which permit applications may be made.
  - (d) Civil Engineering Department is the sole administrative organ regarding the processing and approval of application for a permit.
8. Applications for a permit will not be refused if the ordinary criteria are met. Reasons for refusal will be given to the applicant in case of unsuccessful application.

### **Eligibility of Importers to Apply for Licence**

9. All persons or import companies are eligible to apply for sand permits. There is no registration fee. There is no published list of authorized importers.

### **Documentational and Other Requirements for Application for Licence**

10. Information required relates to source, quantity and destination, and documents issued by relevant Authority certifying the vessels or vehicles used for the exportation of sands (see Appendix XI<sup>1</sup>).

11. Proof of valid vehicular or vessel licence.

12. No fees are charged for sand permits.

13. No deposit or advance payment is required.

### **Conditions of Licensing**

14. Permits are valid for six months. This period can be extended upon application. A new permit will be issued.

15. There is no penalty for the non-utilization of a permit.

16. Permits are issued for a particular vehicle or vessel which could be used by different importers.

17. There are no other conditions attached to the issuance of a permit.

### **Other Procedural Requirements**

18. Mainland China river trade cargo vessels engaging in importation of sand from mainland China are required to be registered through a local shipping agent with Harbour Control Section of the Immigration Department prior to importation.

19. No foreign exchange controls.

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## **4. AGRICULTURE AND FISHERIES DEPARTMENT**

### **4.A IMPORT CONTROL ON PLANTS, PLANT PESTS AND SOIL**

#### **Outline of System**

1. Import Licences, supported by phytosanitary certificates, are required for import of plants. Prior authorizations are required for import of plant pest or soil.

Plant quarantine requirements are framed under the Plant (Importation and Pest Control) Ordinance (Cap. 207) administered by the Agriculture and Fisheries Department. All principles and procedures are based on the Plant Protection Agreement for the Asia and Pacific Region and the International Plant Protection Convention.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).

### **Purposes and Coverage of Licensing**

2. For import of plants, a Plant Import licence (PIL) issued by the Agriculture and Fisheries Department is required. "Plant" includes timber, trees, shrubs, leaves, roots, flowers, fruits, tubers, bulbs, corns, stocks, cuttings, layers, slips, suckers, seeds, and any part of a plant whether or not intended for growing, planting or propagation or from which further plants may be grown, planted or propagated.

For import of plant pests or soil, an authorization in writing (AIW) issued by the Director of Agriculture and Fisheries is required. "Plant pest" means any bacterium, fungus, virus, mycoplasma, mycoplasma-like organism, alga, viroid or other plant or any invertebrate animal which is capable of being injurious or destructive to plants. "Soil" includes earth, sand, clay and peat.

3. PIL and AIW apply to plants originating in and coming from all places outside Hong Kong. The only exception is the exemption of PIL for plants imported from mainland China.

4. Neither PIL nor AIW is intended to restrict the quantity or value of imports. The sole purpose is to establish an effective means for plant quarantine to prevent the spread of plant pest in compliance with the recommendations of the Plant Protection Agreement for the Asia and Pacific Region.

5. PIL and AIW are statutory instruments under the Plant (Importation and Pest Control) Ordinance, Chapter 207 of the Laws of Hong Kong. Legislation does not leave designation of plant to be subjected to licensing to administrative discretion. It is not possible for Government to abolish the system without legislative approval.

### **Procedures**

6. Not applicable.

7. (a) Application for PIL or AIW should be submitted in advance of importation. It should be taken into account that processing of applications takes two clear working days.

(b) PIL, but not AIW, can be granted immediately on request when there is a genuine need under exceptional cases.

(c) There are no limitations as to the period of the year during which application for importation to be made.

(d) Both PIL and AIW are administered by the Agriculture and Fisheries Department. No other administrative body is involved.

8. Application of PIL and AIW will not be refused if the ordinary criteria are met. The reasons for any refusal are always given to the applicant who has the right to appeal to the Chief Executive of the HKSAR by notice in writing within 14 days from the date when he was informed of the decision.

### **Eligibility of Importers to Apply for Licence**

9. All persons, firms and institutions are eligible to apply for PIL and AIW without any pre-conditional requirement.

### **Documentational and Other Requirements for Application for Licence**

10. The required information is outlined in the sample application form for PIL attached (Appendix XII<sup>1</sup>). An additional requirement for AIW is a written justification for the importation.

11. Upon actual importation, all First Schedule (Part I) plants and *Gossypium* spp. must be accompanied by a PIL, a valid phytosanitary certificate (PSC) and certificate of fumigation/disinfection (CF/D) issued by the exporting country or else the consignment will be seized for destruction. For all other plants, only PIL and PSC are required.

Actual importation of a plant pest or soil requires AIW and other documents, usually PSC and CF/D stated on the AIW as special conditions for the authorization.

12. No fee is charged for PIL and AIW.

13. No deposit or advance payment required.

### **Conditions of Licensing**

14. The validity for both PIL and AIW is two months.

15. There is no penalty for non-utilization of PIL or AIW.

16. Neither PIL nor AIW is transferable.

17. (a) Not applicable.

(b) There may be special quarantine requirements attached to the PIL and AIW. The conditions are based on the principles and procedures recommended by the Asia and Pacific Plant Protection Commission.

### **Other Procedural Requirements**

18. No.

19. Not applicable.

## **4.B IMPORT LICENSING SYSTEM FOR ENDANGERED SPECIES OF ANIMALS AND PLANTS**

### **Outline of System**

1. Import licences are required for import of endangered species of animals and plants, whether alive, dead, stuffed specimen, parts or derivatives. The licensing system basically is meant to protect endangered species and to prevent their over-exploitation in accordance with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) also known as the Washington Convention.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).

### **Purposes and Coverage of Licensing**

2. Import licences issued by the Agriculture and Fisheries Department are required for the import of animals and plants listed in CITES Appendices I and II, (including their readily recognizable parts and derivatives) and medicines containing or claiming to contain tiger or rhino ingredients.
3. The import licensing requirement applies to traders as well as individuals importing these items from all territories.
4. The import licensing system is not used to restrict the quantity or value of imports, but to protect endangered species and to prevent their over-exploitation.
5. The import licensing system is a statutory requirement maintained under Chapter 187 of the Laws of Hong Kong which gives effect to the CITES. Legislation does not leave designation of the items to be subjected to licensing to administrative direction. Any changes require legislative approval.

### **Procedures**

6. Not applicable.
7.
  - (a) Application for import licences should be submitted well in advance of importation (at least five working days or more depending on complexity). However, the issue of a licence is not automatic and shipments should not be effected unless and until the licence has been issued.
  - (b) Normally an import licence cannot be granted immediately upon request.
  - (c) There are no limitations as to the period of the year during which application for licence and/or importation may be made.
  - (d) Agriculture and Fisheries Department is the sole authority in considering endangered species aspects but all applications for import licences have to be supported by CITES export permits issued by the exporting territories.

Moreover, the CITES Secretariat or CITES authority of exporting countries may have to be consulted in certain applications.

8. Licensing policy follows closely the provisions and spirit of CITES. Any applicant aggrieved by the refusal of a licence may appeal by way of petition to the Chief Executive of the HKSAR.

### **Eligibility of Importers to Apply for Licence**

9. Endangered species: any person who can fulfil the CITES requirements may submit their applications.

### **Documentational and Other Requirements for Application for Licence**

10. The required information is summarized in the sample application form attached at Appendix XIII<sup>1</sup>. With respect to live specimens, controls of and requirements for import of live animals and plants also apply.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).

11. Import licence issued by the Agriculture and Fisheries Department together with original of the CITES Export Permit issued by the exporting territory are required upon actual importation.

12. The current licence fees are as follows:

(a)	Import Licence for live animals	HK\$393
(b)	Import Licence for animals/plant parts	HK\$131

13. No.

### **Conditions of Licensing**

14. The Import Licences are normally valid for three months or less. The validity of a licence can be extended provided that the licensee submits an application and gives satisfactory justification to the Director of Agriculture and Fisheries before its expiry.

15. No.

16. Not transferable.

17. Yes.

### **Other Procedural Requirements**

18. No.

19. Not applicable.

## **4.C IMPORT CONTROLS OF LIVE ANIMALS**

### **Outline of System**

1. A special permit is required for all live animals and birds imported into Hong Kong. Such animals or birds must be sent into Hong Kong as manifest cargo. The system aims to protect public health and animal health; to provide for public safety and animal welfare; and to prevent cruelty to animals.

### **Purposes and Coverage of Licensing**

2. A special permit issued by the Agriculture and Fisheries Department is required for the import of animals or birds.

3. The system applies to any person bringing any animal or bird into Hong Kong, except that non-CITES birds imported directly from mainland China are excluded from the system.

4. The special permit is not used to restrict the quantity or value of imports, but to ensure public health, animal health and animal welfare.

5. The special permit system is a statutory requirement either under Chapter 139 and/or Chapter 421 with linkage to Chapter 169 of the Laws of Hong Kong. Legislation does not leave designation of the items to be subjected to licensing to administrative direction. Any changes require legislative approval.

### **Procedures**

6. Not applicable.
7.
  - (a) Application for a special permit should be submitted well in advance of importation (at least five working days). Flexibility can be given in unforeseen circumstances. However, the granting of a special permit is not automatic and importation must not be arranged unless a permit is obtained in advance.
  - (b) Depending on circumstance a special permit may be granted immediately on request subject to the payment of the prescribed fee.
  - (c) There are no limitations as to the period of the year during which application for licence and/or importation may be made.
  - (d) The Agriculture and Fisheries Department has the sole authority to grant special permits subject to full compliance with requirements.
8. Applications may be rejected or refused if requirements cannot be met. The refused applicant may appeal to the Administrative Appeals Board.

### **Eligibility of Importers to Apply for Licence**

9. Any person may submit an application.

### **Documentational and Other Requirements for Application for Licence**

10. The required information is summarized in the sample application form attached (Appendix XIV<sup>1</sup>).
11. A special permit issued by the Agriculture and Fisheries Department together with original health certificate from the exporting territory and Captain's Affidavit/Airline Certification are required to be produced upon animal arrival.
12. The current fee schedule for special permits is attached (Appendix XV<sup>1</sup>).
13. Fee must be paid upon application.

### **Conditions of Licensing**

14. A Special Permit is valid for three months. Permits for regular importers of food animals into Hong Kong from mainland China are valid for six months. The validity of import permits may be extended for a month upon application at a fee of HK\$140.
15. No.
16. Not transferable.
17. Yes, varying upon the type of animal and country of origin.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).



### **Other Procedural Requirements**

18. No.
19. Not applicable.

## **5. ENVIRONMENTAL PROTECTION DEPARTMENT**

### **5.A IMPORT CONTROL ON WASTE**

#### **Outline of System**

1. The import of waste into Hong Kong is controlled under a permit system administered by the Environmental Protection Department. The permit system serves to ensure environmentally sound management of waste in Hong Kong. Its requirements are tied in with those of the Basel Convention on the Control of Transboundary Movement of Hazardous Wastes and their Disposal.

#### **Purposes and Coverage of Licensing**

2. A permit is required for import of any waste, unless the waste is specified in Schedule 6 of the Waste Disposal Ordinance, and it is uncontaminated and is intended for recycling or reuse purposes.
3. The permit system applies to wastes originating in and coming from any territories.
4. The system is not intended to restrict the quantity or value of imports. It serves to ensure that prior consents from territories concerned are obtained before commencement of any waste shipment. It facilitates the continuation of legitimate waste trade and to stop any illegal shipment. The system enables Hong Kong, China to fulfil its international obligations under the Basel Convention.
5. The waste import permit system is a statutory requirement maintained under the Waste Disposal Ordinance, Chapter 354 of the Laws of Hong Kong. The legislation does not leave designation of waste to be subjected to control to administrative discretion. Legislative approval is required should there be any change in existing system.

#### **Procedures**

6. Not applicable.
7. (a) Permit applications should be submitted in advance of the importation. The processing time for an application varies from case to case, depending primarily on the time taken by the competent authorities of the exporting territories concerned to provide feedback for the application, and on whether the application from is duly completed and submitted with all the required supporting documents. To allow for sufficient time for the competent authorities to make responses, it is advisable for the applicants to submit their applications at least 90 days before the commencement of the proposed shipment of waste.  
  
(b) No. Under the Basel Convention, consents from all territories concerned are required prior to any waste shipment; we are unable to issue any permit without obtaining the views from territories concerned.

- (c) There are no limitations as to the period of the year during which permit application may be made.
- (d) The Environmental Protection Department is the sole administrative organ responsible for the processing and approval of waste import permit.

8. A waste import permit will normally be granted to the applicant if the ordinary criteria as stipulated in the Waste Disposal Ordinance are met. In the event of refusal to issue a permit, the reasons will be given, and the applicant may appeal to the Appeal Board established under the Waste Disposal Ordinance.

### **Eligibility of Importers to Apply for Licence**

9. All firms and institutions are eligible to apply for a waste import permit. Nevertheless, the applicant should normally be the disposer or the importer of the waste. There is no published list of authorized importers.

10. The required information is outlined in the sample permit application attached at Appendix XVI<sup>1</sup>.

11. On actual importation, the waste should be accompanied by the permit and a waste movement document recording the details of the waste shipment.

12. An application fee of HK\$10,750 or HK\$17,460 will be charged for the application of a single shipment or a multiple-shipment permit respectively. A multiple-shipment permit can have a validity period of up to one year for repeated shipments of the same type of waste from the same source and to the same disposer or recycler.

13. The applicant is required to deposit a bond or financial guarantee payable to the Government of the HKSAR. The amount of the bond or financial guarantee required will be determined on a case-by-case basis. It enables the waste disposal authority to recover cost of any seizure or disposal or alternative environmentally sound management of waste in case the intended waste shipment could not be completed as originally intended. The bond or guarantee will be returned to the applicant upon fulfilment and completion of all conditions of the shipment, including the final disposal/recycling of the waste.

### **Conditions of Licensing**

14. There are two types of permit, namely single shipment permit and multiple-shipment permit. The former type is valid for one shipment only, and whereas the latter type can have a validity period of up to one year for repeated shipments of the same type of waste from the same source and to the same disposer or recycler. The validity of a permit cannot be extended. A new application has to be submitted if the importing activity is to be continued after the validity period of the permit.

15. No.

16. Not transferable.

17. Yes.

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<sup>1</sup>Available for consultation in the Secretariat (Market Access Division).

**Other Procedural Requirements**

18. No.
19. Not applicable.