

Customs Clearance

News

July

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2019

Customs Consulting of Xinhai Newsletter Newsletter in July

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Producer: Xinhai Customs Service Team

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- Golden Gate II Forum Started

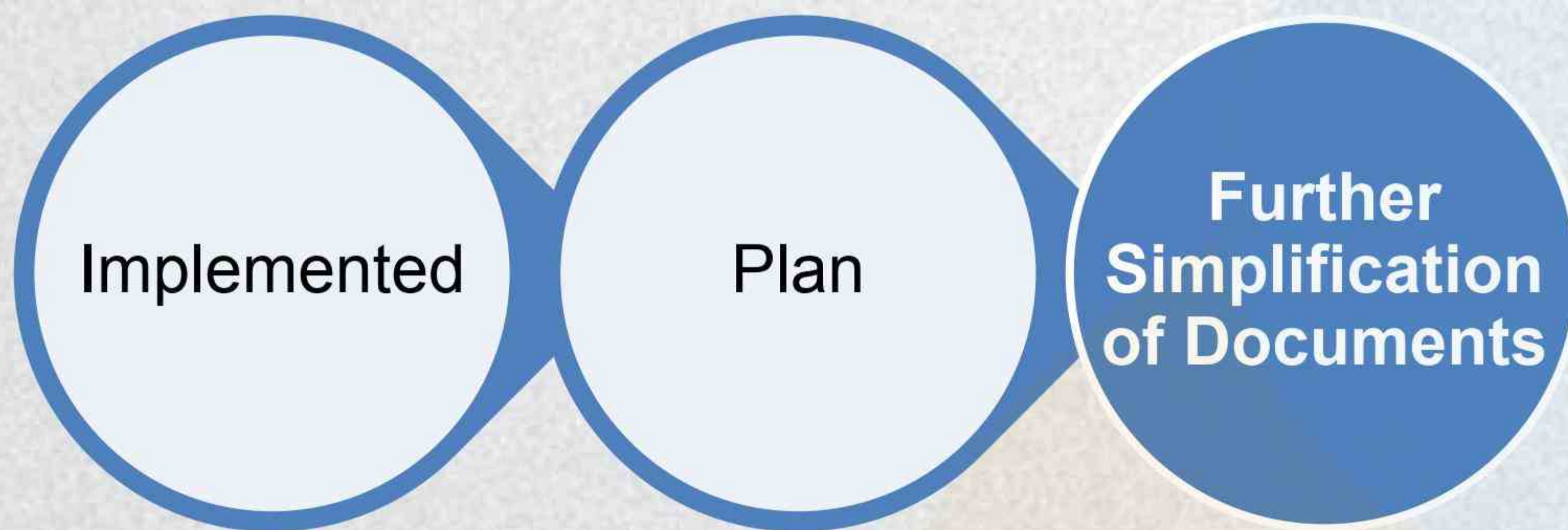
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Further Improve the Business Environment and Implement 10 Specific Measures

- ▶ Further Simplification of Documents
- ▶ Further Optimize the Process and Improve Customs Clearance Efficiency
- ▶ Further Improve Port Informatization Level
- ▶ Further Reduce Port Charges

The World Bank released its “Business Environment Report” in 2018. China’s cross-border trade score rose from 69.91 to 82.59, ranking 32nd, becoming the economy with the most significant improvement in the business environment. Focusing on the spirit of accelerating the improvement of customs clearance facilitation, the General Administration of Customs, together with 10 relevant departments of the Ministry of Finance, the Ministry of Natural Resources, the Ministry of Transport, the Ministry of Agriculture and Rural Areas, the Ministry of Commerce, the State Health and Health Commission, the People's Bank of China, the State Market Supervision and Administration, the Bank of China Insurance Supervision and Administration Commission, and the State Drug Administration, conducted in-depth policy research and detailed measures. The 10 departments jointly issued the "Notice on Accelerating the Improvement of Customs Clearance Facilitation" on June 27, proposing a total of 10 specific measures.

Further Improve the Business Environment and Implement 10 Specific Measures (Before the end of 2019)

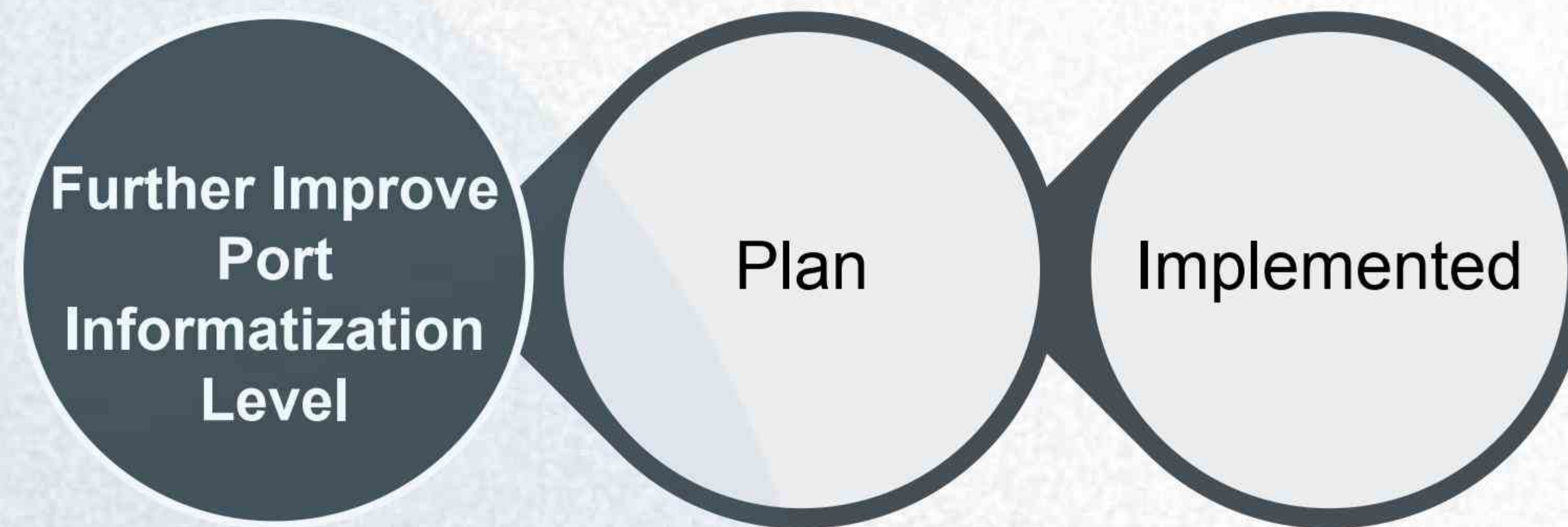


40 kinds of import and export supervision certificates have been automatically compared and verified by the system before released; Implementation of online declaration and handling of some regulatory certificates in a single window. Shanghai has fully realized enterprises' independent printing of special customs payment forms and online declaration and printing of export certificates of origin.

1 Implemented

The "Import and Export Permit for Pharmaceutical Products", "Import and Export Permit for Gold and Gold Products", "Entry and Exit Document for Bank Dispatching RMB Cash", "Customs Clearance Certificate for Legal Fishing Products" and "Exit Document for Paleontological Fossils" will be included in online declaration and processing. Shanghai will accelerate paperless B/L.

2 Plan



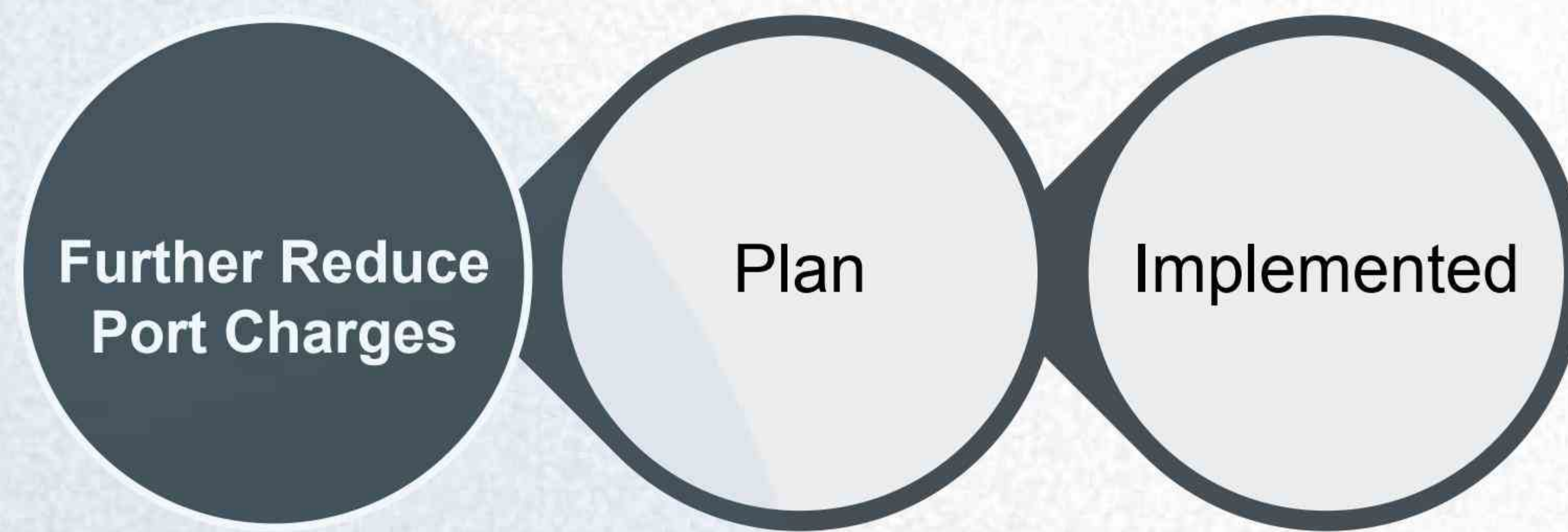
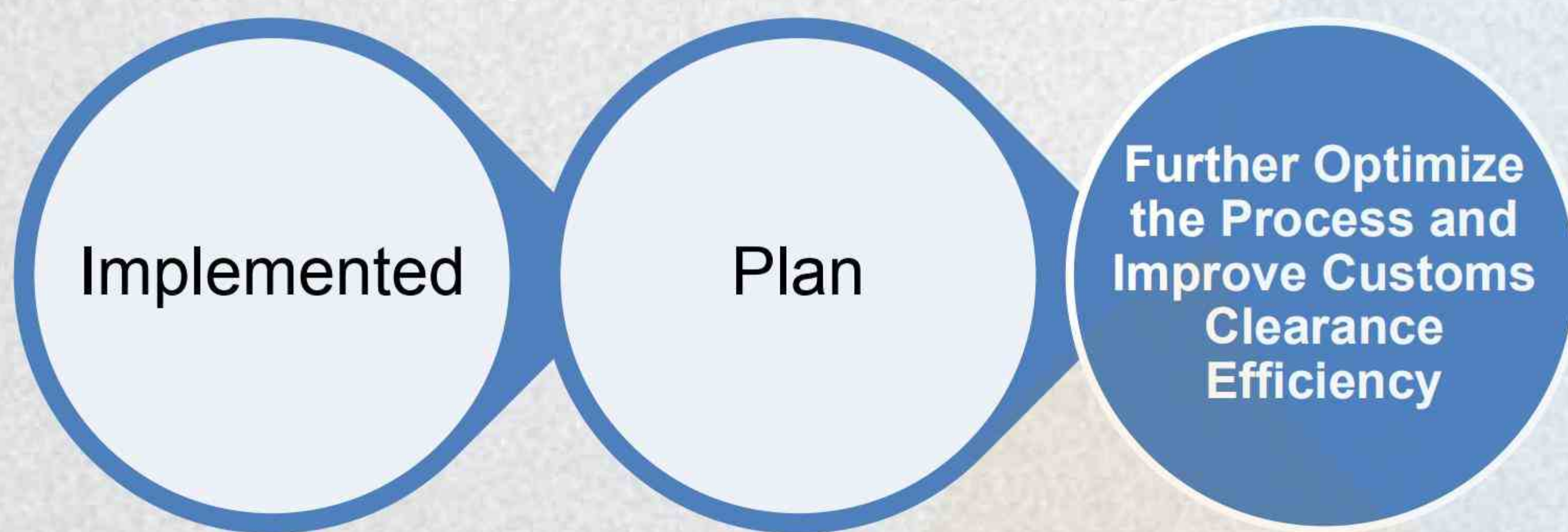
Shanghai Customs District has expanded the scope of centralized image examination, increased the application of new regulatory equipment, and fully implemented paperless equipment interchange receipt.

1 Implemented

The General Administration of Customs, together with other relevant departments, will continue to deepen the construction of a "single window" for international trade and speed up cooperation and docking with civil aviation, ports, railways and other industry organizations. The coastal ports will enable enterprises to handle procedures such as handing over container equipment, reporting of container lifting plans and settlement of expenses on the Internet. Further optimize the port and shipping operation process; To speed up the improvement of the application level of operation informatization in shipping companies; Announce the standards for port operations, acceptance procedures for shipping companies and their agents, and time limits for operations.

2 Plan

Further Improve the Business Environment and Implement 10 Specific Measures (Before the end of 2019)



1 Implemented

import and export of declare in advance system, vigorously promote "consolidated taxation", "customs guarantee insurance", and establish "declare in advance" fault tolerance mechanism for imported goods; Shanghai Customs has made it clear that products outside the 3C catalogue can be declared to the customs after the enterprise makes its own judgment, and 3C is exempted from self-commitment. The Shanghai pilot covers all product categories.

2 Plan

The General Administration of Customs will launch a pilot reform of the "two-step declaration" customs clearance mode that will implement import summary declaration and complete declaration; Deepen the reform of diversified tax guarantee systems such as tariff guarantee insurance, and further expand the scope of insurance companies to pilot tariff guarantee insurance. The General Administration of Customs, together with local governments, opened a "green channel" for the rapid clearance of agricultural and sideline products at border ports.

1 Implemented

Strengthen price supervision and inspection; Continue to push forward the reduction of agency fees; Implement the goal of reducing port fees;

2 Plan

the State General Administration of Market Supervision and Administration will carry out special inspection of import and export fees, investigate and punish illegal fees and charges according to law, and investigate the port operation service units and enterprises suspected of monopoly. We will further implement measures to reduce fees at ports and enhance the sense of acquisition of import and export enterprises.

Announcement on Public Solicitation of Opinions on "Regulations on Optimizing the Business Environment (Draft)"

•Relevant units and people from all walks of life are welcome to visit the "Comments" column on the front page of the National Development and Reform Commission's portal website (<http://www.ndrc.gov.cn>) before August 12, 2019, enter the "Public Comments" column of the "Regulations on Optimizing the Business Environment (Draft for Comments)" and put forward valuable suggestions.

Item 1: Equal Market Access

Item 2: Improving the Market Environment (Cross-border Trade)

Item 3: Supervision and Law Enforcement (Double Random and One Open, Credit Supervision, Standardizing Discretion)

Market Access

•The country implements a unified national market access negative list system. All kinds of market players can enter industries, fields and businesses other than the negative list according to law and on an equal footing.

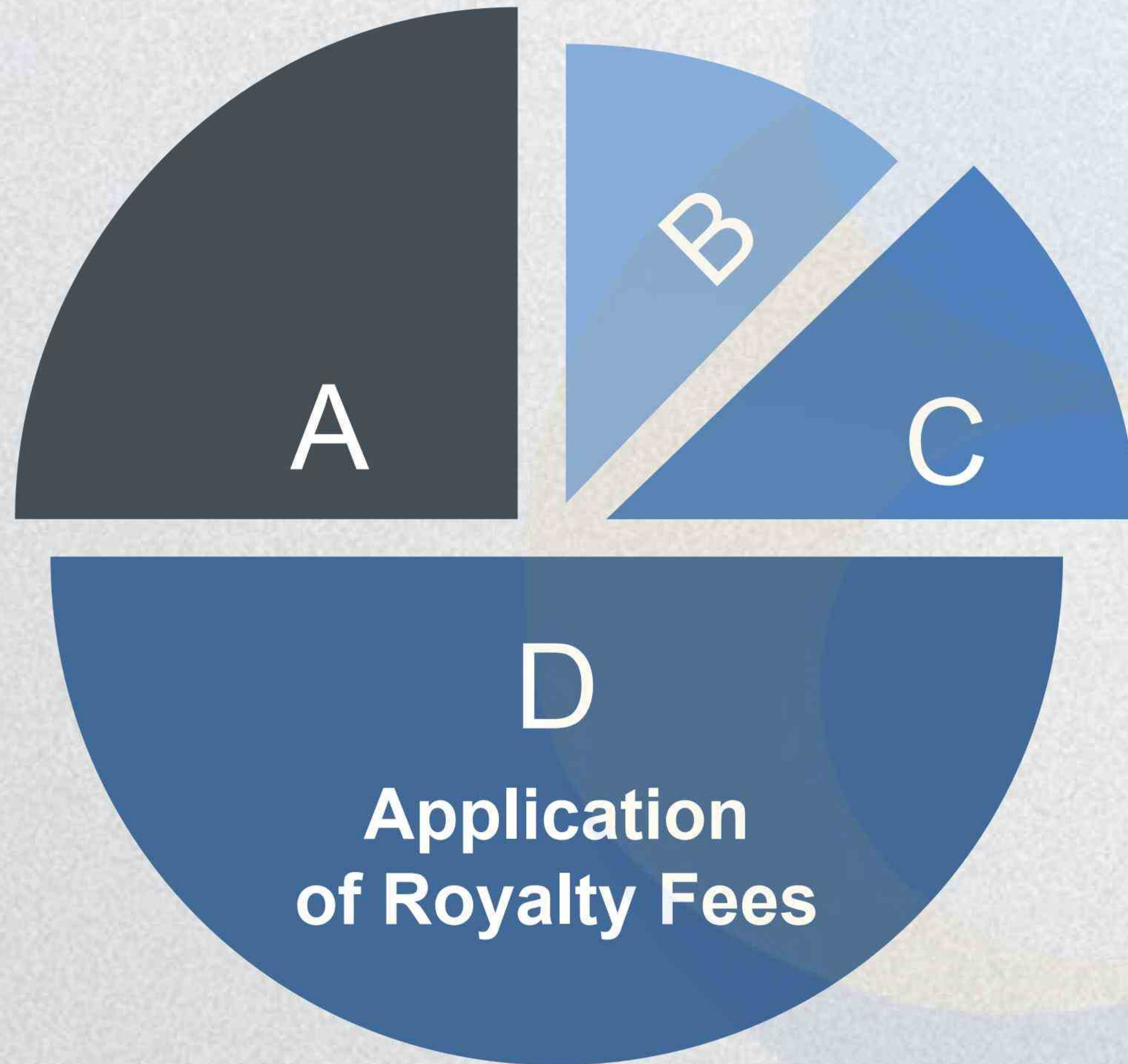
Cross-border Trade

•Promote information sharing and business collaboration, implement unified handling of related businesses in ports and international trade through a "single window" of international trade, and provide convenient port customs clearance services for market players. The people's governments of provinces, autonomous regions and municipalities directly under the central government shall formulate and make public the procedures for customs clearance and the time limit for port operation services, and publish the list of port charges. Without the basis of laws and administrative regulations, no unit or individual is allowed to create supervision certificates for import and export links or to conduct verification at customs clearance. Relevant departments should strengthen international mutual recognition cooperation among "certified operators" and give mutual recognition enterprises relevant convenience measures.

Supervision and Law Enforcement

•In addition to the special key areas, the daily supervision area should, in principle, implement the "double random and one open" supervision mode of randomly selecting inspection objects, randomly selecting law enforcement inspectors, and timely disclosing the inspection results to the public. The state establishes a credit-based supervision mechanism. The administrative organ shall take differentiated and classified supervision measures for the supervision objects with different risk levels and credit levels, reasonably determine and dynamically adjust the proportion and frequency of spot checks. The exercise of administrative discretion by administrative organs shall conform to the legal purpose and be reasonable, exclude the interference of irrelevant factors, adopt necessary and appropriate measures and means, and explain the reasons in administrative law enforcement decisions.

Answers to Questions Related to General Administration of Customs Announcement No.58 of 2019



The enterprise confirm whether the royalty is taxable?

A

Three months before the goods imported or exported, an application for price pre-determination shall be submitted to the customs directly under the place of registration through the electronic port "Customs Affairs Contact System" or "Internet + Customs".

How should an enterprise declare that it has already paid royalties when declaring imports?

B

Which is included in the actual and payable price of imported goods, but if it cannot be quantified and divided, it can be reported in the total price without reporting in the miscellaneous fees column. This fee is only related to some imported goods of the same batch, and the declaration form shall be split for declaration.

If the enterprise fails to confirm the payment of royalties when declaring the import of goods, can it declare according to the subsequent supplementary tax?

C

No. For this kind of situation, if an enterprise finds that it fails to report the taxable royalties through self-examination, it can take the initiative to disclose it to the customs.

How to determine the payment date of royalty fees?

D

That is, the actual date of payment of royalties, subject to the date of receipt and deduction certificate issued by the bank.

Summary of Inspection and Quarantine Policies in July

| Category | Announcement No. | Comments |
|---|--|--|
| Animal and plant products access category | Announcement No.120 of 2019 of the General Administration of Customs | Announcement on Inspection and Quarantine Requirements for Imported Quinoa from Peru. From July 16, 2019, Chenopodium quinoa grains (including peeled quinoa grains, quinoa powder and quinoa cereal) grown and processed in Peru will be allowed to be imported into China. It is required that imported Chinese products must meet the inspection and quarantine requirements for imported Peruvian quinoa. |
| | Announcement No.119 of 2019 of the General Administration of Customs | Announcement on Allowing Imports of Bulgarian Sunflower Seed Meal. Starting from July 4, 2019, Sunflower seed meal produced in Bulgaria, also known as sunflower seed meal, is allowed to be transported to China as the residue after sunflower seeds are pressed and leached to produce separated oil. It is required that products imported into China must meet the inspection and quarantine requirements for imported Bulgarian sunflower seed meal. |
| | Announcement No.118 of 2019 of the General Administration of Customs | Announcement on Allowing Import of Lithuanian Wheat. From July 15, 2019, Wheat (<i>Triticum aestivum</i> L., <i>Triticum durum</i> L. or <i>Triticum tauschii</i> L., English name wheat) from Lithuania is allowed to be imported into China. It is required that millet exported to China be used for processing and not for cultivation. Products exported to China must meet the quarantine requirements for imported Lithuanian wheat plants. |
| | Announcement No.117 of 2019 of the Agricultural and Rural Department and the General Administration of Customs | Announcement on Preventing Lao African Swine Fever from Introducing into China. From July 11, 2019, direct or indirect import of pigs, wild boars and their products from Laos is prohibited. |

Summary of Inspection and Quarantine Policies in July

| Category | Announcement No. | Comments |
|---|--|--|
| Animal and plant products access category | Announcement No.112 of 2019 of the General Administration of Customs | Announcement on Inspection and Quarantine Requirements for Hong Kong Agaricus bisporus Exported to Mainland China. From July 5, 2019, Agaricus bisporus (J.E. Lange) planted in the hong kong special administrative region is allowed to be imported into the mainland in 1951. products imported into the mainland must meet the inspection and quarantine requirements of hong kong Agaricus bisporus imported into the mainland. |
| | Announcement No.111 of 2019 of the General Administration of Customs | Announcement on Allowing Imports of Watermelons from Laos. From July 4, 2019, fresh Watermelon, scientific name Citrullus lanatus Matsum et Nakai, English name Watermelon, is allowed to be imported into China, and the products imported into China must meet the quarantine requirements for imported watermelon plants in Laos. |
| | Announcement No.110 of 2019 of the General Administration of Customs | Announcement on Inspection and Quarantine Requirements for Importing Turkish Pistachios. Starting from July 4, 2019, pistachios produced in Turkey that have not undergone baking and other cooking processes, whether shelled or not, are allowed to be imported into China. Products imported into China must meet the inspection and quarantine requirements for imported pistachios from Turkey. |
| | Announcement No.109 of 2019 of the General Administration of Customs | Announcement on Inspection and Quarantine Requirements for Imported Kyrgyz Wheat Flour. Starting from July 2, 2019, edible fine powdery food obtained from the processing of wheat (Triticum aestivum L.) grown in the Kyrgyz Republic is allowed to be transported to China, and the products transported to China must meet the inspection and quarantine requirements for imported Kyrgyz wheat flour. |
| | Announcement No.104 of 2019 of the General Administration of Customs | Announcement on Inspection and Quarantine Requirements for Imported Sudan Shelled Peanuts). Allowing Sudan's shelled peanuts to be exported to China refers to the shelled peanuts produced in Sudan and processed and stored in Sudan. These shelled peanuts must meet the relevant provisions in the Inspection and Quarantine Requirements for Imported Sudan Shelled Peanuts. |

Summary of Inspection and Quarantine Policies in July

| Category | Announcement No. | Comments |
|---|--|--|
| Health quarantine | Announcement No.103 of 2019 of the General Administration of Customs | Announcement on Preventing Dengue Fever Epidemic from Entering China. On June 25, 2019, transportation vehicles, containers, goods (including corpse bones), luggage, mail and express mail in Philippines, Vietnam, Malaysia, Thailand, Cambodia, Laos, Singapore, Maldives, Brazil, Colombia, Nicaragua and Mexico must undergo health quarantine. The person in charge, carrier, agent or consignor shall voluntarily declare to the customs and undergo quarantine inspection. Those that may be contaminated by dengue virus shall undergo health treatment in accordance with regulations. Valid for 3 months. |
| | Announcement No.102 of 2019 of the General Administration of Customs | Announcement on Preventing Ebola Hemorrhagic Fever Epidemic from Entering China. On June 14, 2019, vehicles, containers, goods (including corpse bones), luggage, mail and express mail in the Democratic Republic of Congo and the Republic of Uganda must undergo health quarantine. The person in charge, carrier, agent or cargo owner shall voluntarily declare to the customs and undergo quarantine inspection. Those who may be contaminated by Ebola virus shall undergo health treatment in accordance with regulations. Valid for 3 months. |
| Animal and plant products access category | Announcement No.100 of 2019 of the Agricultural and Rural Department and the General Administration of Customs | Announcement on preventing the introduction of Korean African swine fever into China. From June 12, 2019, it is forbidden to import pigs, wild boar and their products directly or indirectly from North Korea. Once discovered, they will be returned or destroyed. |
| Administrative approval | Announcement No.114 of 2019 of the General Administration of Customs | Announcement on publishing the list of designated regulatory sites for imported chilled aquatic products. This time, Nanjing Customs and Hangzhou Customs will each add a designated customs supervision site. |
| | Announcement No.108 of 2019 of the General Administration of Customs | Announcement on Announcement of List of Quarantine Sites for Imported Pets. Guangzhou Customs to Increase Quarantine Sites for Imported Pets at Guangzhou Baiyun Airport. |

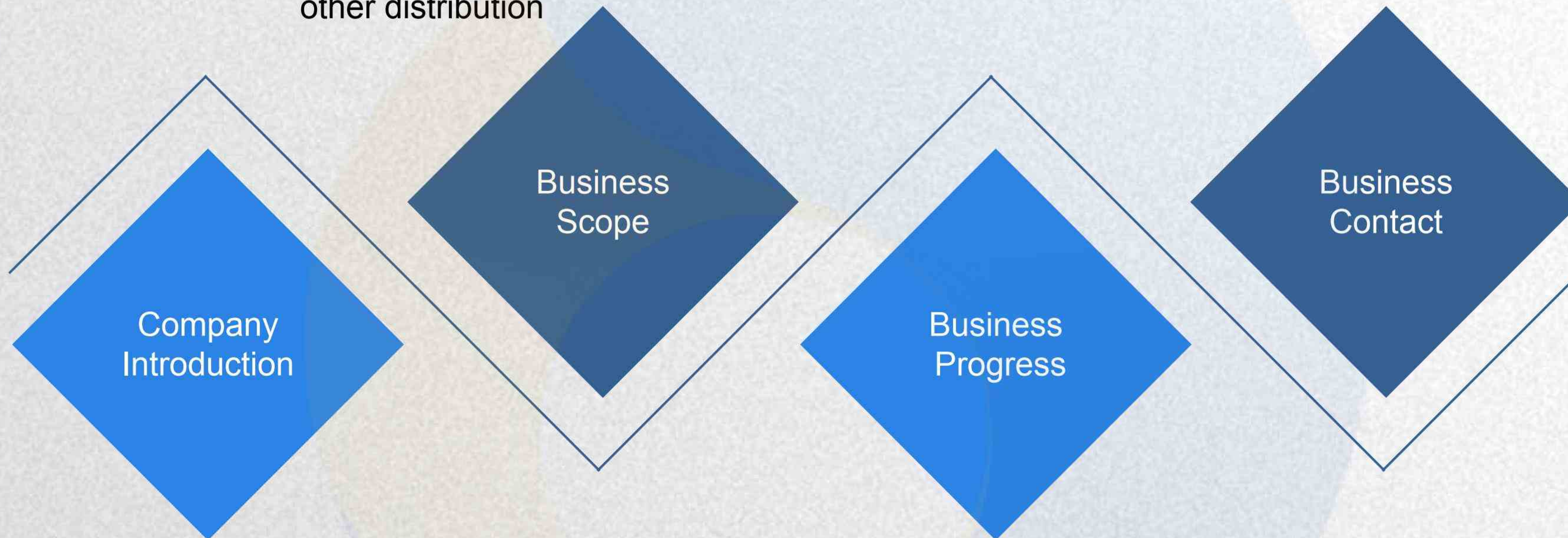
Summary of Inspection and Quarantine Policies in July

| Category | Announcement No. | Comments |
|-------------------------|---|---|
| Administrative approval | <p>Notice of the State Administration of Market Supervision and Administration on "Administrative Measures for Registration of Formula of Infant Formula Milk Powder Products (Draft for Comments) Public Solicitation of Comments"</p> | <p>The contents of this revision are mainly as follows: First, the formulation registration will be further tightened. Requiring the applicant to have a complete production process; Clarify 7 cases of non-registration; Refine the prohibitive requirements for labels and instructions; Clarify the requirements for submission of change application materials. The second is to further increase penalties for violations. Clearly including the applicant in the list of serious illegal and dishonest enterprises into the situation of not accepting and not registering; To tighten the punishment measures of "altering, reselling, leasing, lending and transferring" the registration certificate of the baby. The third is to further implement the requirement of "putting out the tube clothing". The implementation of corporate responsibility, after full evaluation by the group, can be transferred between the group's parent company and its wholly-owned subsidiaries formula; The review and approval of the application for change of enterprise name and production address name (not actual address) shall be adjusted to "change after on-site verification"; Reduce the inspection time limit from 30 working days to 20 working days; Increase the legal effect of electronic certificates; Simplify the workflow and cancel the review process. The fourth is to further clarify the responsibilities, procedures and time limit. It is clear that the food evaluation organization is responsible for the acceptance and evaluation of application for formula registration, and can organize experts in the fields of food safety, food processing, nutrition and clinical medicine to demonstrate. Clarify the relevant procedures and time limit for the on-site verification of the verification institutions.</p> |
| General | <p>General Administration of Market Supervision No.34 of 2019</p> | <p>Announcement on the Implementation Requirements for Products such as Explosion-proof Electric from Production License to Compulsory Product Certification Management. Starting from October 1, 2019, explosion-proof electrical products, household gas appliances and household refrigerators with a calibrated volume of 500L or more will be included in the CCC certification management scope.</p> |
| | <p>General Administration of Market Supervision No.30 of 2019</p> | <p>Announcement on Issuing "Determination of sodium picosulfate in Food" Food Supplementary Inspection Methods. This test method is mainly applicable to the determination of sodium picosulfate in jelly, candied fruit, candy, beverage and other foods (including the same health food and tablets and hard capsule health food as the above matrix).</p> |

Xinhai Air Cargo Export Warehousing Build-up Business 欣海报关

- General cargo warehouse outside the area
- Delivery documents shall be delivered to the ground agent by build-up in the cargo station.
- Shuttle between warehouse and ground agent, other distribution

•If you have any related business, welcome to contact Xinhai Airlines: Hu Zhengjie, General Manager TEL: 13801734000



•The warehouse address is located in Prosperous Logistics Park, No.8 Jinwen Road, Pudong New Area. The warehouse is an integrated warehouse with a storage area of 3200 square meters and an office area of 500 square meters on the upper and lower floors. System support: strive to be able to interface with any customer and ground agent system.

•Based on the brand advantage of Xinhai, Xinhai Airlines has attracted Shanghai Volkswagen Group, sharing resources and cooperating for win-win. The existing cold storage covers an area of about 500 square meters and has complete functions, including constant temperature storage (170 square meters), cold storage (285 square meters) and cold storage (50 square meters) All management and warehouse entry and exit operations in this cold storage area are operated by Xinhai Airlines.

Xinchao Supply Chain Integrated Bonded Logistics Service Provider

01 Warehouse Overview

The warehouse is located in Pudong Airport Comprehensive Free Trade Zone with an area of more than 2200 square meters. The comprehensive protection zone covers all the functional policies of the bonded zone, export processing zone and bonded logistics zone. The zone focuses on the development of international goods transfer, international procurement and distribution, international entre pot trade, international express delivery, maintenance and testing, financial leasing, warehousing and logistics, simple processing, commodity display and trading, and supporting financial insurance and agency services.

02 Warehouse Overview

Meet the requirements of TAPA authentication hardware, and the reservoir area is separated from the warehouse work area. Water, electricity, gas, communications and other basic pipelines are fully reserved and reasonably configured, equipped with constant temperature warehouses and valuable goods storage areas. Equipped with advanced logistics storage and handling equipment. A special inspection platform outside the reservoir area is built to enable you to inspect goods without entering the storage area. Fire alarm system, automatic spraying and liquid fire extinguisher, etc. The warehouse is monitored 24 hours a day and is manned 24 hours a day by professional security guards.

03 System Support and Supporting Functions

In order to cooperate with the customs and the inspection and quarantine departments to supervise the import and export business, Xinchao supply chain has specially developed a new warehouse management system-titan, which is more standardized, convenient and considerate in bonded warehouse management. Urgent overseas parts are transferred from the airport to the warehouse (through the district and port). It is located on the second floor of A5 reservoir area, with good ventilation conditions and relatively stable indoor temperature. In contrast, the first reservoir area is humid while the third reservoir area is hot in summer and cold in winter. All simple processing operations are completed under CCTV real-time monitoring.

04 Business Contact

If you have any related business, welcome to contact the general manager of Xinchao supply chain: Wang Jian TEL18602107172

Golden Gate II Forum Started

Golden Gate II



01

•In order to help enterprises successfully complete system switching, Shanghai Xinhai Customs Brokerage Co., Ltd. held the "Golden Gate II Processing Trade Management System Guidance and Policy Introduction Training Meeting" on July 10th and 16th. Shanghai Xinhai Customs Brokerage Co., Ltd appointed business experts and representatives of participating enterprises to discuss processing trade in depth, directly analyzing the current problems in processing trade to enterprises, pointing out the direction of enterprise processing trade management, providing information-based solutions, and helping enterprises to realize "easy" management of processing trade in Golden Gate II



02

•This course starts from the system introduction, system operation, matters needing attention in customs affairs after the switch of Golden Gate II system, comparison of new and old systems in processing trade, business changes, system module management and common business problems respectively, so that everyone can have a more comprehensive understanding of the system's operation mode and module content.



03

•Delegates at the conference have consulted the two lecturers on the customs declaration for the Golden Gate II through today's course, representatives of various enterprises have a more systematic understanding of the system and the methods and processes of business operations. They share the perplexities and puzzles encountered in the question-answering process and help everyone sort out the business contents in the module better.

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Thanks!