

Q1. How do I find out whether my items require a Hong Kong import or export license?

This information may be found on Hong Kong Trade and Industry Department's website, specifically their Strategic Trade Controls website: <https://www.stc.tid.gov.hk/eindex.html>. Among other information, their website contains a tool to check the Hong Kong control status of specific items, which is located at: <http://www.stc.tid.gov.hk/english/checkprod/controlstatus.html>. However, this list is not comprehensive, and if your item is not found on this list, you are advised to seek confirmation from the Hong Kong Trade and Industry Department as to whether your item requires a Hong Kong import or export license.

Q2. The counter party to my transaction has informed me that the import does not require a Hong Kong import license. Is this statement acceptable to proceed with the export?

Before proceeding with the export or reexport, you must obtain a copy of a written statement by the Government of the Hong Kong Special Administrative Region issued to the Hong Kong importer stating that no import license is required to import the item in to Hong Kong. This may come in the form of a "No License Required" notification ("NLR Notification"). Alternatively, it may be publicly available information found on Hong Kong Trade and Industry Department's website ("website information"), specifically the Strategic Trade Controls website at: <https://www.stc.tid.gov.hk/eindex.html>. Among other information, their website contains a tool to check the status of many specific items that have previously been classified under Hong Kong law at: <http://www.stc.tid.gov.hk/english/checkprod/controlstatus.html>. If the item you are exporting or reexporting to Hong Kong is not found on that website, you will need to approach Hong Kong Trade and Industry Department to verify the control status of the item. Records of either the "NLR Notification" or "website information" (either in the form of a hardcopy or softcopy) are required to be retained. "NLR Notification" or "website information" may be used for more than one export or reexport to Hong Kong or more than one reexport from Hong Kong, provided that the records are current. Exporters are advised to review Hong Kong Trade and Industry's [website](#) for updates.

Q3. Do I still need a copy of the Hong Kong import license from my client in Hong Kong if my items are eligible to ship to Hong Kong under a license exception in the Export Administration Regulations (EAR)?

Yes, beginning on April 19, 2017, a copy of the Hong Kong import license or a written statement that no license is required issued by the Government of the Hong Kong Special Administrative Region must be obtained prior to shipping an item under a license exception. The written

statement may come in the form of a “NLR Notification” or “website information”. See also Q2 above.

Q4. If I know that my EAR item is being reexported from Hong Kong by another party, am I required to obtain a copy of the Hong Kong export license?

No, parties whose items have been exported to Hong Kong (subject to the requirement that the exporter has obtained a copy of the Hong Kong import license or a copy of “NLR Notification” or “website information” prior to export) that are subsequently reexported from Hong Kong are not required to obtain a copy of the Hong Kong export license.

However, the Hong Kong party must have obtained a Hong Kong export license or “NLR Notification” or “website information” before reexporting an EAR item pursuant to BIS authorization under an export license or license exception. See also Q2 above.

Q5. Do I need to get a copy of a valid Hong Kong import or export license from my client in Hong Kong before I apply for a license from the Bureau of Industry and Security?

No, a copy of the Hong Kong import or export license is not necessary prior to applying for a license from the Bureau of Industry and Security. The copy of the Hong Kong import or export license is only necessary prior to shipment of the item to Hong Kong. See also Q2 above.

Q6. I had a shipment en route to Hong Kong before this rule became effective. Does my Hong Kong client need to hold this shipment?

No, en route shipments are not required to be held under the EAR. The rule will go into effect 90 days after January 19, 2017.

Q7. For what reason is BIS instituting this new requirement for exports and reexports to Hong Kong?

BIS is taking this action to provide greater assurance that U.S. origin items that are subject to the multilateral control regimes, i.e. the Wassenaar Arrangement, the Australia Group, the Missile Technology Control Regime, and the Nuclear Suppliers Group, will be properly authorized by the United States to their final destination, even when those items first pass through Hong Kong. This rule is also intended to complement the control system of the Government of the Hong

Kong Special Administrative Region, which requires both an import license and export license for multilaterally controlled items imported and reexported by parties in Hong Kong.

Q8. My company ships items to Hong Kong under a license exception in the Export Administration Regulations (EAR), say License Exception Shipments to Country Group B Countries (GBS). How does this rule impact my company?

The exporter or reexporter must obtain a copy of the requisite Hong Kong import license from the recipient(s) in Hong Kong before exporting or reexporting items to Hong Kong under License Exception GBS. Otherwise, a copy of a written statement by the Government of the Hong Kong Special Administrative Region issued to the Hong Kong importer stating that no license is required to import the item into Hong Kong is required. This may come in the form of a “NLR Notification” or “website information”. If the item you are exporting or reexporting to Hong Kong is not found on Hong Kong’s Trade and Industry Department (TID) website, you will need to contact TID to verify the control status of the item. “NLR Notification” or “website information” may be used for more than one export or reexport to Hong Kong. See also Q2 above, as well as Q4 regarding requirements for reexports of GBS- (or other licensed or license excepted) items from Hong Kong.

Q9. My company ships items from Hong Kong under License Exception Additional Permissive Reexports (APR). How does this rule impact my company?

Companies using License Exception APR are reminded to review the restrictions on eligible items and eligible destinations in [§ 740.16 of the Export Administration Regulations, as well as the other requirements of License Exception APR, which have not been changed by this rule.](#) The rule that becomes effective on April 19, 2017 will additionally require that the exporter or reexporter of certain items subject to the EAR obtain a copy of the Hong Kong export license before shipping items from Hong Kong, or a copy of a written statement by the Government of the Hong Kong Special Administrative Region issued to the Hong Kong reexporter stating that no export license is required to export the item from Hong Kong. This may come in the form of a “NLR Notification” or “website information”. If the item you are reexporting from Hong Kong is not found on Hong Kong’s Trade and Industry Department (TID) website, you will need to approach TID to verify the control status of the item. “NLR Notification” or “website information” may be used for more than one reexport from Hong Kong. See also Q2 above.

Q10. My items are classified as EAR99 or are unilaterally controlled. Do I need to provide a copy of the Hong Kong import license or a copy of “NLR Notification” or “website information” prior to export?

The new rule applies specifically to U.S. origin items that are subject to the multilateral control regimes, i.e. the Wassenaar Arrangement, the Australia Group, the Missile Technology Control Regime, and the Nuclear Suppliers Group. Under the EAR, these items are controlled for CB, MT, NP1, or NS reasons. Items that are EAR99, or unilaterally controlled by the United States, e.g Export Control Classification Number 5A992, 5D992, etc., are not under the scope of these requirements and therefore do not need a Hong Kong import license or a copy of "NLR Notification" or "website information" prior to export. This rule is intended to complement the control system of the Government of the Hong Kong Special Administrative Region, which requires both an import license and export license for multilaterally controlled items imported and reexported by parties in Hong Kong. If the items are not controlled for any of the above reasons, this rule does not apply to the items, although all other requirements under the EAR should be considered, such as license requirements for an entity on the Entity or Unverified List.

Q11. The company that will be importing my items into Hong Kong sent me an Approval-in-Principle letter from the Hong Kong government. Does this letter allow me to ship items prior to obtaining a copy of the Hong Kong import license?

The “Approval-in-Principle Arrangement for Bulk Users of Strategic Commodities Licensing Service” (AIP) is a special program that expedites license processing times for frequent shippers in Hong Kong. Companies who qualify and apply for AIP are notified of their qualification by an AIP letter issued by the Government of the Hong Kong Special Administrative Region, setting out the relevant products, suppliers/consignees, end-users, etc. for shipments that may be covered by AIP. The AIP letter has a validity period that is normally one year. Companies must renew their respective AIP before it expires to continue enjoying the benefits of AIP. For purposes of the EAR only, you may treat a copy of the AIP letter (for either the first-time approval or renewal) as a Hong Kong import license, as long as the AIP letter is valid when your shipment takes place and as long as the AIP letter covers the items and parties relevant to your export or reexport to Hong Kong. For those who use a renewal letter, they should ask the relevant companies in Hong Kong to download the updated approved items and parties from their electronic account with Hong Kong Trade and Industry Department (TID) as a supporting document. If you are using an AIP letter as a Hong Kong import license for purposes of the EAR, you must obtain and retain a copy of the AIP letter as well as supporting documents pursuant to the recordkeeping provisions of sections 740.2(a)(19) and 748.13 of the EAR. Additional information on AIP may be found on Hong Kong Trade and Industry Department’s website: https://www.stc.tid.gov.hk/english/circular_pub/2009_stc09.html. The use of an AIP letter and supporting documents for purposes of the EAR does not remove the responsibility of

you or your Hong Kong client to comply with any of the import requirements of the Government of the Hong Kong Special Administrative Region, including the requirement to obtain any necessary individual Hong Kong licenses.

Q12. I am reexporting a multilaterally controlled item subject to the EAR from Hong Kong. Does my “Approval-in-Principle Arrangement for Bulk Users of Strategic Commodities Licensing Service” (AIP) letter meet the document requirements under Part 740 or Part 748 of the Export Administration Regulations (EAR) for this reexport?

No, the AIP letter may not be used in place of the individual Hong Kong export license for purposes of Part 740 or Part 748 of the EAR.

Q13. The contract with my client requires me to provide intangible items in the form of software upgrades. Do these items also require a copy of the Hong Kong import or export license?

Hong Kong's strategic commodities regulations do not control intangible technology transfers. This information may be found on Hong Kong Trade and Industry Department's website, specifically: <https://www.stc.tid.gov.hk/english/faq/faq.html#Q9>. This statement constitutes written guidance in the form of "website information" by the Government of the Hong Kong Special Administrative Region issued to the Hong Kong importer stating that no import license is required to import the item in to Hong Kong.

Q14. My items are going to-transit through Hong Kong, and will not be consigned to any transaction party in Hong Kong. The items will not be removed from the aircraft or vessel in Hong Kong. Does the Bureau of Industry and Security require a copy of the Hong Kong import or export license to be obtained prior to the item transiting through Hong Kong?

No. The rule that takes effect April 19, 2017 only applies to exports and reexports to Hong Kong and reexports from Hong Kong. As specified in the EAR, the export or reexport of an item that will transit through a country or countries to a destination identified in the EAR is deemed to be an export to that destination. In other words, if the item is merely transiting Hong Kong on its way to, for example, a consignee in China, and there is no consignee in Hong Kong, then the item is considered to be an export or reexport to China. You may still be required, under Hong Kong law, to get an import or export license from the Hong Kong government for transit shipments, but the U.S. requirement to get a copy of that license prior to shipment would not apply. This is consistent with the purpose of the rule, which was intended to address shipments to consignees in Hong Kong that are ultimately destined to third countries. As stated in the

preamble to the rule that takes effect on April 19, 2017, BIS implemented this change to the EAR to provide greater assurance that U.S. origin items that are subject to the multilateral control regimes will be properly authorized by the United States to their final destination, even when those items first pass through Hong Kong.

Q15. I have determined that my products are not controlled for the reasons described in the rule. Do I need a specific pre-classification statement from the Hong Kong government addressed to my company, or may I accept the results of Hong Kong Trade and Industry's [search tool](#), as alternative documentation?

Publicly available information found on Hong Kong Trade and Industry Department's [website](#) ("website information") stating that no import license is required to import the item in to Hong Kong is considered a copy of a written statement under the new rule. Records of a "No License Required" Notification ("NLR" Notification) or "website information" (either in the form of a hardcopy or softcopy) confirming the control status of your item in Hong Kong are required to be retained under the recordkeeping provisions of the rule. The "NLR Notification" or "website information" may be used for more than one export or reexport to Hong Kong or more than one reexport from Hong Kong, provided that the records are current. Exporters are advised to review Hong Kong Trade and Industry's [website](#) for updates because, as in the United States, the Hong Kong control list is frequently subject to changes.