

Customs Clearance

News

March

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Customs Consulting of Xinhai Newsletter in March

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- Summary of Quarterly CIQ requirements
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Understanding of Order No. 237 of the General Administration of China Customs

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1.1 Introduction of Joint Incentive and Joint Disciplinary

1. Introduction of 《Memorandum of Cooperation on the implementation of Joint Disciplinary measures against Customs dishonest Enterprises》



In March 14th 2017, 33 departments, including the State Development and Reform Commission, the people's Bank of China and the General Administration of Customs, jointly signed the Memorandum of Cooperation on the implementation of Joint Disciplinary measures against Customs dishonest Enterprises and issued it to the outside world. One year later, the system was formally introduced into the 《Measures of the people's Republic of China on the Administration of Customs Enterprise Credit》 in Article 4th: "according to the relevant requirements for the construction of the social credit system, the Customs shall carry out joint incentives for keeping good faith and joint punishment for breach of trust with the relevant state departments." We will promote the exchange of information, mutual recognition of supervision and regulation, and mutual assistance in law enforcement. "

Characteristics of 《Memorandum of Cooperation 》

- The cooperation of departments is strong. Joint 33 departments, covering all administrative levels of provinces, cities and counties across the country, to achieve vertical and horizontal cooperation and linkage, forming a tight credit management network; The disciplinary measures are practical and have strong maneuverability. Introduction of a specific disciplinary list covering business, taxation, quality control, finance, justice and other areas ;
- The range of punishment objects is wide. Besides the discredit enterprise itself, it also extends to the legal persons, directors, supervisors and senior management personnel of the enterprise, and manages the discredit activities from the source.



1.1 Introduction of Joint Incentive and Joint Disciplinary

Measures of Blacklist

For example, the Industrial and Commercial Departments have blacklisted the enterprises with the crime of smuggling, and the Supreme People's Court has included the enterprises which meet the conditions of the breach of trust into the list of those who have broken their promises. The General Administration of Customs and the Central Network and Information Office use Chinese websites to regularly publish information on dishonest enterprises.

Strengthening Measures of Auditing and Checking

For example: the development of reform, securities departments to issue company (enterprise) bonds, financial departments to apply for government funds to support the strict examination; tax departments strengthen the examination of export tax rebates; Customs, quality inspection, environmental protection and other departments discredit enterprises to improve the inspection rate or supervision frequency.



Measures of Affecting Credit Assessment

For example: the quality inspection department does not apply the grade A or above enterprise credit management, or is classified directly as the credit grade D management; the foreign exchange management department does not apply the grade A enterprise management, or directly classified as the grade C enterprise management and so on.

Measures of Restrictive Management

For example, the public security department shall prevent the departure of legal persons from discredited enterprises, and the SASAC shall restrict the legal persons, directors, supervisors and senior management personnel of the dishonest enterprises from becoming the legal person representatives, directors, supervisors and senior management personnel of the state-owned enterprises; As per the law, the financial department shall, restrict the participation of dishonest enterprises in government procurement activities.

1.2 Introduction of a Standardized Reporting Mechanism for Annual Reports

第七条 海关建立企业信用信息管理系统，对有关企业实施信用管理。企业应当于每年1月1日至6月30日通过企业信用信息管理系统向海关提交《企业信用信息年度报告》。

当年注册登记或者备案的企业，自下一年度起向海关提交《企业信用信息年度报告》。

第八条 企业有下列情形之一的，海关将其列入信用信息异常企业名录：

(一) 未按照规定向海关提交《企业信用信息年度报告》的；

(二) 经过实地查看，在海关登记的住所或者经营场所无法查找，并且无法通过在海关登记的联系方式与企业取得联系的。

列入信用信息异常企业名录期间，企业信用等级不得向上调整。

Increase the collection of credit information for enterprises and related personnel

The data collected include business information related to import and export, enterprise administrative punishment and criminal punishment, joint incentive and joint disciplinary information, and credit information of related personnel (legal person, principal responsible person, financial responsibility). People, people in charge of customs.)

Standardizing the mechanism of "Annual report on Enterprise Credit Information"

- Superseding the annual report of enterprises in order No. 221 of the General Administration of China Customs
- At present, the Customs is carrying out joint annual report reform with relevant departments such as industry and commerce. Since 2018, the customs and related departments will implement joint annual reports..
- notice No. 68 of 2017, General Administration of Customs, the provisional submission of the Annual report, Customs will give notice.

Implementation of the Directory system of Enterprises with abnormal Credit Information

If the annual report is not submitted in accordance with the prescribed time and requirements, the Customs will be included in the list of enterprises with abnormal credit information, and shall carry out credit management and import and export risk control.

1.3 Introduction of active Disclosure Mechanism

Article 29 of 《Measures of the people's Republic of China on the Credit Administration of Customs Enterprises》

“....., Any act of disclosure of the enterprise's own initiative and imposed by the Customs on a warning or a fine of not more than 50,000 yuan shall not be regarded as a record of the credit status of the enterprise as determined by the Customs.”

Provenance of active disclosure

- Decision of the State Council No. 670 of June 19th 2016 on amending the regulations of the people's Republic of China on Customs Inspection
- Article 26, "upon inspection by the Customs, it shall be handled by the Customs in accordance with the provisions of the Customs Law and the regulations on the implementation of administrative penalties of the Customs." Enterprises or units directly related to the import and export of goods shall, on their own initiative, report to the Customs their acts in violation of the provisions of customs supervision and accept the handling of the customs, and shall be given a lighter or mitigated administrative punishment. "

The importance of Self-inspection and Self-management in the Construction of Enterprise Compliance

- Active disclosure, mitigation of punishment, but care should be taken to apply to the case of active disclosure .
- Only violations of customs regulations can be applied to voluntary disclosure; specific violations of customs regulations may be included in the regulations of 《the people's Republic of China on the implementation of Customs Administrative penalties》 , decree No. 420 of the State Council.



1.4 Adjustment of other provisions or standards

Revision of main contents	Order No. 225 of the General Administration of China Customs	Order No. 237 of the General Administration of China Customs	Description
Title of "Credit measures"	《Interim measures of the People's Republic of China on the Credit Administration of Customs Enterprises》	Order No. 237 of the General Administration of Customs (on the promulgation of the measures of the people's Republic of China on the Administration of the Credit of Customs Enterprises)	The removal of the word "temporary" shows the maturity and perfection of China's credit management system and the promotion of international mutual recognition of AEO.
Adjustment of the Standards for the determination of discredit Enterprises	Article 10, specific contents of them are omission. Article 10 (2); 10 (4) are deleted "the rate of customs declaration error in the last quarter is one time higher than the national average for the same period"; Article 10 (5)	Article 12, specific contents of them are omission. Article 12 (II); new Article 12 (8) "added to the list of State dishonest punishment for criminal offences"; Article 12 (iv)	<ol style="list-style-type: none"> 1. Increase the accumulative amount of administrative punishment of customs declaration enterprises by a large margin, and relax the standards for the identification of discredit enterprises; 2. Adjust the proportion standard of enterprise's illegal behavior and the accumulative amount of annual administrative punishment from two to one relation to superposition relation; 3. Increased the number of enterprises that were downgraded to discredit for more than 90 days due to being included in the list of enterprises with abnormal credit information by the Customs
Adjustment of identification Standard of General Credit Enterprise	Article 11 (3) "where the management of a discredit enterprise has been applied for one year, and no further occurrence of the provisions of Article 10 of these measures has occurred."	Article 13 (3) "since the date of being recognized by the Customs as a discredit enterprise, no situation as stipulated in Article 12 of these measures has occurred for two consecutive years."	If the general credit enterprises are downgraded, and then apply to be the general credit enterprises, the threshold becomes higher, it can be seen that the customs on the enterprise's self-management is more and more important.

1.4 Adjustment of other provisions or standards

Revision of main contents	Order No. 225 of the General Administration of China Customs	Order No. 237 of the General Administration of China Customs	Description
Identify results and implement dynamic adjustments	Article 15, where the administration of a discredited enterprise has been applied for one year without any recurrence of the situation stipulated in Article 10th of these measures, the Customs shall adjust it to the management of a general credit enterprise. If a discredit enterprise has been readjusted to a general credit enterprise for one year, it may apply the certified enterprise to the Customs."	Article 20, "if the provisions of these measures have not occurred for 2 consecutive years since the date of being recognized as a discredit enterprise by the Customs, the Customs shall adjust the discredit enterprise to a general credit enterprise; the discredit enterprise shall be adjusted to a general credit enterprise for one year," May apply the certified enterprise to the customs. "	In the future, the Customs will dynamically adjust the enterprise level and the time limit for applying for certification has become higher after the demotion.
Scope of Application	Article 2, these measures shall apply to the collection and publicity of the credit information of enterprises registered by the Customs and the determination and administration of the credit status of enterprises.	Article 2, these measures shall apply to the collection and publicity of the credit information of the enterprises registered, filed by the Customs and the determination and administration of the credit status of the enterprises. "	All enterprises registered and put on record in the customs will be included in the credit management of the customs enterprises, and the scope of application of the "credit measures" has been expanded.
Measures of enterprise credit management	Article. 16, Article. 17, Article. 18, Article. 19 and specific contents of them are omission	Article. 23, Article. 24, Article. 25, Article. 26 and specific contents of them are omission	The revision enriches the measures of enterprise credit management. Fully reflect the "good faith law-abiding convenience, breach of trust illegal punishment", highlight the difference of credit management measures, give certification enterprises, especially senior certification enterprises more preferential and convenient measures, and implement strict supervision and joint punishment to discredit enterprises.

1.5 Shanghai Customs established the Scientific & Innovation Office in Zhang Jiang Park

On 13th Mar, the Shanghai Customs and the Shanghai Free Trade Test Zone Management Committee jointly held a press conference on "promoting the Construction of innovative Supervision Service of Shanghai Customs Innovation Center" at the People's Government of Pudong new area. Tan Wu, Deputy Customs Director and press spokesman of Shanghai; Wang Jing, Deputy Head of Pudong New area and Deputy Director of the Free Trade Test Zone Management Committee; and relevant leaders of the Zhangjiang Administration Bureau attended the press conference.



➤ In the aspect of customs supervision and control, Shanghai Customs is actively innovating in individualized supervision according to the characteristics of the imported goods from the enterprises and the requirements of the enterprises. Three measures were put forward to improve the supervision of distributed goods, optimize the supervision of special goods, and implement process-based supervision, with the goal of "breaking the bottleneck of development" and "achieving a faster and lower cost".

➤ To improve the supervision of distributed goods is to extend the distribution of imported goods from air transport to express shipments and other modes of transport, relying on the Zhangjiang Cross-border Supervision Service Center.

➤ Optimizing the supervision of special goods is aimed at the special goods that need to be frozen, refrigerated, constant temperature, according to the application of enterprises, we provide booking customs clearance, first release after inspection and other convenient measures.

➤ To implement process-oriented supervision and control and carry out bonded management on qualified R & D and testing business in view of the characteristics of research and development of test reagents, samples, consumables that are volatile, easy to lose, and unable to materialize. We should take the enterprise as the unit, the enterprise self-discipline report, the evaluation of the intermediary organization, the verification of the facts of the customs, and so on.



1.5 Shanghai Customs established the Scientific & Innovation Office in Zhang Jiang Park

The Scientific & Innovation Center Office of Xinhai is settled in Zhangjiang, Shanghai, dedicated to the import and export enterprises and provide the following services:

- Customs clearance and transportation services for refrigerated, frozen and thermostatic special goods
- Business of tax reduction and exemption for Scientific & Innovation enterprises
- Express Services
- R&D and business processing for inspection of import bonded goods bonded
- Other related business



Welcome all parties to come to discuss the cooperation

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Summary of Quarterly Inspection and Quarantine requirements

- © New regulations CIQ of Animals and plants and their products
- © New notice on Supervision requirements for five Product Inspection

2.1 New Regulations on CIQ of Animals and Plants and Their Products

Announcement of the General Administration of quality Supervision, Inspection and Quarantine on the requirements of 《the General Administration of quality Inspection and Quarantine for the Export of Chinese drupes, apples and pears to Australia and the Import of New Zealand avocados and their Australian drupes, grapes, cherries and citrus plants for CIQ》 (No. 1 of 2018)

Announcement of the General Administration of quality Supervision, Inspection and Quarantine on 《The Requirements for Plant Quarantine of mung Bean imports from Uzbekistan》 (No. 6 of 2018)

Announcement of the General Administration of quality Supervision, CIQ on 《The Quarantine Requirements of Imported Pumpkin Plants in Tonga》 (No. 9 of 2018)

Announcement of the General Administration of quality Supervision, CIQ of the State on the Inspection and Quarantine 《The Requirements of imports of Alfalfa Grass, Bulgarian Plant Feed and Feed Additives in Romania》 (No. 14 of 2018)

Announcement of the General Administration of quality Supervision, Inspection and Quarantine on 《The Requirements for the Inspection and Quarantine of imported Laotian Banana Plants》 (No. 16 of 2018)

Announcement of the General Administration of quality Supervision, CIQ on 《The Requirements for Plant Inspection and Quarantine of Russian Wheat and Hungarian Maize》 (No. 25 of 2018)



2.2 New Notice on Supervision Requirements for Five Kinds of Product Inspection

Requirements of Inspection supervision

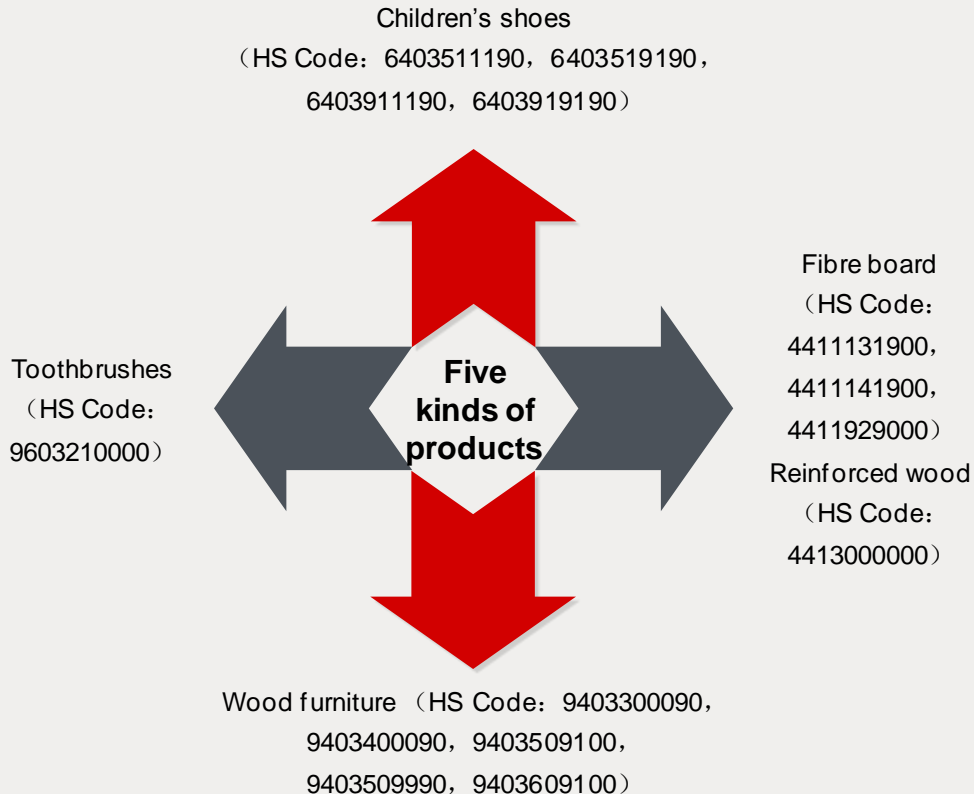
When importing the above-mentioned commodities, the importing enterprise shall provide the inspection data in accordance with the provisions on the Inspection and Quarantine Inspection and Inspection of entry and exit (order No. 16 of the former State Administration of Entry-Exit Inspection and Quarantine) and the relevant requirements, and shall provide the certificate of conformity issued by the consignee of the imported goods. The contents include compliance commitment, conformity assurance, quality and safety responsibility, as well as proactive recall measures when problems are discovered.

Extract to evaluate

On the basis of carrying out the classified management of goods risk and enterprise credit, the entry-exit inspection and quarantine institutions shall scientifically use the conformity assessment procedure to assess the inspection and quarantine eligibility of the goods submitted for inspection. If the entry-exit inspection and quarantine institution has drawn approval and approval, the on-site and / or laboratory inspection shall be carried out in accordance with the relevant regulations.

Products should meet the requirements of China's current mandatory national standards

Imported toothbrushes GB 19342-2013 "toothbrushes", GB30002-2013 "Children's toothbrushes", GB30003-2013 "Grinding Silk toothbrushes", GB30585-2014 "Children's shoes Safety Technical Specification", imported Fiberboard, reinforced Wood and Wood Furniture:% GB18584-2001 "Indoor Decoration and Decoration Materials Wood Furniture" Quality limit, GB 18580-2001 "formaldehyde release limit in Interior Decoration material Wood-based Panel and its products" (GB18580-2017 "formaldehyde release limit in Interior Decoration material Wood-based Panel and its products"), GB 28007-2011 "Children Furniture" Use technical conditions ", etc.



2.2 New Notice on Supervision Requirements for Five Kinds of Product Inspection

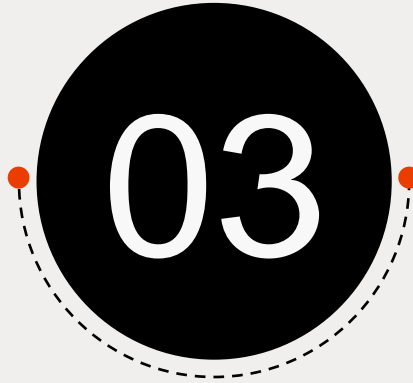
Unit: draw approval ratio (%) ; Time Limit in the Process(working days)

Product category	Onsite CIQ Ratio	CIQ Laboratory Ratio (Sampling proportion)	Time Limit in the Process (Inspection-Filing)
Wood furniture	5(Finished product); 30(Semi-finished product)	Onsite check no epidemic situation no sampling for examination	12
Fibre board	30 (low risk according to product source risk rating; 50 (medium risk according to product source risk rating; 100 (high risk according to product source risk rating)	Onsite check no epidemic situation no sampling for examination	12
Reinforced wood	ditto	ditto	12

Children's shoes

One of the 219 products listed in the 2018 National Monitoring and sampling Inspection Plan for Product quality. In 2018, the AQSIQ will carry out the national supervision and inspection of product quality in accordance with the random inspection plan, publicly release the results of the State supervision and spot check on product quality to the public, and will deal with the illegal and illegal acts of product quality in accordance with the law.

Note: the proportion of drawdowns listed in the above table is the lowest. For goods that have failed inspection and quarantine or where there is evidence of an increase in risk rating, as well as for consignors or examiners of inspection and quarantine credit grade C or below, Risk assessment can increase the proportion of sampling and approval up to 100%.



Company Dynamics

©3.1Xinhai Participated in the Second International AGRO-Industry Investment Forum

© Xinhai participated in the 6th China Africa Economic and Trade Cooperation Development Forum

© Xinhai Participated in the WCO Global AEO Conference

3.1 Xinhai Participated in the Second International AGRO-Industry Investment Forum

The Second International AGRO-Industry Investment Forum is co-sponsored by the Government of Ethiopia and the United Nations Industrial Development Organization on 5th Mar, 2018. Mr. Ge Jizhong, Chairman of Ou Jian and Xinhai and Ms. Wang Min, Vice President of Oujian, in the capacity of CCBA, representing the IFCBA to attend the forum and have in-depth exchanges with the participants to understand the development of the African market and the opportunities for foreign trade and investment.

The main purpose of the forum was to show participants the business, investment environment and policies of Ethiopia in agriculture and related industries. The Chinese government and enterprises are also actively investing in the construction of basic projects, training local enterprises and helping agriculture to improve economic benefits, and to change the economic situation in Africa.

The United Nations Industrial Development Organization attaches great importance to this meeting. The Ethiopian President, the Secretary General of the United Nations Industrial Development Organization, Li Yong, as well as the UN Economic Commission for Africa, the AU Economic Affairs Director, the Chinese Ambassador to Ethiopia and the Ethiopian Minister of Industry addressed the forum one after another.



Xinhai and Mr. Dejene Tezera, Minister of Agricultural Development, United Nations Industrial Development Organization (Right One)



Xinhai and Mr. Qin Jinwei, President of China Africa Trade Promotion Association (Middle one)



Statement by the President of Ethiopia

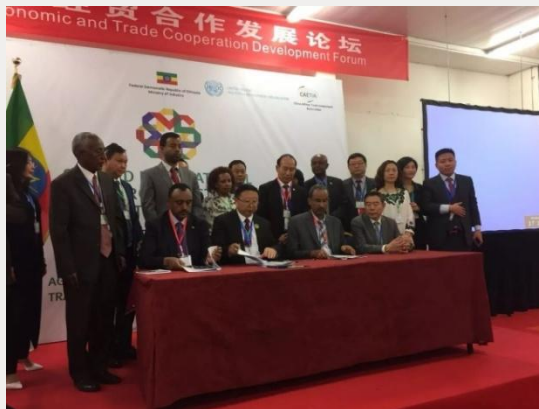
3.2 Xinhai participated in the 6th China Africa Economic and Trade Cooperation Development Forum



Mr. Ge Jizhong, Chairman of Xinhai and Mr. Teka Gebreyesus, Vice-Chairman of the Ethiopian Investment Committee (Left One)

This session of the China-Africa Economic and Trade Cooperation and Development Forum has implemented the “China-Africa Cooperation” plan, carried out the “Belt and Road Initiative”, further consolidated the friendship and cooperation of the Chinese and African peoples, and realized the cause community, the interest community and the destiny community of the Chinese and African peoples. Chinese enterprises and the Ethiopian government also signed five project cooperation agreements on the site, such as building friendship town, new energy electric vehicle factory, photovoltaic power generation street lamp factory, and grain and oil enterprise of Huafei mobile phone factory.

In the course of the Forum's exchange, African governments were eager for foreign capital and enterprises to invest in the local real economy and to establish projects in agriculture, handicrafts, light industry, chemical industry, telecommunications and new energy sources. African governments not only cooperate with enterprises, but also actively cooperate with the United Nations, the European Union and the African Union, as well as various trade and investment organizations and professional associations, in order to help Africa's economic construction.



Ms. Wang Min, Vice President of Xinhai (Right 3), witness signing ceremony of China-Africa cooperation project



At the end of the forum, the Joint Declaration on Sino-African Economic and Trade Cooperation was issued jointly, hoping to help “Belt and Road” to develop and establish a community of human destiny and to promote the economic development of Africa. Under the guidance of the United Nations headquarters in Africa, we will set up the China-Africa Chamber of Commerce and Industry as soon as possible, and set up the African Chamber of Commerce and Industry and the Chinese Chamber of Commerce and Industry to work together to promote implementation and ensure its successful implementation. The Summit Forum on China-Africa Cooperation will be held in Beijing, China, in September 2018.

3.3 Xinhai Participated in the WCO Global AEO Conference



4th WCO Global AEO Conference began in Kampala, Uganda on 14th Mar



Mr. Kunio Mikuriya, the Secretary General of WCO made a speech



Mr. Ge Jizhong, Vice President of CCBA took the photo with Ms. Yang, Inspection Department of the General Administration of China Customs (Left one)

Mr. Ge Jizhong, the Vice President of CCBA and the Chairman of Xinhai, Ms. Wang Min, Vice President of Xinhai attended the meeting to keep abreast of the latest development trends and to conduct in-depth exchanges with the participants. the President of Uganda, the Prime Minister of the URA, Ms. Doris Akol, and the Secretary General of WCO, Mr. Kunio Mikuriya, attended the meeting as well.

In 2012, there were 45 AEO programmes in the world, and this number has increased to 77 in 2018, with many more under development. The number of MRAs concluded in 2012 was 17, and this number has soared to 56 in 2018. Between 2012 and 2018, the percentage increase in the number of concluded MRAs is 229.4%, while the number of AEO programmes has increased by 71.1%. We are bringing together exciting stories on how the collaboration and partnership between Customs, other government agencies and the business community can contribute to facilitating trade, securing the supply chain, enhancing the compliance level and increasing revenue, thus leading to enhanced economic prosperity.

Recognized as the largest WCO capacity building event, the WCO AEO Global Conference boasts the largest number of workshops held during an event. The conference will provide a platform for delegates, international organizations, government agencies, researchers, industry stakeholders, and policymakers to communicate with each other at the customs level.



Hot Forum

©Xinhai Holds the Forum of Classification and Analysis of Sensitive Goods

Xinhai Holds the Forum of Classification and Analysis of Sensitive Goods

In order to help enterprises to grasp the customs classification requirements for sensitive goods , Shanghai Tian Hai Kang Suo Te Customs Consulting Co., Ltd and Shanghai Xinhai Customs Brokerage (The largest customs broker in China) , Jointly organized a seminar on "Classification and Analysis of Customs sensitive goods". From the 1.8 million import and export commodities of Shanghai port, the key monitoring commodities of the customs are screened out. The case teaching is strong in practice.

Content of Training:

1. The classification of commodities under the close attention of the Customs in the near future;
2. The classification of goods which are subject to misclassification due to large differences in tax rates or easy to be confused;
3. Classification of commodities with frequent disputes and the handling of disputes.



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Thank you for the description

