Customs News Clearance

June

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# **Customs Consulting of** Xinhai Newsletter in June

Producer: Xinhai Customs Service Team



The Latest Progress of Sino-US Trade War

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### U.S. Export Control Measures





#### Commercial Control List (CCL)

CCL is currently divided into 14 categories, including biotechnology, artificial intelligence, positioning, navigation and timing technology, microprocessor technology, advanced computing technology, data analysis technology, quantum information and sensing technology, logistics technology, 3D printing, robots, brain-computer interface technology, hyper-factor aerodynamics, advanced materials and monitoring technology. The U.S. Department of Commerce has not yet released the final version of the detailed CCL list.



#### Entity List of Export Restrictions (Entity List)

Companies and enterprises listed on the entity list will be subject to stricter and broader export controls than those stipulated by CCL. Since 2019, Huawei and its 114 related enterprises have been included in the entity list. On May 22, the US Department of Commerce announced that 33 different local enterprises were added to the entity list.



#### Current U.S. Export Control Laws and Implementing Regulations

The latest US export control law for dual-use goods is the Export Control Reform Act of 2018 (ECRA 2018). ECRA2018 grants permanent and extensive jurisdiction to the government (mainly the Ministry of Commerce's Industry Security Bureau) over exports of dual-use goods.

U.S. Department of Commerce's Industry Security Bureau has formulated the Export Administration Regulations (EAR). EAR has many details of implementing export controls, including export restrictions on military end-use, export restrictions on foreign direct products, and other export restrictions.



MAY 22, 2020 . Press releases

The Department of Commerce's Bureau of Industry and Security (BIS) amounced the impending addition of the People's Republic of China's Ministry of Public Security's Institute of Forensic Science and eight Chinese companies to the Entity List, which will result in these parties facing new restrictions on access to U.S. technology. These nine parties are complicit in human rights violations and.

♠ Entity List

#### Commerce Department to Add Two Dozen Chinese Companies with Ties to WMD and Military Activities to the Entity List

MAY 22, 2020 . Press releases

The Department of Commerce's Bureau of Industry and Security (BIS) announced it will add 24 governmental and commercial organizations to the Entity List for engaging in activities contrary to the national security or foreign policy interests of the United States. The entities, based in China, Hong Kong, and the Cayman Islands, represent a significant risk of supporting procurement of interesting.

Frity List

### U.S. Export Control Measures

### Wider Restriction Scope

- The scope of commodities involved is wider, and the commodity fields of "basic technology" and "emerging technology" are newly added.
- CCL can judge whether the article is controlled and whether the export of the controlled article requires a license.

#### More Restriction Situations

- Products exported from the United States and re-exported using CCL commodities exported from the United States to other countries.
- Products exported from the United States
  to provide support or assistance for the
  operation, installation, maintenance,
  repair and overhaul of military supplies
  are also included in the category of
  "military".





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### "Entity List" Link

- https://www.commerce.gov/news/pressreleases/2020/05/commerce-departmentadd-nine-chinese-entities-related-humanrights
- https://www.commerce.gov/news/pressreleases/2020/05/commerce-departmentadd-two-dozen-chinese-companies-tieswmd-and
- https://www.commerce.gov/index.php/ne ws/press-releases/2019/08/departmentcommerce-adds-dozens-new-huaweiaffiliates-entity-list-and

### The fifth batch of excluded products in the U.S. 300 billion tariff increase list

- A total of 34 new excluded products were added, including duck or goose down, plastic knee pads, Chinese printed books, gloves, non-plastic spectacle frames, lithium ion batteries, LCD liquid crystal displays, dial plates, child safety seats, fishing hooks, spark lighters and other products, i.e. the products in this excluded list will be exempted from a 7.5% tariff within one year from the date of the imposition.
- The validity period of this batch of exclusions can be traced back to the
  date when the 300 billion tariff (List A) was imposed, that is, September 1,
  2019. Tariffs previously imposed can be applied for refund.
- https://ustr.gov/sites/default/files/enforcement/301Investigations/%24300\_B
   illion\_Exclusions\_Granted\_June.pdf





Commodity Code (U.S.)	Tax Item Provisions	Chinese Commodity Code
5210.11.4040 5210.11.6020		52101100
9603.90.8050	Mop heads of polyester and rayon, lint free, disposable: Tufts of swine hair bristles, oriented with the soft feather tipped ends of the hairs facing up and the hard, root ends of the hairs facing down, with the root ends of the hairs glued together to form a round bottom not more than 7 mm in diameter, for incorporation into brushes	96039090(Partial)
0505.10.0055	Down of ducks or geese, not further worked than cleaned, disinfected or treated for preservation, meeting both test standards 4 and 10.1 of Federal Standard 148a promulgated by the General Services Administration, with a fill power of at least 315 cm3/g but not more than 580 cm3/g	05051000(Partial)
2933.69.6010	Cyanuric chloride (IUPAC name: 2,4,6-trichloro-1,3,5-triazine) (CAS No.108-77-0), 99.5 percent or higher in purity	29336910
3924.90.5650	Kneeling pads of plastics	39249000(Partial)
3926.90.9990	Fittings of plastics, of a kind used to connect mop heads with mop handles	39269090(Partial)
4901.99.0093	Printed books, in the Chinese language (other than dictionaries and encyclopedias, textbooks, directories, bibles, testaments, prayer books and other religious books, technical, scientific and professional books, art and pictorial books, hardbound books, and rack size paperbound books), containing 49 or more pages each (excluding covers)	49019900(Partial)
6116.10.4400	Women's cut and sewn garden gloves, without fourchettes, cut and sewn from preexisting machine knitted fabric of polyester and cotton jersey, containing 50 percent or more by weight of rubber or plastics, clute cut	61161000(Partial)
6116.10.5520	Gloves cut and sewn of machine knitted fabric, without fourchettes, with applied polyvinyl chloride dots, such gloves containing 50 percent or more by weight of cotton, man-made fibers or wool, or any combination thereof and subject to man-made fiber restraints	



Commodity Code (U.S.)	Tax Item Provisions	Chinese Commodity Code
6116.10.6500	Gloves, containing less than 50 percent by weight of textile fibers, coated with rubber or plastics designed for enhanced grip	61161000(Partial)
6116.93.8800	Gloves, cut and sewn of knitted fabric in chief weight of polyester, not impregnated, coated or covered with plastics or rubber, without fourchettes	61169300(Partial)
6216.00.1720	Gloves of vegetable fibers, without fourchettes, with applied dots of polyvinyl chloride	62160000(Partial)
6307.90.9889	Shells for pillows and comforters made from microfiber fabric consisting of filament yarns not more than 1.22 decitex, such fabric with a weight of at least 55 g/m2 but not more than 155 g/m2	63079000(Partial)
7217.20.3000	Round wire of nonalloy steel, hot-dipped galvanized with zinc, containing by weight less than 0.25 percent carbon, measuring at least 1.5 mm in diameter	72172000(Partial)
8305.10.0010	Ring binder mechanisms for loose leaf binders, each measuring at least 132mm but not more than 134 mm in length and at least 16 mm but not more than 18 mm in width, with 2 prongs seated underneath housing	83051000(Partial)
8481.90.1000	Three-way hand-operated valve part of brass, suitable for use as an input part on irrigation-grade valves	84819010(Partial)
8507.60.0020	Lithium-ion batteries of a form other than size designations of the International Electrotechnical Commission ("IEC") or the American National Standards Institute ("ANSI"), each producing not more than 45 V, with a capacity of at least 6,000 milliamp hours (mAh) but not more than 10 A hours	85076000(Partial)
8517.62.0090	Optical channel splitters (capable of converting between electrical signals and multiplexed optical signals)	85176229(Partial)
8529.90.1300	Television liquid crystal display ("LCD") main board assemblies, each consisting of a printed circuit board containing a television tuner and audio and video components	85299090(Partial)



Commodity Code (U.S.)	Tax Item Provisions	Chinese Commodity Code
9003.11.0000	Safety spectacle frames of plastics conforming to U.S. Occupational Safety and Health Administration standards: Spectacle frames of plastics conforming to U.S. Food and Drug Administration regulations as approved medical devices	90031100
9003.19.0000	Spectacle frames, other than of plastics	90031910/20/90
9013.80.9000	Liquid crystal display ("LCD") modules, not capable of receiving or processing a broadcast television signal, each with a video display diagonal measuring not more than 191 cm	90138030(Partial)
9111.20.4000	Watch cases of stainless steel and titanium, not gold- or silver-plated, unassembled, each measuring at least 20 mm but not more than 48 mm in diameter and weighing at least 50 g but not more than 250: Wristwatch cases of stainless steel, not gold- or silver-plated, including the sapphire crystal, the crown and the case back, each measuring at least 39 mm but not more than 41 mm in diameter and at least 8 mm but not more than 10mm in thickness, weighing not more than 40 g	91112000(Partial)
9114.30.4000	Watch dials of brass, each measuring at least 18 mm but not exceeding 50 mm in width and weighing at least 10 g but not more than 20 g: Wristwatch dials of copper, each measuring at least 33 mm but not more than 35 mm in diameter	91143000(Partial)
9114.90.4000	Wristwatch hands, presented in sets each containing three hands (second,minute and hour) of copper, each hand measuring at least 10 mm but not more than 14 mm in length, faced with lume paint	91149090(Partial)
9401.90.1085	Parts of child safety seats	94019090(Partial)
9506.91.0030	Unfinished pads and seats for weight-training exercise machines	95069190(Partial)
9507.20.8000	Fish hooks, not snelled	95072000(Partial)
9613.80.2090	Electrical spark lighters	96138000(Partial)

### Summary and Analysis of the New Policy Implemented by Customs in July





Announcement on Launching Pilot Enterprise-to-Enterprise Export Supervision in cross-border electronic commerce (Announcement No.75 of 2020 of the General Administration of Customs)

- Add the code "9710" for customs supervision mode, which is full name of "direct export of crossborder electronic commerce enterprises to enterprises"
- Add code "9810" for customs supervision mode, full name "cross-border electronic commerce Export Overseas Warehouse"
- In Beijing customs, Tianjin customs, Nanjing customs, Hangzhou customs, Ningbo customs, Xiamen customs, Zhengzhou customs, Guangzhou customs, Shenzhen customs, Huangpu customs to carry out cross-border e-commerce B2B export supervision pilot.
- B2B export goods of cross-border e-commerce shall comply with relevant inspection and quarantine regulations; It can adopt all-in-one mode or "cross-border e-commerce" mode for customs transfer.



### Further Reduction of Import Tariff Rate

- The fifth step of tax reduction will be implemented from July 1, 2020 on the most-favored-nation tax rate for information technology products listed in the schedule to the Amendment to the Tariff Schedule of the People's Republic of China's Accession to the World Trade Organization.
- According to the trade agreements or preferential tariff arrangements signed between China and relevant
  countries or regions, in addition to the agreement tax rates that have been approved and implemented by the
  State Council before, the relevant agreement tax rates will be further reduced as of July 1, 2020 in accordance
  with the provisions of the bilateral trade agreements between China and Switzerland and the Asia-Pacific trade
  agreement.
- In accordance with China's commitment to give zero tariff treatment to 97% tax items of the least developed countries that have diplomatic relations with China, and in accordance with the exchange of letters between China and the People's Republic of Bangladesh, the preferential tax rate of zero shall be applied to 97% tax items originating in the People's Republic of Bangladesh starting from July 1, 2020.



### Summary and Analysis of the New Policy Implemented by Customs in July



- Starting from July 1, 2020, the state six emission standards for light vehicles will be implemented nationwide, and light vehicles with five emission standards will be prohibited, and the imported light vehicles should meet the state six emission standards
- On July 1, 2020 production (motor vehicle certificate upload date), import (goods import certificate endorsement arrival date) of the country's five emission standards of light vehicles, an increase of six months sales transition period. Before January 1, 2021, it is allowed to sell and register in all regions of the country that have not yet implemented the six national emission standards (Liaoning, Jilin, Heilongjiang, Fujian, Jiangxi, Hubei, Hunan, Guangxi, Guizhou, Yunnan, Tibet, Gansu, Qinghai, Ningxia, Xinjiang and other provinces, as well as in regions other than Shanxi, inner Mongolia, Sichuan, Shaanxi and other provinces that have announced the implementation of the six national emission standards).
- The main purpose of implementing the six national standards is to significantly reduce pollutant emissions and reduce oil and gas volatilization. Compared with the national five standards, the national six emission standards for light vehicles issued in 2016 are more stringent. The 6th B standard will be implemented in 2023.

The Ministry of Ecological
Environment, the Ministry of
Industry and Information
Technology, the Ministry of
Commerce and the General
Administration of Customs
jointly issued a notice on
adjusting the relevant
requirements for the
implementation of the six
national emission standards
for light vehicles.

The implementation date of the national standard GB 2626-2019 "Respiratory Protection Self-priming Filtration Antiparticulate Respirator" was extended to July 1, 2021.

- According to the relevant provisions of the "Compulsory National Standards Management Measures", enterprises can choose to implement GB 2626-2006 or GB 2626-2019 during the transitional period before July 1, 2021. Encourage qualified enterprises to organize production according to the new standards as soon as possible.
- GB 2626-2019 is more specific and strict than GB 2626-2006 in expiratory resistance, inspiratory resistance, air tightness, practical performance and cleaning and disinfection requirements.
- GB2626-2019 Inquiry Website: http://c.gb688.cn/bzgk/gb/viewGb? hcno=16D8935B45AD7AE40228801B7FADFC6C



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# Analysis of Inspection and Quarantine Policies

Category	Announcement No.	Comments
Animal and Plant Products Access	Announcement No.71 of 2020 of the General Administration of Customs and the Ministry of Agriculture and Rural Areas	Announcement on preventing the introduction of Indian African swine fever into China. From May 27 2020, it is forbidden to import pigs, wild boar and their products directly or indirectly from India. Once discovered, they will be returned or destroyed.
	Announcement No.70 of 2020 of the General Administration of Customs	Announcement on quarantine requirements for imported indonesian pitaya plants. Imports of indonesian pitaya that meet quarantine requirements will be allowed from may 23, 2020. This time, imported pitaya is allowed to include three varieties: red-red purple meat pitaya (scientific name: Hylocereus costaricensis English name: Purple or super Red dragon fruit) and red-red red meat pitaya (scientific name: Hylocereus polyrhizus. English name: Red dragon fruit) and Red Skin White Meat Dragon Fruit (scientific name Hylocereus undatus, English name: White dragon fruit).
Customs Clearance	Announcement No.69 of 2020 of the General Administration of Customs	Announcement on Adjusting Inspection and Supervision Methods for Imported Iron Ore. Since June 1 2020. For enterprises applying to issue quality certificates, the customs will carry out on-site inspection and laboratory quality inspection according to the original inspection procedures, which will take a relatively long time to complete in about 20 working days. For enterprises that do not apply for the issuance of quality certificates, the customs will only carry out on-site inspection, mainly foreign impuritie and radioactive inspection. After customs clearance is convenient, importers need to pay attention to the fact that imported commercial coal needs to conform to the provisions of the Interim Measures for the Quality Management of Commercial Coal. For coal quality requirements with a distance of more than 600 kilometers from the port of entry to the place of consumption.
License Approval	Announcement No.72 of 2020 of the General Administration of Customs	Announcement on Issuing the Fifth List of Approved Pre-shipment Inspection Agencies for Importing Soli Wastes as Raw Materials. This time, the list of 3 inspection agencies allowed by Sri Lanka, Denmark an the United States was released.
	Announcement No.269 of the Ministry of Agriculture and Rural Affairs of the People's Republic of China	Announcement on matters related to the registration of export pesticide products not used in China. The announcement regulates the scope of pesticide registration for export only, the data requirements for registration of non-new pesticides for export, the data requirements for registration of new pesticides for export, modification, extension and prohibition, etc.

# Analysis of Inspection and Quarantine Policies



Category	Announcement No.	Comments
License Approval	No.4 of 2020 of the National Health Committee	Announcement on 53 "Three New Foods" such as Lactobacillus helveticus R0052. Four new food raw materials: Lactobacillus helveticus R0052, Bifidobacterium infantis R0033, Bifidobacterium bifidum R0071 and Penthorum chinense Pursh (three of which can be used in infant food). 21 new varieties of food additives: sanzan gum, arabinofuranosidase, polygalacturonase, pectin lyase, maltotetraose hydrolase, xylanase, α-glucosidase, lactase, carboxypeptidase, lipase, α-amylase, protease, glucose isomerase, lipase, calcium sulfate, rosemary extract, stevioside, acesulfame-k (also known as acesulfame), plant carbon black, phosphoric acid and kappa-selenocarrageenan. As well as 28 new varieties of food-related products such as zinc octoate, nepheline syenite, sebacic acid, wollastonite, erucamide, C.I. disperse violet 26 and glass fiber.
Certification Supervision	No.14 of 2020 of the State Certification and Accreditation Administration	Announcement of CNCA on Issuing Implementation Rules for Compulsory Product Certification of Toys and Baby Vehicles. The new certification implementation rules will be implemented as of July 1, 2020. Starting from July 1, 2020, designated certification bodies shall implement certification and issue certificates in accordance with the new version of the rules. Valid compulsory product certification certificates issued previously can continue to be used, and the conversion of certification certificates will be completed through natural transition methods such as expiration and replacement of certificates, product change, and standard version change.
	No.16 of 2020 of the State Certification and Accreditation Administration	Notice of the CNCA on Cancelling the Designated Testing Business for Compulsory Product Certification of Information Technology Equipment in Fuzhou Customs Technology Center. Since May 29, 2020, Fuzhou Customs Technology Center will cancel the mandatory product certification designated testing service for information technology equipment (CNCA-C09-01: information technology equipment).
Sanitary Epidemic Area	Announcement No.74 of 2020 of the General Administration of Customs	Announcement on Preventing Ebola Virus Disease in Democratic Republic of Congo from Entering China. Starting from June 10, 2020, vehicles, containers, goods, luggage, mail, express mail, corpses, bones, etc. from the Democratic Republic of the Congo 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 6 months.

### Xinhai News

Xinhai Signed Strategic Cooperation Agreement with Shanghai Lingang Fengxian Enterprise Service Co., Ltd.

- On June 3, Shanghai Xinhai Customs Brokerage Co., Ltd. and Shanghai Lingang Fengxian Enterprise Service Co., Ltd. held a signing ceremony. The two sides will base their efforts on the construction of the new area near Hong Kong, give full play to their respective advantages to upgrade the park's supporting services, cooperate in one-stop cross-border supply chain services with customs clearance as the core, and actively coordinate and solve the current difficulties in enterprise development.
- Mr. Zhou Xin, General Manager of Shanghai Xinhai Customs Brokerage Co., Ltd., and Mr. Nan Shuzhi, General Manager of Shanghai Lingang Fengxian Enterprise Service Co., Ltd. signed a strategic cooperation agreement on behalf of both parties. Mr. Ge Jizhong, Chairman of Oujian Group, and Mr. Zou Linkun, Party Secretary and Chairman of Lingang Fengxian Company witnessed the signing ceremony.
- Mr. Zou Linkun, Party Secretary and Chairman of Lingang Fengxian Company, witnessed the signing ceremony and said: The new area of Lingang Free Trade Zone focuses on investment freedom, trade freedom, capital freedom, transportation freedom and personnel freedom, and continues to promote the liberalization and facilitation of investment and trade. Lingang Blue Bay is trying its best to connect the international and domestic markets and build a world-class bio-medicine and smart Internet new energy automobile industry. The demand for large-scale equipment import and export declaration services and cross-border business of enterprises in the park are increasing day by day. Through in-depth cooperation with Xinhai, the accessibility of resource elements in the park will be further improved, more efficient and convenient service channels will be provided for enterprises, and the service level of the park will be improved.







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