



香港特別行政區政府 工業貿易署

Trade and Industry Department

The Government of the Hong Kong Special Administrative Region

香港九龍城協調道3號工業貿易大樓

Trade and Industry Tower, 3 Concorde Road, Kowloon City, Hong Kong



24-hour hotline : 23 922 922

e-mail address : enquiry@tid.gov.hk

Ref. : TRA CR 1109

RICE CONTROL SCHEME

INTRODUCTION

Rice is a staple food in Hong Kong and is therefore scheduled as a reserved commodity under the subsidiary regulations of the Reserved Commodities Ordinance (Cap 296, Laws of Hong Kong). Under the Ordinance, the Government operates the Rice Control Scheme (the Scheme) to ensure a stable supply of rice and to keep a reserve stock sufficient for consumption by the population for a reasonable period to cater for emergencies or any short term shortage of supply.

2. The Rice Control Scheme comprises, among others, a rice stockholder registration system and a licensing system for the imports and exports of rice. Details are set out in the following paragraphs.

ARRANGEMENTS UNDER THE SCHEME

I. Registration as a Rice Stockholder

Registration requirement

3. Any person carrying on a business registered in Hong Kong under the Business Registration Ordinance (Cap 310)^(Note 1) may apply to the Department for registration as a stockholder of rice.

Application for registration

4. Application for registration as a rice stockholder can be made throughout the year. Registration is free of charge. Applicants should complete the form at [Annex I](#) and return it to the Rice Control Unit of the Department. An applicant should state in the application the total quantity of rice to be imported during the registration period. The total import quantity so stated should include the quantity for sales and the requisite reserve stock within the registration period.

Note 1: As defined in section 3(1) of the Business Registration Ordinance (Cap 310), "person carrying on business" means :

- (a) in the case of a single person or corporate body, such person or corporate body;
- (b) in the case of a business carried on by a partnership, all partners; and
- (c) in the case of a business carried on by any other body of persons, the principal officers of such body.

Registration period

5. For an application made between 1 June and 30 November, the registration period, if approved, will be effective for two years from the following 1 January to 31 December of the year after. For an application made between 1 December and 31 May, the registration period, if approved, will be effective for one and a half years from the following 1 July to 31 December of the year after.

Assessment of applications

6. The Director-General will inform the applicant of the result of his application for registration within 14 days of the receipt of the application. Where necessary, the applicant may be required to provide further information/supporting documents for consideration of the application.

Certificate of registration

7. If the Director-General accepts an applicant's registration as a stockholder, the Director-General will issue to the successful applicant a certificate of registration, a sample of which is at Annex II, subject to the conditions of registration at Annex III. The certificate of registration is valid for the registration period as stated in the certificate. The certificate indicates the total quantity of rice which the stockholder is prepared to import and hold as a stockholder for the registration period. It also specifies the amount of rice that the stockholder is required to hold at all times during an import period in fulfilling the reserve stock requirement. The quantity of reserve stock as specified in the certificate of registration will be updated for each import period.

Import quantity for each import period

8. Each calendar year is divided into four import periods, namely January to March, April to June, July to September and October to December, unless otherwise specified by the Director-General. As a condition of registration, each stockholder should before the commencement of each import period and within the time limit as specified by the Director-General give an undertaking to import a quantity of rice for the following import period on the form at Annex IV. The stockholder is required to import within the import period in question the quantity (exclusive of the reserve stock) that he has so undertaken to import. This is to enable an overall stable supply of rice. In case of emergency, the Director-General may require a stockholder to import and hold in stock a quantity of rice exceeding the undertaken import quantity for a particular import period.

Flexibility arrangement to revise the undertaking import quantity

9. Under normal circumstances, each stockholder can apply for approval to revise the undertaking import quantity once every import period. The maximum ceiling for upward adjustment is 10% of the original undertaking import quantity while the maximum downward adjustment is 5% of his original undertaking import quantity. An interested stockholder is required to lodge an application using the form at Annex V by the 15th of the second month of the import period (i.e. by the middle of the import period) for approval by the Director-General. All applications will be considered together after the application deadline and stockholders will be informed of their application results in one go. A stockholder should not effect any revision in undertaking import quantity until he has received written approval from the Director-General.

10. To maintain the effectiveness of the Scheme, stockholder should note that the Director-General will reject applications for revision in the undertaking import quantity if:

- (a) the applied increase in undertaking import quantity will lead to the stockholder importing rice exceeding his stated quantity within the registration period; or
- (b) the applied decrease in undertaking import quantity will lead to the stockholder importing less rice than the amount that he has already imported.

11. Furthermore, the Director-General will not consider any request for revision in excess of the allowed flexibility margin of a stockholder's undertaking import quantity, or any request to revise the undertaking import quantity more than once within an import period. Should special circumstances arise, such as the Government foresees or believes rice supply will be very tight or insufficient, the Department may also suspend the operation of the arrangement.

Alteration of conditions of registration and cancellation of registration

12. The Director-General may at any time alter the conditions of registration of a stockholder. Where the Director-General alters the conditions of registration, the stockholder has to surrender his registration certificate to the Director-General who will then issue a new certificate to the stockholder. The Director-General may cancel the registration of a stockholder if the stockholder has contravened the conditions of registration. A stockholder may request for cancellation of his registration at the end of an import period if he makes the request at least one month before the end of the import period. If the request is made less than one month before the end of the import period, the cancellation will become effective at the end of the following import period.

II. Maintenance of a Reserve Stock

Amount of reserve stock

13. The Government aims to maintain a reserve stock sufficient for consumption by the local population for a reasonable period of time, at present 15 days. The reserve stock is kept at all times to meet sudden surge in demand in case of short term shortage of supply or other emergencies, and is shared among all registered stockholders. The amount of reserve stock that a registered stockholder is required to hold for an import period is as follows:

- (a) for the first import period in which a newly registered stockholder commences operation to import and maintain stock of rice, 17% of the quantity the stockholder has undertaken to import for that import period; or
- (b) for a stockholder who has been a registered stockholder in the immediately preceding import period, 17% of the stockholder's offtake of rice in the immediately preceding import period. Such offtake means the total quantity of rice he delivered from the approved rice storage place(s) in the immediately preceding import period. If both the stockholder's offtake and the import quantity undertaken in the immediately preceding import period are zero, the amount of reserve stock for the current import period will be 17% of the quantity he has undertaken to import for the current import period.

The reserve stock amount of a stockholder will not be affected even if he applies for revision in the undertaking import quantity under the flexibility arrangement (see paragraphs 9-11 above).

Notwithstanding the above, the Director-General has full discretion to specify the amount of reserve stock that a registered stockholder is required to maintain at all times.

14. Each stockholder must fill up **in full** his reserve stock **before** the commencement of his registration period. The stockholder is required at all times during the validity of his certificate of registration to maintain no less than that quantity of the reserve stock of rice as specified in the certificate and such stock shall be in his sole ownership and immediate possession.

Obligations of stockholders in relation to maintaining the stock

15. All stock of rice maintained by a stockholder, including the reserve stock, has to be stored in rice storage place(s) approved by the Director-General (see paragraph 26 below) and maintained in good condition to the satisfaction of the Director-General. If the registration of a stockholder is cancelled, either by the Director-General or upon the request of the stockholder, the stockholder should dispose of his stock in accordance with the direction given by the Director-General. At times of emergency, the Director-General may direct stockholders to dispose of their stocks to maintain a stable supply of rice in the market.

III. Import and Export Licensing Requirements

16. In general, all import and export of rice into and from Hong Kong must be covered by valid import or export licences^(Note 2), as appropriate. Applications for import licence and export licence shall be made respectively on Import Licence Form 3 (TRA 187) and Export Licence Form 6 (TRA 394), in triplicates. These forms are for sale at the Shroff and Form Sales Counter of the Department at Room 1309, 13/F, Trade and Industry Tower, 3 Concorde Road, Kowloon City. An import/export licence application is to be lodged with the Rice Control Unit of the Department at Room 1324, 13/F of the Trade and Industry Tower and should be submitted before the arrival/departure of the shipment. The Director-General may where necessary request the applicant to supply further information/supporting documents in support of his licence application. An import licence is valid for 8 weeks and an export licence is valid for 28 days, both from the date of issue. Each licence is valid for covering one shipment only.

17. An applicant of an import licence must state clearly on the licence application form whether the rice is imported for local consumption or for re-export. If the end-use of the rice is to be changed subsequently, the stockholder must immediately make a request for amendment of the licence with the Department.

Note 2: Exemptions from licensing requirements apply to the following :

- (i) Rice brought into Hong Kong in any ship in an amount not exceeding that which is reasonably required for consumption or use in the working of such ship.
- (ii) Rice imported into or exported from Hong Kong in the personal luggage of a person solely for his own consumption or as gifts, in an amount not exceeding 15 kg.
- (iii) For air-to-air transshipment cargo whereby at any time between its being brought into and taken out of Hong Kong the rice has remained in the cargo transshipment area of the Hong Kong International Airport.
- (iv) For transshipment of other modes or inter-modal transshipments, where the carrier or the forwarder handling the cargo has valid registration under the Transshipment Cargo Exemption Scheme (TCES) subject to complying with the conditions of registration under the TCES. For enquiries on the TCES, please contact General Licensing and Hong Kong Service Supplier Certification Branch of Trade and Industry Department (tel. 2398 5565).

18. An import/export licence will normally be ready for collection after one clear working day following lodgement. Applicants are advised to lodge their applications well in advance of arrival/departure of shipments for avoidance of committing an offence of unlicensed importation/exportation. Request for amendment or cancellation of a licence must be made in writing to the Director-General. The request will be considered and approved on a case by case basis. An application for rice import/export licence, as well as a request for amendment or cancellation of a licence, is free of charge.

Import for local consumption

19. Under normal circumstances, the Director-General will only issue licences to registered stockholders to cover rice imported for local consumption, and the quantity imported will be debited against the stockholder's import quantity undertaken for the relevant import period until the entire undertaken quantity has been imported in full. There are conditions attached to a licence. If necessary, the Director-General may impose special and additional conditions on a particular licence. One condition pertaining to an import licence is that the stockholder is required to store the imported rice in rice storage place(s) approved by the Director-General. A duly completed specimen of import licence for rice for local consumption with the normal conditions attached is at Annex VI.

Import for re-export

20. For rice imported for re-export, applicants should make an import licence application and also an export licence application. On the application for an export licence, the applicant is required to quote the import licence number of the corresponding import and to provide copy of shipping documents for verification by the Department. Duly completed specimens of import and export licences for import and re-export of rice with the conditions attached are at Annexes VII and VIII respectively. Officers of Customs and Excise Department (C&ED) may conduct physical checks including supervision of the loading/unloading of the rice covered by import/export licences as and when deemed necessary. Imports for local consumption as indicated in the licences are not allowed to be re-exported.

IV. Arrival and Delivery of Rice

21. To give the Director-General an accurate and up-to-date record of actual imports of rice, a stockholder is required to confirm in writing the arrival of each consignment for local consumption using the form at Annex IX. Such rice arrival confirmation may be incorporated in the stockholders' regular return to the Department (see paragraph 23 below).

22. No person shall take delivery of rice from an approved rice storage place except in accordance with a written authority by the Commissioner for Customs and Excise (the Commissioner). Application for an authorisation for rice delivery should be made in writing by the stockholder to the Director-General using the form at Annex X with the following information :

- (a) the name of the approved rice storage place ;
- (b) the quantity of rice to be delivered ; and
- (c) the stock balance of the stockholder not yet authorised for delivery.

Applications would be considered by the Director-General under delegated authority by the Commissioner.

V. Maintenance of Records and Statistics

23. A stockholder is required to keep records of stock and transactions in rice and furnish returns on a regular basis to the Department as specified by the Director-General. In this connection, a stockholder is required to lodge a monthly stockholders' return (Annex XI) to report on his rice arrival and offtake. A return should reach the Director-General within 4 clear working days after the end of the month it covers.

24. In this connection, officers of C&ED may enter the premises of a registered stockholder for the purpose of examining the rice held by the stockholder and all documents relating thereto.

25. Statistics collected on the actual imports and stock from stockholders will be aggregated and disseminated to all stockholders on a monthly basis to facilitate their better understanding of the market situation. The information is also available to interested parties and the public.

VI. Approval of Rice Storage Place

26. Any person carrying on business registered in Hong Kong under the Business Registration Ordinance (Cap 310) may apply for approval of his godown as an approved rice storage place with the Director-General. Applicants should complete the application form at Annex XII and lodge it with the Rice Control Unit of the Department. Application is free of charge. Whether approval will be given is subject to the results of inspection on the premises to be conducted by officers of C&ED. The application will be passed to C&ED within 5 working days upon receipt for conducting inspection of the premises. The Director-General will inform the applicant of the application result within 5 working days upon receipt of C&ED's inspection report. The Director-General may attach approval conditions as he thinks fit. The usual conditions of approval as a rice storage place are at Annex XIII. One of the conditions of approval is to allow officers of C&ED to inspect the rice under storage and all documents relating thereto. The owner/operator of an approved rice storage place is required to lodge a monthly return with the Director-General no later than 7 days after the end of the month the return covers (a sample form for the return is at Annex XIV).

VII. Electronic Submission

27. Under the Scheme, registered rice stockholders and owners/operators of approved rice storage places are provided with an option to lodge their forms electronically through the Department's website, via either (i) its e-services, or (ii) its e-Form Submission Service.

E-services

28. Registered rice stockholders or owners/operators of approved rice storage places who are interested to lodge the forms in paragraph 29 below electronically using the Department's e-services <<https://www.tid.gov.hk/portal/english/rice.html>> shall complete the application form at Annex XV and return it to the Rice Control Unit of the Department. A user account for rice e-services with an initial login password will be assigned to the successful applicant. Any stockholder who also has his own approved rice storage place(s) is encouraged to apply for a single user account for submitting the returns.

29. The forms that can be lodged via the Department's e-services include :

- Form for Undertaking of Import Quantity of Rice (TID 143A) ;
- Application for Increasing the Total Import Quantity of Rice (TID 143B) ;
- Request for Revising the Undertaking Import Quantity of Rice (TID 148) ;
- Confirmation of Rice Arrival (TID 231) ;
- Rice Stockholder's Return (TID 233) ; and
- Monthly Return on Storage of Rice (TID 234).

e-Form Submission Service

30. For the following forms which are not supported by e-services, interested parties can choose to submit them via the Department's e-Form Submission Service <https://www.tid.gov.hk/english/aboutus/form/publicform/nontextiles/form_nontextiles.html>. Before using this e-Form Submission Service, interested parties need to subscribe a digital certificate issued by a Certification Authority which is recognised by the Government. The relevant digital certificate must be applied for authentication and digital signing for the following documents submitted via the Department's e-Form Submission Service.

- Application for Approval as a Rice Storage Place (TID 141) ;
- Application for Inspection of the Register of Registered Rice Stockholders (TID 142) ;
- Application for Authorisation for Delivery of Rice (TID 232) ;
- Application for E-Services User Account of Rice (TID 242) ; and
- Request for Retrieval of E-services User Name/Re-setting of Password of Rice (TID 243)

31. For Application for Registration as a Stockholder of Rice (TID 143), the Department provides a pre-vetting service to facilitate the trade and to save their efforts of amendment after submission of applications. Applicants who wish to use this pre-vetting service can submit their registration application forms via the aforementioned e-Form Submission Service of the Department. However, such e-submission of application is for pre-vetting only and does not require a digital signature by a valid digital certificate. When the Department has completed pre-vetting of the application, an email will be sent to the applicant, after which the applicant or an authorised representative will have to come to the Rice Control Unit to sign and stamp the business chop on the application form to complete the lodgement procedures.

VIII. Food Safety of Rice

32. Distributors and vendors involved in the sale of rice are required to ensure that the rice they sell in Hong Kong is wholesome, unadulterated, fit for human consumption and properly labelled as required under Part V of the Public Health and Municipal Services Ordinance (Cap 132) and its subsidiary legislation. Rice is an item included in the food surveillance programme implemented by the Centre for Food Safety, Food and Environmental Hygiene Department. Samples of rice are taken for detection of pesticides, heavy metals, mineral oil, colouring matter, toxic substances, etc. to ensure food safety. For more details, please consult the Risk Communication Section of the Centre for Food Safety, Food and Environmental Hygiene Department (telephone : 2381 6096; e-mail : rc@fehd.gov.hk).

IX. Important Notes

33. Any person who contravenes the provisions in the Reserved Commodities (Control of Imports, Exports and Reserve Stocks) Regulations (Cap 296A) commits an offence and is liable on conviction to a maximum penalty of HK\$100,000 and imprisonment for two years. In addition to prosecution, the Department may take administrative actions against these persons, including stockholders and owners/operators of approved storage places who have breached the conditions of registration or conditions of approval respectively. Such administrative actions include but are not limited to, cancellation/suspension of registration/approval, suspension of a licence, refusal to issue a licence, debarment of all registration and/or licensing facilities, etc.

ENQUIRIES

34. For details and enquiries about the Scheme, please visit the Department's website at http://www.tid.gov.hk/english/import_export/nontextiles/nt_rice/nt_rice.html or contact:

Rice Control Unit
Trade and Industry Department
Room 1324, 13/F, Trade and Industry Tower
3 Concorde Road, Kowloon City

Telephone : 2398 5570
Fax : 3525 0987
E-mail : enquiry@tid.gov.hk

Rice Control Unit
Trade and Industry Department
April 2020