# **Customs Clearance**

News

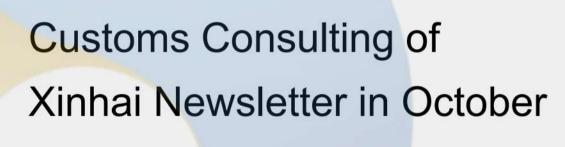
**October** 

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New Customs Policies in October

| Sino-US Trade War Progress

| Summary of Inspection and Quarantine Policies

| Xinhai News





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# Interpretation: Announcement on Matters Related to Electronic Networking of Origin between China and Indonesia

The brief content of the announcement is to further facilitate the compliant customs clearance of goods under the FTA. Since October 15, 2020, the "China-Indonesia Electronic Information Exchange System of Origin" has been officially put into operation, and the electronic data of certificate of origin and mobile certificate under the Framework Agreement of China-ASEAN Comprehensive Economic Cooperation is transmitted with Indonesia in real time.

- Certificate of origin issued by Indonesia
- Mobile certificate issued by Indonesia

Applicable certificate of origin type

## Filling specification in networking mode

Fill in the report in accordance with the requirements of the General Administration of Customs Announcement No.51 of 2016; There is no need to fill in the electronic data of the certificate of origin and the commitments of direct transportation rules, and there is no need to upload the certificate of origin by electronic means.

Fill in the report in accordance with the requirements of the General Administration of Customs Announcement No.67 of 2017; Enter the electronic information of the certificate of origin and the commitments of direct transport rules through the "Declaration System of Origin Elements of Preferential Trade Agreements", and upload the certificate of origin documents electronically.

Specification for reporting

#### Transitional period

- From October 15, 2020 to December 31, 2021
- The import enterprise can choose the two mode to declare according to the actual situation



# Interpretation: Announcement on Matters Related to Electronic Networking of Origin between China and Indonesia

#### **Summary of Networked Certificate of Origin**

Name of networked preferential trade agreement	Code	Transition period	Related announcements	Name of networked preferential trade agreement	Code	Transition period	Related announcements
China-Georgia Free Trade Agreement	20	2020.1.1- 2020.12.31	Announcement No.198 of 2019 of the General Administration of Customs	Free Trade Agreement or China-ASEAN Framework Agreement (ASEAN country: Indonesia)	02	2020.10.15- 2021.12.31	Announcement No.100 of 2020 of the General Administration of Customs
China-Singapore (Singapore) Free Trade Agreement or China-ASEAN Framework Agreement (ASEAN country: Singapore)	11 02	2019.11.1- 2020.4.30	Announcement No.155 of 2019 of the General Administration of Customs	Sino-Singapore Free Trade Agreement (Certificate of Origin only)	10	2016.12.20- 2017.3.31	Announcement No.84 of 2016 of the General Administration of Customs
China-Chile Free Trade Agreement	08	2019.1.1- 2019.3.31	Announcement No.192 of 2018 of the General Administration of Customs	Cross-Strait Economic Cooperation Framework Agreement (ECFA)	14	2014.4.1-6.30	Announcement No.22 of 2014 of the General Administration of Customs
China-Pakistan Free Trade Agreement	07	2018.4.30- 2018.12.30	Announcement No.29 of 20218 of the General Administration of Customs	Hong Kong and Macao CEPA	03 04		Announcement No.30 of 2016 of the General Administration of Customs
China-South Korea FTA	19	2016.7.1-9.30	Announcement No.39 of 2016 of the General Administration of Customs	The least developed countries that have established diplomatic relations with China have special preferential tariff treatment countries (5 countries)	13	Sine 2020.9.10	Announcement No.94 of 2020 of the General Administration of Customs



### News: China Sign Free Trade Agreement with Cambodia

Summary of China-Cambodia FTA

- The negotiation of China-Cambodia FTA started in January 2020, was announced in July and signed in October.
- According to the agreement, 97.53% of Cambodia's products will finally achieve zero tariff, of which 97.4% will achieve zero tariff immediately after the agreement comes into effect. Specific tariff reduction products include clothing, footwear and agricultural products. 90% of the total tariff items are products that Cambodia has finally achieved zero tariff to China, of which 87.5% will achieve zero tariff immediately after the agreement comes into effect. Specific tariff reduction products include textile materials and products, mechanical and electrical products, etc. This is the highest level in all FTA negotiations between the two sides so far.
- The head of the International Department of the Ministry of Commerce of China said that the signing of the agreement is a "new milestone" in the development of bilateral economic and trade relations between China and Cambodia, and will certainly push bilateral economic and trade relations to a new level. In the next step, China and Cambodia will perform their own domestic legal examination and approval procedures to promote the early entry into force of the agreement.

#### News: China Sign Free Trade Agreement with Cambodia

China-Mauritius formally signed a free trade agreement on October 17th, which became the 17th free trade agreement signed by China and the first free trade agreement between China and African countries.

China-Australia formally signed the Free Trade Agreement between the Government of the People's Republic of China and the Australian Government in Canberra, Australia in June 2015. It was officially implemented in early 2016.

China and South Korea formally signed a free trade agreement in Seoul, South Korea in June 2015. It was officially implemented in early 2016.

The China-Costa Rica Free Trade Agreement came into effect on August 1, 2011 after friendly consultation and written confirmation between China and Costa Rica in the China-Costa Rica Free Trade Agreement.

After friendly consultation and written confirmation, the China-Peru Free Trade Agreement came into effect on March 1, 2010. China and Peru will implement zero tariffs in stages for more than 90% of their products.

Year 2019

Year 2015-2016

Year 2010-2012



Year 2020

Up to now, there are 18 FTA signed by China and Cambodia.

China-Maldives Free Trade Agreement was signed on December 7. 2017. In 2018, China announced that the Free Trade Agreement between the Government of the People's Republic of China and the Government of the Republic of Maldives will come into effect soon, which is the sixteenth free trade agreement signed by China.

Year 2017-2018

China-Georgia FTA came into effect on January 1, 2018. After the agreement came into effect, in terms of trade in goods, Georgia immediately implemented zero tariffs on 96.5% of our products, while China implemented zero tariffs on 93.9% of our products.

Year 2013-2014

In April 2014, China and Switzerland exchanged notes on the entry into force of China-Switzerland Free Trade Agreement in Beijing. According to the relevant provisions of the entry into force clause of the Agreement, it will come into force on July 1, 2014. In May of the same year, officials from the Ministry of Commerce of China and the Ministry of Foreign Affairs and Trade of Iceland exchanged notes on the entry into force of the China-Iceland Free Trade Agreement in Beijing. According to the relevant provisions of the entry into force clause, the China-Iceland Agreement will come into force on July 1, 2014.

Year -2010 The China-New Zealand Free Trade Agreement came into effect on October 1, 2008.

In 2005, Chinese Minister of Commerce and Chilean Foreign Minister walker signed the **China-Chile** Free Trade Agreement on behalf of the two governments in Busan, South Korea.

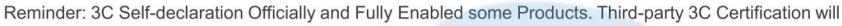






Announcement of the General Administration of Market Supervision on Adjusting and Perfecting the Compulsory Product Certification Catalogue and Implementation Requirements (No.44 of 2019)

- Publish the list of products that apply the self-declaration evaluation method of compulsory product certification
- For some commodities, "self-declaration of conformity of compulsory certification products" is regarded as
  obtaining compulsory product certification, and the requirements for follow-up supervision and management are
  the same.
- Enterprises should complete self-evaluation according to the requirements of "Implementation Rules for Selfdeclaration of Compulsory Product Certification", and submit product compliance information in "Self-declaration Compliance Information Reporting System" (http://sdoc.cnca.cn).
  - Announcement of CNCA on Further Improving the Evaluation Method of Compulsory Product
    Certification Self-declaration and Defining the Implementation Requirements (Announcement [2019]
    No.26)
  - In order to facilitate international trade, for products that meet the following conditions at the same time, the certification client may apply to the license issuing agency for CCC certificates that are only applicable to this batch of products with the cancelled CCC certificates.
  - 1. Shipment before November 1, 2020, and CCC certificate is valid at the time of shipment;
  - 2. Imported after November 1, 2020, and the CCC certificate at the time of import was uniformly cancelled on November 1, 2020 because it exceeded the self-declaration conversion period.





No Longer be Used

## Third-party authentication goes hand in hand with self-declaration

Enterprises can voluntarily choose thirdparty certification methods or selfdeclaration evaluation methods, and enterprises were encouraged to adopt self-declaration evaluation methods;

# No longer issue third-party certification

From January 1, 2020, only the self-declaration evaluation method can be adopted, and the compulsory product certification certificate will no longer be issued:

2019

2020

## Complete the transformation from 3C certification to self-declaration

- Before October 31, 2020, enterprises that still hold compulsory
  product certification should complete the conversion according to
  the implementation requirements of the above self-declaration
  evaluation method, and handle the cancellation procedures of the
  corresponding compulsory product certification in time;
- On November 1, 2020, the designated certification body shall
  cancel all compulsory product certification certificates applicable
  to self-declaration evaluation products, which can be converted
  into voluntary product certification certificates according to the
  wishes of enterprises; CNCA cancels the business scope
  designated by relevant certification bodies.
- For the 2020 3C catalogue and certification body catalogue, please refer to:

http://www.cnca.gov.cn/zw/lhgg/202008/t20200812\_61317.shtml



#### Latest: The Latest Progress of Sino-US Trade War

## The validity period of the 34 billion eighth batch of exclusion lists was extended



There are 9 products whose validity period has been extended this time, and the notice decided to extend the validity period from October 2, 2020 to December 31, 2020.

## The 34 billion eighth batch of exclusion lists has not been extended



There are 87 products without expiration date. After October 2, 2020, an additional tariff of 25% will be resumed. Enterprises exporting to the United States must consider it in the import and export cost accounting.

03 04

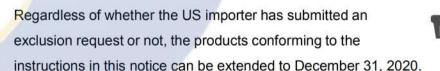
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#### Announcement website



https://ustr.gov/sites/default/files/enforcement/301Inves tigations/%2434\_Billion\_Extensions\_For\_Exclusions\_ Expiring\_October\_2\_2020.pdf

#### **Exclusion effect**







### Latest: The Latest Progress of Sino-US Trade War

The validity period of the third batch of 16 billion exclusion lists was extended



There are 113 items in the third batch of products excluded from the original tariff of 16 billion dollars, among which 28 items have been extended and 85 items have not been extended.

Excluding the extension of the validity period to December 31, 2020, the products that have not obtained the extension of the validity period will resume an additional tariff of 25% from October 2, 2020. Enterprises exporting to the United States must consider it in the accounting of import and export costs.

Announcement website:

https://ustr.gov/sites/default/files/enfor cement/301Investigations/%2416\_Bill ion\_Extensions\_For\_Exclusions\_Expi ring\_October\_2\_2020.pdf



## Summary of Inspection and Quarantine Policies

Category	Announcement No.	Comments		
Animal and Plant Products Access	Department of Animal Husbandry, General Administration of Customs [Animal and Plant Inspection Police [2020] No.27]	Warning circular on preventing the introduction of bluetongue disease in Germany. Since October 17, 2020, it is forbidden to import ruminants and related products directly or indirectly from Germany, including unprocessed or processed products from ruminants that may still spread epidemics.		
Health Quarantine Supervision	Announcement No.115 of 2020 of the General Administration of Customs	Announcement on preventing Chikungunya fever from being introduced into China. Since October 9, 2020, vehicles, containers, goods, luggage, mail, express mail and corpses from Chad must be subject to health quarantine. If mosquitoes are found in quarantine inspection, they should be subject to health treatment according to regulations. The announcement shall come into force as of the date of promulgation and be valid for 6 months.		
License Approval	Thirteen departments including the State Administration of Taxation (Notice on Several Measures to Promote the Reform of Tax Payment Facilitation and Optimize the Tax Business Environment)	To further accelerate the processing speed of all aspects of export business, the departments of commerce, People's Bank of China, customs and taxation are required to strengthen cooperation and cooperation, expand the scope of data sharing, increase publicity and guidance, and help export enterprises to speed up the processing speed of all aspects of export business, shorten the time for collecting and sorting documents, and improve the overall efficiency of export tax rebate. The average time for the tax department to handle the normal export tax refund business shall not exceed 8 working days.		



## Summary of Inspection and Quarantine Policies

Category	Announcement No.	Comments		
License Approval	The National Development and Reform Commission, the Ministry of Water Resources and the General Administration of Market Supervision issued the Notice on Printing and Distributing the Product Catalogue (Second Batch) and Relevant Implementation Rules of the People's Republic of China for Implementing Water Efficiency Labeling (GZG [2020] No.1509)	The second batch of product catalogues with "water efficiency labeling" was promulgated. The Implementation Rules for Water Efficiency Labeling of Smart Toilets will be implemented from January 1, 2021. Products manufactured or imported before January 1, 2021 can be delayed until January 1, 2022. The Implementation Rules for Water Efficiency Labeling of Dishwashers will be implemented from April 1, 2021. Products manufactured or imported before April 1, 2021 can be extended to be labeled with water efficiency before April 1, 2022.  Implementation Rules for Water Efficiency Labeling of Toilets (Revised) will be implemented from January 1, 2021. Implementation Rules for Water Efficiency Labeling of Toilets in Announcement No.1 of 2018 of National Development and Reform Commission, Ministry of Water Resources, former General Administration of Quality Supervision, Inspection and Quarantine and former National Certification and Accreditation Administration shall be abolished from January 1, 2021.  Since March 1, 2018, China has officially implemented the Measures for the Administration of Water Efficiency Labeling. By marking three evaluation grades of water efficiency, products can help consumers choose water products with better water saving efficiency, promote enterprises to produce high-quality water-saving products, and form a good atmosphere of water saving in the whole society.		
	Shanghai Municipal Market Supervision Administration Import Special Food No.20200475	Announcement on the application of exhibitors in the third china international import fair for temporary permission to import special food products. Shanghai Municipal Market Supervision Administration shall exercise the right to register and approve the imported infant formula milk powder products, imported formula foods for special medical use (except for specific total nutrition formula foods), imported health foods and other products displayed and sold by exhibitors in the exhibition area during the Third China International Import Expo, and handle the temporary license approval documents. Compared with the second Expo, the third China International Import Expo has increased the number of imported special food varieties with temporary license, and imported formula foods for special medical use. The extended use time of import special food temporary license documents in special customs supervision areas or bonded logistics centers (Type B) is adjusted from 3 months to 6 months.		



## Summary of Inspection and Quarantine Policies

Category	Announcement No.	Comments
License Approval	No.104, 2020 of the State Food and Drug Administration	Announcement on matters related to the production of imported medical device products by enterprises in china. When the State Food and Drug Administration applies for product registration for products that have obtained the registration certificates of imported Class II and Class III medical devices in China, based on the principle of scientific supervision of medical devices, and on the premise that the main raw materials and production processes are not changed and the quality management system is consistent, some of the original application materials are approved for the registration of products produced in China, which will help save resources from all parties, improve the efficiency of examination and approval, promote the rapid development of China's medical device industry and better meet the people's demand for machinery.
	Announcement of the Office of Import and Export Administration of Endangered Species of the People's Republic of China by the State Forestry and Grassland Administration (No.14 of 2020)	Temporary authorization of administrative licensing matters issued by the approval of import and export of terrestrial wild animals and plants and the certificate of import and export permission) In order to fully support Shanghai to hold the "Third China International Import Expo", earnestly do a good job in the service guarantee of the import Expo, and improve the efficiency of administrative licensing examination and approval of endangered species exhibits in the import Expo, from October 1 to December 31, 2020, The administrative licensing matters concerning the examination and approval of import and export of terrestrial wild animals and plants implemented by the State Forestry and Grassland Bureau and the administrative licensing matters concerning the issuance of import and export permit certificates implemented by the Import and Export Administration Office of Endangered Species of the People's Republic of China are respectively authorized to the Shanghai Forestry Bureau and the Shanghai Office of the State Border Management Office.
	Ministry of Agriculture and Rural	Announcement No.330 of the Ministry of Agriculture and Rural Affairs of the People's Republic of China is issued by the Ministry of Agriculture and Rural Affairs in order to further implement the work of "releasing, managing and serving", accelerate the registration of veterinary drugs for pets, further rationally utilize existing drug resources, promote technological innovation, and better meet the needs of preventing and treating animal diseases, so as to alleviate the contradiction between clinical supply and demand of pet drugs.
Customs Clearance	Announcement No.110 of 2020 of the General Administration of Customs	Announcement on adjusting the inspection and supervision mode of imported crude oil. Since October 1, 2020, the General Administration of Customs has decided to adjust the inspection and supervision mode of imported crude oil to "release before inspection". "First release" means that after the imported crude oil meets the requirements through on-site inspection by the customs (information verification, sample preparation, etc.), the enterprise can carry out unloading and transshipment work; "Post-inspection" refers to laboratory testing and conformity assessment of imported crude oil. Enterprises can only sell and use imported crude oil after it has passed the customs inspection and issued a certificate.



#### Xinhai News: Xinhai Passed Re-examination of Advanced AEO Certification

Shanghai Xinhai Customs Brokerage Co., Ltd. successfully passed re-examination AEO advanced certification of Shanghai Customs

Xinhai Customs Brokerage has received strong support from the Customs since it cooperated with the recertification of AEO advanced certification. The Customs delegation visited Xinhai, provided on-site training and guidance for enterprises, and conducted on-the-spot inspection on our internal control, lawabiding standards and trade security according to the standards of advanced certified enterprises by the Customs. The procedure documents and implementation met the customs certification standards. Customs experts highly affirmed the preparation work of various sections of Xinhai Customs Brokerage and the overall foreign trade management level.





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