

Commonly Asked Questions on Textiles Controls Arrangements

- Is there any quick reference to the revised textiles controls arrangements?

A summary table is available at

http://www.tid.gov.hk/english/import_export/textiles/files/2006e_quota.pdf.

- What licensing documents are required for shipments involving the USA/Canada/the EU/the Mainland?
 - (a) Exports to all sensitive markets (including the USA, the EU and the Mainland) may be covered by either:
 - (i) appropriate TTRS notification, i.e. Export Notification I (for goods of Hong Kong origin) and Export Notification II (for goods of non-Hong Kong origin); or
 - (ii) Export Licence (Textiles) Form 4 (irrespective of the place of origin).
 - (b) Exports to non-sensitive markets (including Canada at the moment) may be covered by either:
 - (i) Comprehensive Export Licence (Textiles); or
 - (ii) Export Licence (Textiles) Form 4.
 - (c) Imports of textiles from any country or place (except those from the Mainland) may be covered by either Comprehensive Import Licence (Textiles) or Import Licence (Textiles) Form 7.
 - (d) Imports of textiles from the Mainland may be covered by Import Notification under TTRS or Import Licence (Textiles) Form 7.
- How to apply for Comprehensive Licence via TID's web portal?

Traders can apply for Comprehensive Licence via the web-based application form (<https://www.tid.gov.hk/service/cl/clApplication.do?locale=eng>) which provides step-by-step guidance for completing the application form.

- How long would it take to process an application for Comprehensive Licence?

Under normal circumstances, once an application has been received and found in order by the Trade and Industry Department, the applicant should be able to receive, by registered mail service, a set of Login ID and password for access to their Comprehensive Licence Account for the approved Comprehensive Licence in about two weeks' time after receipt of application.

- How to print a Comprehensive Licence from TID's web portal? Can I photocopy or scan the Comprehensive Licence?

Traders can print a Comprehensive Licence by logging in the Comprehensive Licence Account (https://www.tid.gov.hk/service/cl_s/login.do?flow=init&locale=eng) through any computer workstation. There is no limit on the number of Comprehensive Licence that can be printed within its validity period. Fax/scanned/photocopied version of Comprehensive Licence will not be acceptable for effecting a shipment.

- Are there any records to show that how many Comprehensive Licences my company has printed from the web?

Yes. The information is available in the Comprehensive Licence Account.

- Do I need to sign or apply a company chop on the Comprehensive Licence?

Signature and company chop are only necessary when completing the Comprehensive Licence application form, and need not be applied on the printed copy of Comprehensive Licence.

- Can I amend the details on a Comprehensive Licence?

Traders cannot alter the particulars on a printed copy of Comprehensive Licence. They should inform the Trade and Industry Department in writing immediately of any change in particulars such as address and other correspondence details by lodging a written request for amendment together with the requisite supporting documents to the Department.

- Do I need to include details of a particular consignment, e.g. description, quantity, etc, on the printed copy of Comprehensive Licence? What is the responsibility of the carrier?

There is no need to include consignment-specific details on a Comprehensive Licence. It is the responsibility of the carrier to ensure that the shipment is covered by a valid licence, in particular whether:

- (a) the exporter/importer is the same party appearing on a Comprehensive Licence;
- (b) a Comprehensive Licence can be used for the market concerned; and

(c) the shipment is effected within the validity period of the Comprehensive Licence.

- How do I relate a particular shipment to a particular Comprehensive Licence which is without any consignment details?

Traders are required to keep proper books and records to evidence that a particular consignment is covered by a particular Comprehensive Licence bearing a unique reference number.

- Do I need to supply any other licence/notification/certificate of origin as supporting documents for textiles exports and re-exports shipments covered by Comprehensive Export Licences?

For the export or re-export of textiles goods to non-sensitive markets, the original of a Comprehensive Export Licence will suffice whether or not the textiles goods concerned are of Hong Kong or non-Hong Kong origin. Supporting documents (e.g. Certificate of Origin, Import Licence, Import Notification, Comprehensive Import Licence, etc) will not be necessary.

- Do I need to present a Comprehensive Licence to the forwarder/carrier before shipment?

Comprehensive Import Licence (Textiles) must be delivered to the carrier within seven days after the goods are imported and returned by the carrier to the Trade and Industry Department together with the relevant manifest within seven days after receiving the Comprehensive Licence.

Comprehensive Export Licence (Textiles) must be delivered to the carrier before the departure of the goods and returned to the Trade and Industry Department by the carrier together with the relevant manifest within fourteen days after the day on which the goods are exported.

- Can I deliver a fax/scanned/photocopied version of a Comprehensive Licence to the forwarder/carrier for exportation or importation of shipment?

No. Traders should deliver the original version (i.e. those obtained and printed directly from the Comprehensive Licence Account of Trade and Industry Departments' web portal) of a Comprehensive Licence to the forwarder/carrier. Fax/scanned/photocopied versions of a Comprehensive Licence will not be

accepted for effecting a shipment.

- What is stated in paragraphs (a) and (b) of the Fourth Schedule to the Import and Export (General) Regulations mentioned in Conditions (1) of the Comprehensive Licence?

Paragraphs (a) and (b) of the Fourth Schedule to the Import and Export (General) Regulations define the scope of sensitive markets. Comprehensive Licence cannot be used to cover shipments to/from these markets.

- It is a common practice for the trade that there may not be detailed commercial documents, such as orders, invoice, packing lists, for sample shipments. How can I fulfill the conditions as stated in the Comprehensive Licence?

Traders are required to keep proper records that will enable the identification of a particular shipment covered by a Comprehensive Licence. Such documents may include any relevant commercial and shipping documents as are available.

- Any consignment checks after 2004? How can I prove the consignments are properly covered by a Comprehensive Licence if there is no consignment details on it?

Consignment checks will continue to be conducted as necessary after 2004. Traders are required to keep proper books and records to evidence that a particular consignment is covered by appropriate licence.

- How can I fulfill the consignment check requirements in producing the relevant production documents for inspection of Customs and Excise Department (C&ED) if I am the exporter of the goods and no manufacturer's information is on the Comprehensive Licence?

It is a condition of Comprehensive Export Licence (Textiles) that the exporter should keep proper commercial and shipping documents and produce them for C&ED officers' examination when so required. For goods claiming Hong Kong origin, proof of origin including documents that evidence the production of such goods in Hong Kong may be required. Exporters (who are not themselves the manufacturer) should also keep relevant commercial documents which could identify the manufacturer of a certain consignment covered by a Comprehensive Licence.

- Can Textiles Trader Registration Scheme (TTRS) cover all textiles import/export shipments?

TTRS can only cover textiles shipments involving the sensitive markets. These include:

- (a) all textiles imports from and exports to the Mainland; and
 - (b) exports to those economies which have invoked safeguard measures against textiles and clothing products of the Mainland, currently the USA and the EU.
- What licensing documents are required for shipments of textile products involving Puerto Rico and the US Virgin Islands?

Shipments involving Puerto Rico and the US Virgin Islands should be covered by licences/notifications in respect of the US market in the following manner:

- (a) Exports to Puerto Rico and the US Virgin Islands may be covered by either:
 - (i) appropriate TTRS notification, i.e. Export Notification I (for goods of Hong Kong origin) and Export Notification II (for goods of non-Hong Kong origin); or
 - (ii) Export Licence (Textiles) Form 4 (irrespective of the place of origin).
 - (b) Imports of textiles from Puerto Rico and the US Virgin Islands may be covered by either Comprehensive Import Licence (Textiles) or Import Licence (Textiles) Form 7.
- What is the licensing arrangement for export of textiles samples to sensitive markets?

Sample shipments will be treated the same as any commercial shipments. They are subject to the same licensing arrangements depending on the sensitivity of the markets concerned. For export to sensitive markets (i.e. the Mainland, the USA and the EU), both exporter's and manufacturer's particulars and declaration are required on an Export Notification I or Export Licence (Textiles) Form 4 for goods of Hong Kong origin.

For textiles samples purchased locally of which the manufacturers cannot be identified, textiles traders may make use of Export Notification II or Export Licence (Textiles) Form 4 to cover the subject consignments with the following declaration made in the 'Full Description of Goods' column:

Goods are purchased from :
Name of company and address : XXXXX
Telephone No. : XXXXXXXXX
Invoice No. XXXX.”

For *paper Export Notification II*, the ‘Place of Origin’ and ‘Import Notification (Textiles)/Import Licence (Textiles)/Comprehensive Import Licence (Textiles) Unique Reference* No.’ fields in the Exporter’s Declaration box should be left blank.

For *electronic submission of Export Notification II*, traders should select [countries / territories, not elsewhere specified] for ‘Origin’ (i.e. from among Codes 9O-9V) and input the subject invoice no. into the field of licence/notification no.

Hard copy of the invoice needs NOT be attached to EN II lodged either via the paper or electronic mode.

- Can the licence applications and textiles notifications be completed in Chinese?

Licence applications and textiles notifications covering shipments to sensitive markets abroad (other than the Mainland) must be completed in English. All other notifications and licence forms may be completed either entirely in English or entirely in Chinese.

- Where can I apply for cancellation/amendment of my Export Licence (Textiles) Form 4, Form 7 and Comprehensive Licence?

Please approach the Customer Service Centre on 2/F of the Trade and Industry Department Tower.

- What is the application fees for export licence amendments or cancellations?

They are free of charge.

- Is Certificate of Origin (CO) required for export of textiles and clothing products to the EU?

The EU requires that import of certain textiles and clothing products be subject to

proof of origin requirement in the form of either a CO or an origin declaration on invoices or commercial documents, depending on product categories. Both the CO and the origin declaration, as appropriate, may be accepted by the EU authorities only if the products concerned comply with the EU origin rules as laid down in the EU regulations in force. Traders may refer to Commercial Information Circular No. 52/2005 cum Notice to Exporters Series 2 (EU) No. 3/2005 for details of the EU's proof of origin requirement for import of textiles and clothing products. As stipulated in Notice to Exporters Series 2 (EU) No. 1/2006, CO applications covering cut-and-sewn garments will have to be supported by validated PN.

- Is there any change in importing ends' origin rules for piece-knitted garments?

Hong Kong will adopt a revised origin rule for piece-knitted garments starting 1 January 2005. Traders are however reminded to find out from their overseas buyers for any specific requirements they will need to observe before exportation of the goods, including but not limited to the origin rules of the importing countries/places and origin labeling requirements, etc. The Department will closely monitor the development of origin requirement in the importing ends and would keep our trade informed of any new development.

- What is "reasonable quantity" for personal effects and gift that can be exempted from licensing? Any quantitative benchmark?

There is no hard and fast rule as such. Traders should exercise common sense in considering whether the quantity is reasonable having regard to the purpose for which the goods are imported or exported as personal effect or as gift. For example, it will be difficult to argue that a particular shipment consisting of garments of a full array of different colours and sizes of the same style is personal effects or gift to an individual.

- When should manufacturers lodge PNs to cover its cut-and-sewn garments intended for export to the EU and the US under the PN arrangement?

Manufacturers should lodge PNs on the day of, or within three working days prior to, the commencement of the origin-conferring assembly work in Hong Kong. For the purpose of PN lodgement, "working day" is defined by the law as "any day other than a general holiday, a gale warning day or a black rainstorm warning day". In this connection, traders should note that Saturday is regarded as a working day for lodging PNs (although it is not counted as a working day for

performance pledge purpose).

- What kinds of classification service are available?

The Customer Service Centre of the Origin Certification and Textiles Licensing Branch provides the following services related to classification:

- (a) enquiry on whether a particular garment is subject to PN arrangement;
- (b) enquiry on whether certain manufacturing processes of a cut-and-sewn garment can be carried out outside Hong Kong without affecting the Hong Kong origin status of the finished garment under the PN arrangement; and
- (c) enquiry on the category numbers of cut-and-sewn garments for export to the USA or the EU for the purpose of lodging PN.

To make the enquiry, the trader may contact the Customer Service Centre (Tel. No. 2398 5288) on 2/F, Trade and Industry Department Tower.

- Where can I buy the TTRS notification forms and licence application forms? What are the business hours?

Collection and Form Sales Office,
Trade and Industry Department
Room 104, 1/F, Trade and Industry Department Tower
700 Nathan Road, Mong Kok, Kowloon

Service Hours

Monday & Friday	8:45am – 12:30pm 1:45pm – 5:45pm
Tuesday, Wednesday & Thursday	9:00am – 12:30pm 1:45pm – 5:45pm
Saturday, Sunday & Public Holidays	Closed

Traders are reminded that the textiles notification forms are available for sale only upon presentation of the original or certified true copy of a valid Certificate of Registration as a Textiles Trader. Traders are also requested to submit an application form to Central Registration Office on 1/F before purchasing Import Notification (Textiles) Forms from the Collection and Form Sales Office.