

# Customs Clearance News

February

Shanghai XINHAI  
Customs Brokerage Co.,Ltd.  
Free Subscribe: 400-920-1505  
Website: www.thecustoms.com.cn



## Xinhai Customs Broker Customs Newsletter of February

In the beginning of 2024, the General Administration of Customs implemented these facilitation measures:

- optimizing the supervision of low-concentration triethanolamine mixture to help enterprises speed up customs clearance
- Encouraging the export of second-hand cars to create a new growth point of foreign trade
- Launching an objective quantified allocation plan for inland waterway freight to help enterprises save nearly 100 million yuan

Xinhai Customs Service Team

February, 2024



# CONTENTS

1

## In the beginning of 2024, the General Administration of Customs implemented these facilitation measures

Optimizing the supervision of low-concentration triethanolamine mixture/Encouraging the export of second-hand cars/Launching an objective quantified allocation plan for inland waterway freight

2

## A strip of water promotes the diversified development of Macao's industries

The General Administration of Customs issued a number of facilitation measures around the Overall Plan for the Construction of Hengqin Guangdong-Macao Deep Cooperation Zone

3

## Having a First Look at New Policies in March

Since March 1, the four inspection and quarantine management measures for live sheep, live cattle, live poultry and live pigs for Hong Kong and Macao have been integrated, changing the traditional batch quarantine mode, making it more convenient to export to Hong Kong and Macao/Since March 1, Trichosanthin powder that has been banned for 30 years can be exported normally.

4

## Risk Warning for Enterprises

Imported potato starch/Imported o-chloro-p-nitroaniline/Bluetongue/African swine fever

# PART ONE

In the beginning of 2024, the General Administration of Customs implemented these facilitation measures

- optimizing the supervision of low-concentration triethanolamine mixture to help enterprises speed up customs clearance
- Encouraging the export of second-hand cars to create a new growth point of foreign trade
- Launching an objective quantified allocation plan for inland waterway freight to help enterprises save nearly 100 million yuan



## Facilitation Measure 1: Optimizing the supervision of low-concentration triethanolamine mixture to help enterprises speed up Customs clearance



### Annoying Triethanolamine

Triethanolamine belongs to the third category of monitoring chemicals, and the import and export of triethanolamine requires qualified enterprises to apply for the approval of the import and export of monitoring chemicals to the national Working Office for the implementation of the Chemical Weapons Convention, and apply for the import and export license of dual-use items and technologies with the approval of the Ministry of Commerce. (Article 29 of the Implementing Rules of the Regulations of the People's Republic of China on the Management of Monitored Chemicals)



# Optimizing the supervision of low-concentration triethanolamine mixture to help enterprises speed up Customs Clearance

**Non-medical disinfectants and other consumer goods with low triethanolamine content do not need to apply for import and export licenses for dual-use items and technologies**

The HS code of the goods is not in the monitoring catalog, but there are triethanolamine components, if the relevant document is omitted in declaration, will the relevant party be punished by the customs?



The state has not published the content threshold of triethanolamine added to the product, and at present any content needs to apply for dual-use item certificate.



- **General Office** of the Ministry of Industry and Information Technology, General Office of the Ministry of Commerce and General Office of the General Administration of Customs jointly issued the Notice on Optimizing the Import and Export Supervision Measures of Low-concentration Triethanolamine Mixture
- **According to** the Notice, from 1 February 2024 the regulatory measures will be optimized for the import and export of certain low-concentration triethanolamine mixtures.
- **Non-medical** disinfectants, synthetic washing powder, cosmetics, inks and other consumer goods with low triethanolamine content do not belong to the triethanolamine controlled items in the "Dual-Use Items and Technologies Import and Export License Management Catalog", and do not need to apply for import and export licenses for dual-use items and technologies.

# Do all imported products containing low concentration triethanolamine mixtures need no license?



1

## Whether the disinfectant is medical use or not, you should make judgement by the following factors

Exemption of License is based on the composition, packaging and application. Only those disinfectant with low content of triethanolamine retail packaging and non-medical use do not need to apply for dual-use items and technology import license.

## 2 Cosmetics and Detergents



\* The low concentration of triethanolamine added to the PH regulator in cosmetics and detergents does not retain free triethanolamine or only a very small amount of free triethanolamine after reaction with acidic substances, and no license is required;

\* The products classified under heading 3303, 3304, 3305, 3307 and 3401, and the number 9 and 10 code number is exactly the same as the customs commodity code listed in the attachment are not required license.



3

## Water-based Ink and Writing Inks

\* The heading 3215 includes both writing or drawing inks and other inks as well as printing inks, whether solid or concentrated;

\* Only writing inks under subheading 32159010 and water-based ink under subheading 32159020 containing low concentrations of triethanolamine are exempt from the license, excluding printing inks.

## Facilitation Measure 2: Encouraging the export of second-hand cars to create a new growth point of foreign trade



### Background Introduction

With China's car ownership rising year by year, the current China has gradually shifted from "new car consumption power" to "car ownership power". In terms of second-hand car circulation, China's second-hand car trading volume in 2023 is 17.59 million, less than 6% of the total number of cars, which is far lower than the mature international automobile market. Therefore, the export of used cars is an important way to stimulate the vitality of the domestic automobile consumer market and promote the healthy development of the automobile industry, and it is also an important measure to promote the high-quality development of foreign trade and promote the stability and quality of foreign trade. It is of great significance to accelerate the mutual promotion of the domestic and international double cycle of the automobile industry.



# Basic Process of Export of Second-Hand Car

## Domestic Purchasing of Cars

After the purchase of second-hand cars, the enterprise has to finish registration formalities according to law.

## Registration of Ownership Transfer

The traffic management department of the public security organ shall sign the "transfer to export" on the motor vehicle registration certificate

## Third Party Testing

The third party testing is to meet the destination country access standards

## Applying for Export License

The enterprise should apply for export license from the competent department of commerce. "One batch, one permit" (a maximum of 20 vehicles are applied for one permit), and customs clearance is completed at one time.

## Declaration for Export

Integrated Customs Mode

## Logout Registration

Application for logout registration with export declaration form and motor vehicle registration certificate within 2 months





# Compliance Risks for Second-Hand Car Enterprises

## The audit of vehicle receipt is not comprehensive, and there is a risk of smuggling the import and export of goods prohibited by the state

- \* Motor vehicles that meet the scrapping standards stipulated in the Provisions on Standards for Compulsory scrapping of Motor Vehicles are prohibited from export;
- \* The export of motor vehicles within one year (including one year) of the service life required by the regulations is prohibited;
- \* The export of unqualified or stolen vehicles or assembled vehicles is prohibited;

## There are restrictions on the registration license, and there is a risk of forging, altering or trading export licenses

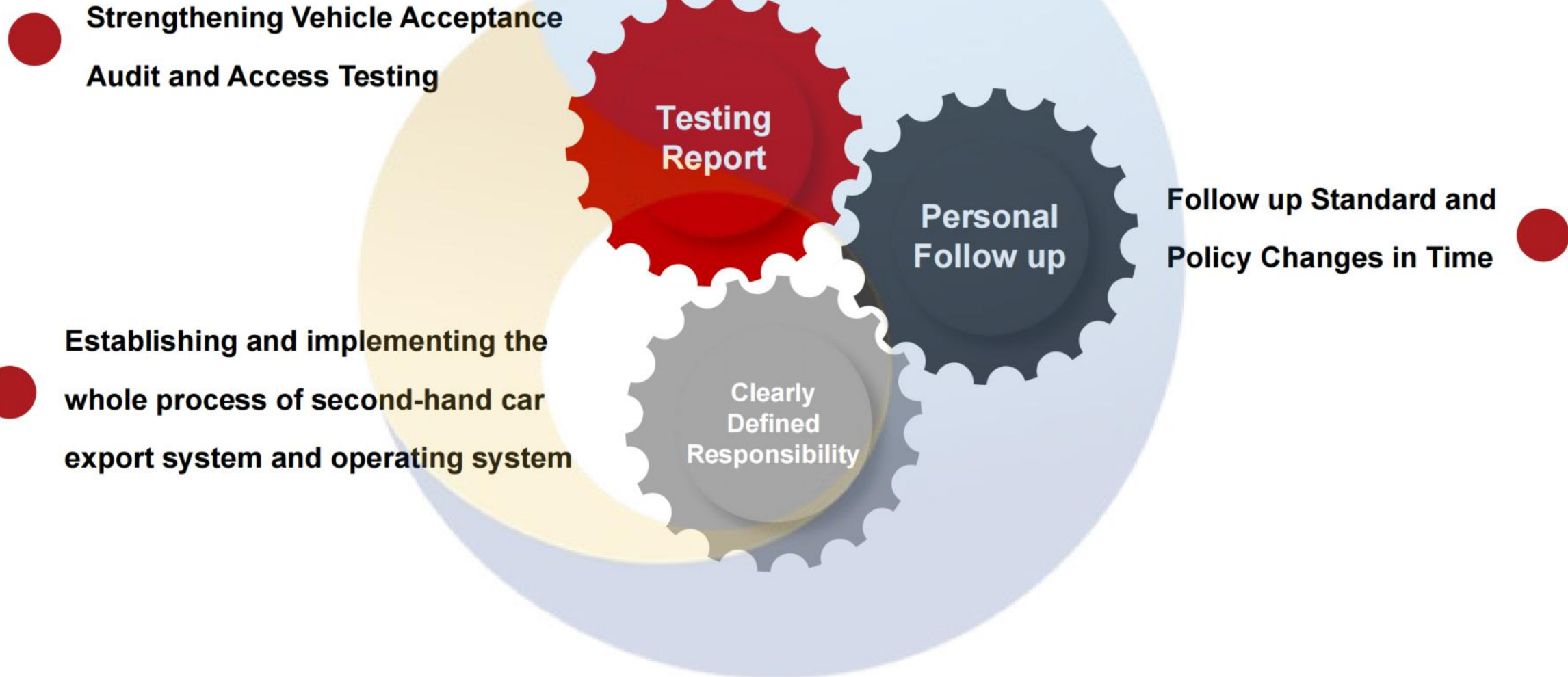
- \* Individual second-hand car dealers without record qualification abuse the name of registered enterprises to apply for export licenses;
- \* According to Article 39 of the Measures for the Administration of Export Licenses of Goods, any illegal business operator who forges, alters or buys or sells export licenses shall be investigated for criminal responsibility according to law; If it is not serious enough for criminal punishment, it shall be punished in accordance with the relevant provisions of the Customs Law and other relevant laws and regulations;



## The profit of export tax refund is low, and there is the risk of falsely invoicing and defrauding export tax refund

- \* With the increase of a large number of second-hand car businesses in China and the increase of tax costs in the main destination countries, the export tax rebate has become the main profit, or even the only profit;
- \* The second-hand car enterprises take risks and choose to defraud export tax refund by falsely issuing special VAT invoices, which will face administrative and criminal risks;

# Compliance Suggestions for Second-hand Car Export Enterprises



# Facilitation Measure 3: Launching an objective quantified allocation plan for inland waterway freight to help enterprises save nearly 100 million yuan



Inland waterway transport and related expenses refer to the transportation and related expenses incurred for the continued transportation of imported goods by sea by means of water transport after they have arrived at the entry point within the territory of the People's Republic of China.

## What's Inland Waterway Freight

## Facilitation Measures

The Notice of Customs Tariff Department on the issuance of the Guidelines on Inland Waterway Transport and Related Charges Not Included in the dutiable Value Valuation of Imported Goods(Letter No.36 of 2023 )

## How to Declare?

Doesn't the declared price include inland waterway freight?  
In the "freight" column of the customs declaration form for import goods, taxpayers only fill in the transportation and related expenses before landing at the domestic import place, that is, taxpayers may fill in the "freight" column after deducting the "inland waterway freight";

Does the declared price include river freight? In the form of negative value, the taxpayer shall fill in the "miscellaneous charges" column of declaration form, which has been included in the declared price of inland waterway transportation and related expenses.

# PART TWO

## A strip of water promotes the diversified development of Macao's industries

- The Central Committee of the Communist Party of China and The State Council issued the overall plan for the construction of Hengqin Guangdong-Macao Deep Cooperation Zone, under which the governments of the Macao Special Administrative Region and Guangdong Province will jointly administer 106 square kilometers of Hengqin's land.



# A strip of water promotes the diversified development of Macao's industries



## Tax reduction and exemption for imported goods

"First-line" imports of self-use machinery and equipment and infrastructure materials are exempt from import duties, import value-added tax and consumption tax (General Administration of Customs Announcement No. 18, 2024)

## 30% Valued added goods are duty free

For goods produced by enterprises in Hengqin Guangdong-Macao deep cooperation zone with imported materials and components whose value-added value in the cooperation zone reaches or exceeds 30%, import duties will be exempted from entering the mainland from the cooperation zone, and import value-added tax and consumption tax will be levied according to the actual status of inspection. ( Announcement No. 10 of 2024 by General Administration of Customs)



## Simplifying declaration of duty-free goods

For duty-free and bonded goods entering and leaving between the ports open to the outside world through the cooperation zone and Macao, which are not subject to the management of regulatory documents and do not involve inspection and quarantine according to law, the Customs shall implement the most simplest record management. (Announcement No. 4 of 2024 by General Administration of Customs )

## New type of supervision

In order to support the high-quality development of Hengqin Guangdong-Macao Deep Cooperation Zone, The General Administration of Customs formulated the "People's Republic of China Customs Supervision Measures on Hengqin Guangdong-Macao Deep Cooperation Zone" (Announcement No. 202 of 2023 by General Administration of Customs )

# PART THREE

## Having a First Look at New Policies in March

- Measures for the Administration of Inspection and Quarantine of Land Animals for consumption by Hong Kong and Macao (Order No. 266 of the General Administration of Customs)
- Ecuador-China Free Trade Agreement approved by the National Assembly of Ecuador
- Trichosanthin powder, which has been banned for 30 years, can be exported

# Having a First Look at New Policies in March

## Measures for the Administration of Inspection and Quarantine of Land Animals for consumption by Hong Kong and Macao

The existing four inspection and quarantine measures for live sheep, cattle, poultry and pigs supplied to Hong Kong and Macao will be integrated and merged to form unified registration management. The practices of declaring, issuing certificates and releasing live animals for export to Hong Kong and Macao will be unified, and the traditional mode of releasing live animals for inspection and quarantine will be changed.

## Trichosanthin powder, which has been banned for 30 years, can be exported

Trichosanthin powder is the dried root of *Trichosanthis Kirilowii* or *bilateralis Kirilowii* of the cucurbit family. The drug controls the growth of HIV-infected cells. On January 11, 2024, the Ministry of Commerce, the National Drug Administration and the General Administration of Customs jointly issued the Notice on the Resumption of the export of Trichosanthin Powder and its Preparations, and the export of Trichosanthin powder was lifted.



## Provisions of the Customs of the People's Republic of China on Procedures for Handling Administrative Reconsideration Cases

From March 1, 2024, In case of a tax payment dispute with the Customs, the applicant shall first apply to the Customs for administrative reconsideration, and if he is not satisfied with the decision of the Customs administrative reconsideration, he may bring an administrative lawsuit to the people's court in accordance with the law.

## Ecuador-China Free Trade Agreement approved by the National Assembly of Ecuador

According to the tariff reduction arrangement of trade in goods in the Agreement, China and Ecuador will mutually eliminate tariffs on 90% of the tax headings, of which about 60% of the tax headings will be eliminated immediately after the entry into force of the agreement.

# PART FOUR

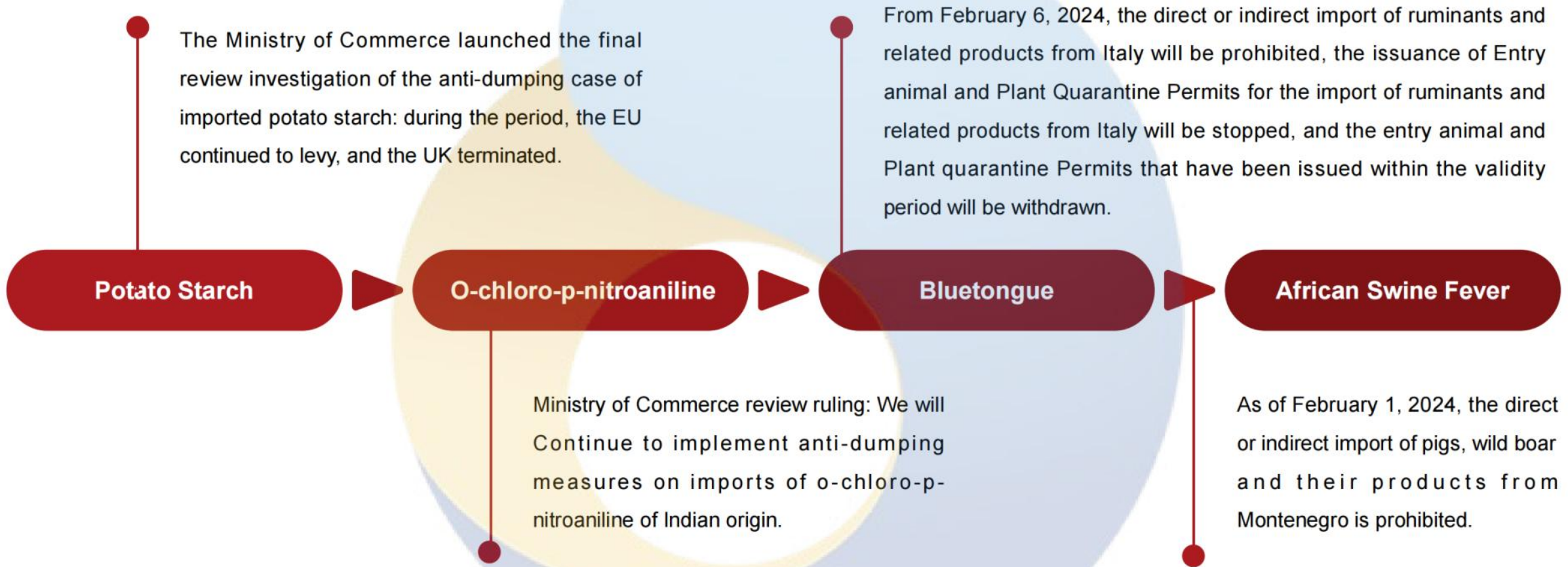
## Risk Warning for Enterprises

---

- Iraqi bluetongue
- Ruminants and related products
- potato starch
- o-chloro-p-nitroaniline



# Risk Warning for Enterprises



# Customs Clearance News

February

Shanghai XINHAI  
Customs Brokerage Co.,Ltd.  
Free Subscribe: 400-920-1505  
Website: www.thecustoms.com.cn



Xinhai Customs Broker

# Thanks for Watching

Xinhai Customs Service Team

February, 2024

