

# Customs Clearance News

July

Shanghai XINHAI

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# 2021

## Customs Consulting of Xinhai Newsletter in July

Producer: Xinhai Customs Service Team

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# Saudi Arabia expands IECEE certification control products

## What is IECEE

The full name is "International Electrotechnical Commission Organization for Qualification Testing and Certification of Electrical Products". Its predecessor was CEE—European Qualification Testing Committee, which was established in 1926. With the demand and development of international trade in electrical products, CEE and IEC merged into IECEE, and the regional mutual recognition system already implemented in Europe was promoted to the whole world.

## SIRC certificate

The full name of this certificate is "SASO IECEE recognition certificate", and products listed in the scope of IECEE certification control need to apply to Saudi Arabia's bureau of standards (SASO) for issuing this certificate before entering Saudi Arabia for customs clearance.



## It is currently included in the scope of certification and control products

Mobile phones, mobile phone chargers, mobile phone accessories, earphones, smart watches, mobile phone batteries, mobile power supplies, water pumps, dishwashers, notebook computers, tablet computers, mobile computers, televisions, monitors, car chargers, wireless chargers, bluetooth headsets, bluetooth stereos, bluetooth speakers, coffee machines, cables, electric kettles, electronic games and accessories, electric oil frying pans, electric pumps (below 5 horsepower)

## Since September 1, 2021, new products have been included in the SIRC compulsory certification scope

Shaver, desktop computer, circuit breaker, main current breaker, mobile charging cable.

# Saudi Arabia expands IECEE certification control products



## IECEE-CB system

The Chinese meaning of IECEE-CB system is "mutual recognition system for electrical product test certificates", which is a system that obtains national certification or approval by mutual recognition (two-way acceptance) of test results among members participating in CB system, thus achieving the purpose of promoting international trade. China joined the organization in 1984.



## CB certificate

The certification bodies of IECEE member countries test the safety performance of electrical products based on IEC standards, and the test results, namely CB test report and CB test certificate, are mutually recognized in IECEE member countries. CB certification belongs to international certification. Simply speaking, CB certification can be converted into various certifications, such as CE IECEE and so on, which are general certificates.



## Application materials

CB test report (valid for 3 years) and its CB certificate, national difference test report, product photo, product size, manufacturer's statement, manufacturer's production license and Saudi importer's business license.



## IECEE certification validity period 1 Year

# The new EU VAT rules came into effect

## From July 1, 2021, EU VAT reform measures I

- Suppliers from non-EU countries only need to register in one EU country, and they can declare and pay taxes incurred in all EU member countries at one time.
- If the annual sales involved in a single EU sales destination country exceeds the threshold of 10,000 euros, it needs to be implemented according to the VAT rate of each EU destination country

## EU VAT reform measures II

- Cancel the exemption of import value-added tax for goods imported online from non-EU countries with a unit price of less than 22 euros.



## For some sales on the platform, the platform is responsible for collecting and paying VAT

- It is clear that the e-commerce platform is responsible for withholding and remitting the goods and services sold by non-EU e-commerce on the platform, which also makes the third-party platform "be regarded as a seller" to some extent and bears more responsibilities.

## Two situations in which the B2C business of e-commerce platform is carried out and the deduction and payment system is applicable

- The value of imported goods does not exceed 150 euros, and the long-distance cross-border transactions or domestic transactions of goods of any value by non-EU sellers.

## "Destination in Matter" inspection

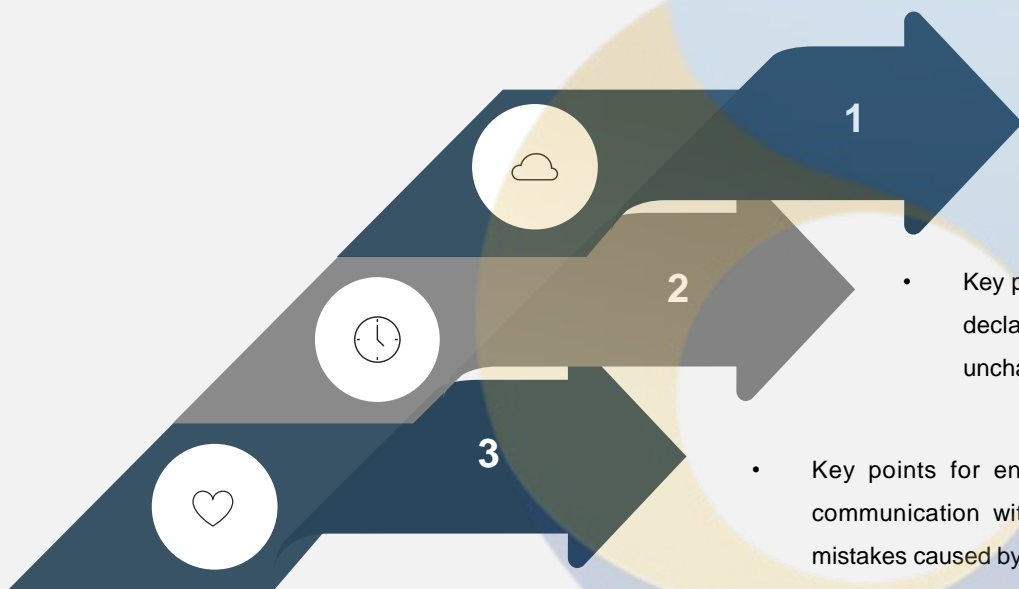
The "Destination Matter" instruction is only for imported goods, which is implemented after customs release. For goods that are qualified to enter the market, they can be checked and controlled, and the goods can be released by bayonet.

## "Port Affairs" inspection

"Port Affairs" is implemented before customs clearance, which is mainly aimed at the inspection of goods related to safety access or tax risk. After the control, the goods will not be released temporarily. There is an inspection notice in the "single window" without release information, and the EDI (Electronic Data Interchange) system in the port area has inspection instructions.

## Matters needing attention in enterprise declaration

Since December, 2019, a new generation of customs inspection system (hereinafter referred to as "Inspection System") has been officially launched, integrating customs inspection with inspection and quarantine inspection. Enterprises should pay attention to the different inspection instructions of customs in "port affairs" and "destination affairs" after the system is put into operation. If the enterprise fails to complete the above inspection at the port or destination, it will directly put the imported goods into use and sale, which will constitute evasion of inspection.



- Key points for enterprises to pay attention to: strengthen the study of customs inspection and quarantine laws and regulations, so as to avoid breaking the law without knowing the law. Enhance the awareness of abiding by the law and operate in good faith in strict accordance with the law.

- Key points for enterprises to pay attention to: choose a customs declaration agency with high credit level to avoid losses or unchanged due to the fault of the other party.

- Key points for enterprises to pay attention to: strengthen communication with customs declaration agencies to avoid mistakes caused by faults.

## Laws and regulations:

- Article 5 of the Commodity Inspection Law of the People's Republic of China stipulates: "Import and export commodities listed in the catalogue shall be inspected by the commodity inspection authorities. Imported goods specified in the preceding paragraph are not allowed to be sold or used without inspection. " For example, the HS code of the commodity is 9018129110, and the inspection and quarantine category is M (Import Commodity Inspection), which is a legal inspection commodity.
- Article 12 of the "Commodity Inspection Law of the People's Republic of China" stipulates: "The consignee or his agent of imported goods that must be inspected by the commodity inspection authorities as stipulated in this Law shall accept the inspection of imported goods by the commodity inspection authorities at the place and within the time limit prescribed by the commodity inspection authorities."
- Articles 16 and 18 of the Regulations for the Implementation of the Commodity Inspection Law of the People's Republic of China respectively stipulate that: "The consignee of the legally inspected imported goods shall submit the necessary certificates such as contracts, invoices, packing lists, bills of lading and relevant approval documents to the entry-exit inspection and quarantine institutions at the customs declaration place for inspection; **Within 20 days** after customs clearance, the consignee shall apply to the entry-exit inspection and quarantine institution for inspection in accordance with Article 18 of these Regulations. Imported goods that have been legally inspected are not allowed to be sold or used. " "Imported goods subject to statutory inspection shall be inspected at the destination declared by the consignee at the time of inspection."
- Article 33 of the Law of the People's Republic of China on the Inspection of Import and Export Commodities stipulates: "If an imported commodity that must be inspected by the commodity inspection authorities is sold or used without being reported for inspection, or an export commodity that must be inspected by the commodity inspection authorities is exported without being reported for passing the inspection, the commodity inspection authorities shall confiscate the illegal income and impose a fine of 5% to 20% of the total value; If it constitutes a crime, criminal responsibility shall be investigated according to law. "



# Background of "Informing Commitment System"



## Letter [2020] No.42

The guidance of the General Office of the State Council on the full implementation of the notification and commitment system for certification matters and business license matters related to enterprises, focusing on the clear notification by administrative organs and the honesty and commitment of enterprises and the masses, promotes the formation of a governance model with open standards, fair rules, clear expectations, responsibilities and credit supervision, and further solves the problems of enterprises and the masses having more permits and difficulties in handling affairs from the institutional level.



## Strengthen post and after-event verification

In the verification or daily supervision, the administrative organ shall terminate the handling according to law, order rectification within a time limit, revoke the administrative decision or impose administrative punishment, and include it in the credit record. Suspected of a crime, transferred to judicial organs according to law; For matters exempted from verification, the administrative organ should comprehensively use the methods of "double random and one open" supervision, key supervision, "internet plus supervision" and intelligent supervision to implement daily supervision.



## Clarify the certification matters of the implementation of the notification commitment system

Notification commitment system of certification matters refers to the working mechanism that when citizens, legal persons and other organizations apply to the administrative organ for handling administrative matters, the administrative organ informs the applicant in written form (including electronic text, the same below) of the obligation of certification, the content of certification and the legal responsibility of false promises at one time, and the applicant promises in writing that it has met the relevant requirements of notification and is willing to bear the legal responsibility of false promises, and the administrative organ no longer asks for relevant certificates and handles relevant administrative matters according to the written commitment.



## Strengthen credit supervision

The commitment to fulfill the commitment of the full inclusion of credit records, relying on all levels of credit information sharing platform and industry credit information system, strengthen the interconnection and sharing of credit information. According to the credit status, the implementation of classification precision supervision; According to the law to increase the intensity of dishonesty punishment, according to the social impact of false commitments caused by the degree of dishonesty classification, distinguish between different dishonesty situation to implement the corresponding disciplinary measures.



## Clarify the applicable object of the system of informing commitment

Applicants can choose whether to use the notification and commitment system; If the applicant has a serious bad credit record or has made false promises, the notification commitment system is not applicable before credit repair.



## Strengthen risk prevention measures

Establish a promised exit mechanism; Conditional regions and departments can explore the establishment of an advance credit warning system, conduct credit evaluation on applicants, and strengthen risk prevention and control in advance. For matters involving high value of economic benefits and difficulty in post-event verification, we can explore the introduction of liability insurance system to reduce the risk of administrative compensation that may be caused by the implementation of the notification and commitment system.

# The "Inform Commitment" issued by the customs



1

Announcement No.50 (2021) of the General Administration of Customs (Announcement on Implementing the Notification Commitment System for Proof of Imported Dairy Inspection Report) [Implemented on July 5]  
After the applicant has promised in writing that it has met the conditions and requirements of notification and is willing to bear the legal responsibility of false promises, the customs will not ask for the test report when accepting the declaration of imported dairy products, and handle relevant matters according to the written promise. The applicant downloads and prints the letter of commitment on the official website of the General Administration of Customs by himself, or at the business site, the customs provides the proof to inform the undertaking. After carefully reading the notification and commitment, fill in the basic information of the applicant, affix the official seal of the unit and fill in the application date. After examination, the customs shall fill in the date and sign it if it meets the requirements of informing the commitment certificate.



2

Announcement No.51 (2021) of the General Administration of Customs (Announcement on Implementing the Notification Commitment System for Proof of Delayed Payment Reduction) [Implemented on August 1]  
When an applicant submits an application for exemption or reduction of delayed payment according to law, the customs shall inform him of the approval conditions and the certification materials to be submitted. The applicant promises in writing that it meets the application conditions and is willing to bear the legal responsibility of false promises, and the customs shall handle the reduction and exemption of delay payment according to the applicant's promise. The enterprises and circumstances of the commitment system (Article 2 of this announcement) can be informed of the certification matters of the delay payment reduction and exemption, and there is no need to provide the certification materials of the relevant competent departments in Article 3 (2) of this announcement.



3

Announcement of the General Administration of Customs No.56 of 2021 (Announcement on the Implementation of Notification and Commitment System for Proof of Settlement, etc.) [Implemented on July 13]  
The General Administration of Customs implements the notification commitment system for certification matters such as "settlement certificate", "registration certificate of legal person or other organization", "resident identity certificate" and "photocopy of express mail sender's identity certificate". If the notification commitment system is adopted, the administrative counterpart shall be exempted from submitting the specified certificate, and shall fill in and sign the notification undertaking. When handling relevant business, the notification undertaking shall be submitted to the customs together with other written materials required by the business regulations. The customs shall verify the commitment of the administrative counterpart during and after the event, and the administrative counterpart shall cooperate.

# Analysis of the new CIQ policies in July

Category	Announcement No.	Comments
Supervision of animal and plant products	Announcement of the General Administration of Customs No.55 of 2021	Announcement on inspection and quarantine requirements of imported slovenian poultry meat. From July 8, 2021, Slovenian poultry meat produced and meeting the inspection and quarantine requirements will be allowed to be imported. The poultry meat that is explicitly allowed to be imported refers to the edible frozen (boned or boneless) chicken (the edible part of the body of the live poultry after being slaughtered and bled, with its hair, viscera, head, wings and feet removed) and its edible by-products. Edible poultry by-products include: frozen chicken feet, frozen chicken wings (including or excluding wing tips), frozen chicken crowns, frozen chicken cartilage, frozen chicken skin, frozen chicken neck, frozen chicken liver and frozen chicken heart. The requirements were standardized from six aspects: production enterprises, animal sources, inspection and quarantine requirements of imported poultry meat, packaging, hygiene and processing.
	Announcement of the General Administration of Customs No.53 of 2021	Announcement on inspection and quarantine requirements for imported Rwanda dried chilies. Since July 8, 2021, Rwanda dried chilies which are produced and meet the inspection and quarantine requirements are allowed to be imported. The dry pepper that is required to be explicitly allowed to be imported refers to the food pepper ( <i>Cápsicum ánnuum</i> ) grown in Rwanda, which is processed by natural drying or other drying processes. The inspection and quarantine requirements are standardized from five aspects: production enterprises, plant quarantine, plant quarantine certificates, food safety and packaging.
	Announcement of the Ministry of Agriculture and Rural Affairs of the General Administration of Customs No.48, 2021	Announcement on preventing nodular dermatosis of Cambodian cattle from being introduced into China. Since June 25, 2021, it is forbidden to import cattle and related products directly or indirectly from Cambodia, including unprocessed or processed products from cattle that may still spread epidemic diseases.

# Analysis of the new CIQ policies in July

Category	Announcement No.	Comments
Supervision of animal and plant products	Announcement of the Ministry of Agriculture and Rural Affairs of the General Administration of Customs No.40, 2021	Announcement on preventing the introduction of highly pathogenic avian influenza from lesotho into china. From June 9, 2021, it is forbidden to import poultry and related products directly or indirectly from Lesotho, including products originating from unprocessed poultry or processed poultry that may still spread epidemics.
Certificate of origin	Announcement of the General Administration of Customs No.43 of 2021	Announcement on mutual recognition of self-printed preferential certificates of origin with thailand and mauritius. From July 1st, the newly added China-ASEAN FTA Certificate of Origin (exported to Thailand) and China-Mauritius FTA Certificate of Origin can be printed independently without manual signature and seal.
Commodity inspection and quarantine	Announcement of the General Administration of Customs No.54 of 2021	Announcement on Issuing Customs Clearance Instructions for the Fourth China International Import Expo in 2021 and Convenience Measures for Customs to Support the Fourth China International Import Expo in 2021. Compared with 2020, the imports of cultural relics in the fourth China International Import Expo in 2021 will increase. Support the exhibition of cultural relics exhibits and enjoy preferential tax policies as required. Exhibits identified as cultural relics by the state cultural relics department are allowed to participate in the exhibition in the form of temporary entry exhibits or bonded exhibitions; During the exhibition period, the cultural relics exhibits that are allowed to be purchased by domestic consumers by the national cultural relics department can be imported duty-free according to the policies and regulations if they meet the preferential tax policies for imported exhibits sold during the exhibition period of China International Import Expo.
	Announcement of the General Administration of Customs No.41 of 2021	Announcement on Issuing 12 Customs Industry Standards such as "Micro-dose X-ray Customs Inspection Equipment Part 1: General Technical Requirements") These Customs Industry Standards will be implemented from January 1, 2022.

# Analysis of the new CIQ policies in July

Category	Announcement No.	Comments
Commodity inspection and quarantine	Announcement of the General Administration of Customs No.45 of 2021	Announcement on Issuing 76 Industry Standards such as Inspection Rules for Imported Recycled Steel Raw Materials. A total of 76 customs industry standards were issued this time, among which 62 standards such as Inspection Rules for Imported Recycled Steel Raw Materials were issued for the first time, and 14 standards such as Inspection Rules for Imported Children's Shoes were replaced. It should be noted that the implementation date of Inspection Rules for Imported Recycled Steel Raw Materials is July 1, 2021, and the implementation date of other standards is January 1, 2022.
	Announcement of the General Administration of Customs No.52 of 2021	Announcement on the examination and approval of entry-exit special articles for health and quarantine. The General Administration of Customs explained the "sales certificate" referred to in Article 9, Item 5 of the Regulations on the Administration of Health Quarantine of Entry-Exit Special Articles, and made it clear that the "sales certificate" includes the Medical Device Export Record Form and the Medical Device Export Sales Certificate issued by the pharmaceutical supervisory and administrative department, both of which can be used as relevant application materials for enterprises to handle the examination and approval of health quarantine of entry-exit special articles.
Administrative approval	Comprehensive Department of State Food and Drug Administration ( [2021] No.67)	Notice on printing and distributing the national cosmetics safety risk monitoring plan for the second half of 2021. On July 2, 2021, the State Food and Drug Administration was responsible for formulating, issuing and organizing the implementation of the national cosmetics safety risk monitoring plan. In view of the cosmetic safety risks found in cosmetic supervision in recent years, we insisted on problem-oriented, and determined the key varieties of national cosmetic safety risk monitoring in the second half of 2021, including 18 kinds of products, such as children's cosmetics, freckle-removing and whitening, anti-wrinkle and acne-removing, itching-relieving, hair growth promotion, eye care and children's toothpaste. Risk monitoring items mainly include: heavy metals, hormones, antibiotics, microorganisms, preservatives, etc. Risk monitoring sampling takes into account the main online and offline cosmetics sales channels.

# Analysis of the new CIQ policies in July

Category	Announcement No.	Comments
Administrative approval	Shanghai Municipal Commission of Commerce, Shanghai Customs, Shanghai Drug Administration, Shanghai Science and Technology Commission, Shanghai Promotion Science and Technology Innovation Center Construction Office ( [2021] No.4)	Notice on Printing and Distributing the Pilot Scheme for Import of Biomedical Research and Development Articles in Shanghai. On July 5, 2021, Shanghai Municipal Commission of Commerce, Shanghai Customs, Shanghai Drug Administration, Shanghai Science and Technology Commission, and Shanghai Science and Technology Innovation Center Construction Office jointly issued the Shanghai Pilot Program for Import of Biomedical R&D Items to promote the import of biomedical R&D items in an orderly manner. A "white list" system is set up on a pilot basis. The "white list" consists of two parts: enterprises (R&D institutions) and experimental imported R&D articles. Each pilot enterprise has one-to-one correspondence with experimental imported R&D articles, and the import of articles included in the "white list" does not need to go through the Customs Clearance Form for Imported Drugs. The pilot program has been implemented since August 1, 2021 and is valid until July 31, 2023. The pilot import of biomedical research and development items was first carried out in Pudong New Area and Lingang New Area.
	General Office of the Ministry of Commerce ( [2021] No.209)	Notice on doing a good job of paperless import and export license of dual-use items and technologies. From July 1, 2021, export enterprises apply for import and export licenses for dual-use items and technologies, as long as they apply online through the unified platform of the business system of the Ministry of Commerce, and upload electronic materials according to regulations, without providing paper documents. All paper documents shall be kept by the applicant.
	State Food and Drug Administration and General Administration of Customs (No.79 of 2021)	Announcement on adding Changchun airport port as drug import port. Since June 7, 2021. In addition to the drugs specified in Article 10 of the Administrative Measures on Drug Import, other imported drugs (including narcotic drugs and psychotropic drugs) can be imported through Changchun Airport Port.
	Ministry of Commerce, Ministry of Industry and Information Technology, Health and Health Commission, Food and Drug Administration (No.13, 2021)	Announcement on publishing the list of vaccine products in novel coronavirus for export. Four kinds of vaccine products from COVID-19 for export were announced, and the list of these products will be adjusted dynamically according to the approval and listing situation in National Medical Products Administration.

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# Thank You