

Measures for Implementation of the Automatic Import License of Mechanical and Electronic Products

Article 1 With a view to undertake monitoring and collection of statistics of free import of some mechanical and electronic products, these Measures are formulated in accordance with the *Foreign Trade Law of The People's Republic of China*, the *Regulation of the People's Republic of China on the Administration of the Import and Export of Goods*, the *Measures for Administration of Automatic Import License of Goods* and the *Measures for Administration of Import of Mechanical and Electronic Products*.

Article 2 These Measures shall be applicable to the import of the mechanical and electronic products (including corresponding used mechanical and electronic products) subject to automatic import license to the People's Republic of China.

Article 3 The Ministry of Commerce (hereafter referred as MOFCOM) is responsible for the national administration of automatic import license of mechanical and electronic products, and joint with the Ministry of the General Administration of Customs (hereafter referred as GAC) the formulation, adjustment and promulgation of the *Catalogue of Automatic Import License of Mechanical and Electronic Products* with.

Mechanical and electronic import and export offices in all provinces, autonomous regions, municipalities directly under the central government, cities under separate state planning, open coastal cities and special economic zones as well as those in relevant departments of the State Council (hereafter referred as local and departmental mechanical and electronic offices) are responsible for the administration of automatic import license of mechanical and electronic products in their areas or departments.

The mechanical and electronic products listed in the *Catalogue of Automatic Import License of Mechanical and Electronic Products* are divided into two kinds, namely, mechanical and electronic products handled by the MOFCOM and those handled by local and departmental mechanical and electronic offices.

Article 4 The application for *Automatic Import License of People's Republic of China* (hereafter referred as *Automatic Import License*) is need for the following products: the products listed in the catalogue of automatic import license of mechanical and electronic products and imported in forms of general trade (including domestic sale of materials and parts of foreign-invested enterprises), barter trade, lease, aid and presentation, donation and etc. as well as those purchased abroad and sent back

for self-use by Chinese institutions functioning abroad or overseas enterprises.

Article 5 Import entities shall apply for *Automatic Import License* from the MOFCOM or its authorized agencies before handling of clearance procedures, if imports are mechanical and electronic products subject to automatic import license.

The import entities shall undertake bidding before conclusion of contracts if the mechanical and electronic products applied for import subject to requirements of bidding by laws and administrative regulations.

Article 6 An import entity shall provide following materials in the application of *Automatic Import License*:

- (1) An application form of import of mechanical and electronic products (see appendix 1);
- (2) A duplicate of the business license;
- (3) Contracts for import of goods;
- (4) Where an import entity is under any of the circumstances, following materials shall be provided:
 - a. The China Compulsory Certification or the Certificate of Exemption of China Compulsory Certification shall be provided if the mechanical and electronic products to be imported are subject to state compulsory certification.
 - b. The project approval or file documents (copies) issued by competent authorities of project investment shall be provided if the mechanical and electronic products to be imported are under the investment project.
 - c. Evidentiary materials concerning authorized operation shall be provided if mechanical and electronic products to be imported are subject to authorized operation.
 - d. For the mechanical and electronic products subject to production license administration, evidentiary materials of production license (copies) shall be provided if entities apply for import of relevant components and parts for production.
 - e. Pre-inspection report of import products issued by inspection and quarantine agencies authorized or approved by the General Administration of Quality Supervision, Inspection and Quarantine PRC shall be provided if used mechanical and electronic products are to be imported.
 - f. Relevant evidentiary materials concerning approval of renovation businesses shall be provided if the used mechanical and electronic products to be imported are used for renovation (including remanufacturing, similarly hereafter).
 - g. The *Notice of Bid Evaluation Result of International Bidding* issued by competent

authorities of international bidding shall be provided if the mechanical and electronic products are purchased in manner of international bidding.

- (5) Other materials required by the MOFCOM.

Import entities shall be responsible for the accuracy of the application materials provided and their operating activities shall comply with provisions of state laws and administrative regulations.

Article 7 The import of mechanical and electronic products listed in the *Catalogue of Automatic Import License of Mechanical and Electronic Products* shall coincide with following laws and administrative regulations:

- (1) Provisions of the *Standardization Law of People's Republic of China* in terms of standards and compulsory execution standards concerning protection of human health and security of human bodies and properties;
- (2) Provisions of laws and administrative regulations concerning environmental protection, such as the *Environmental Protection Law of People's Republic of China*;
- (3) Provisions of laws and administrative regulations concerning air environmental protection such as the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*;
- (4) Relevant provisions of the *Regulation of the People's Republic of China on Certification and Accreditation*;
- (5) Relevant provisions of the *Law of People's Republic of China on Tobacco Monopoly* and the *Detailed Rules for the Implementation of the Law of People's Republic of China on Tobacco Monopoly* in the case of import of tobacco processing machinery;
- (6) Relevant provisions of the *Metrology Law of the People's Republic of China* and the *Measures of the People's Republic of China for the Supervision and Administration of Imported Instruments of Measurements* in the case of import of instruments of measurements;
- (7) Relevant provisions of the *Radio Regulations of the People's Republic of China* in the case of import of radio transmitting equipment;
- (8) Relevant provisions of the *Provisions on the Administration of Ground Receiving Facilities for Satellite Television Transmissions* in the case of import of receiving facilities for satellite television transmissions;
- (9) Relevant provisions of the *Regulations on Management of Entertainment Venues* in the case of import of electronic game products;

- (10) Relevant provisions of the Regulations on Administration of Audio-Visual Products in the case of import of audio and visual dubbing production equipment;
- (11) Relevant Provisions of bilateral and multi-lateral trade agreements that China participated in;
- (12) Provisions of other laws and administrative regulations.

Article 8 The application procedures of the *Automatic Import License* of mechanical and electronic products are as follows:

- (1) To import products in the *Catalogue of Automatic Import License of Mechanical and Electronic Products*, import entities shall apply for transaction of automatic import license procedures from the MOFCOM and local and departmental mechanical and electronic offices.
- (2) Applications can be submitted in written forms or online.
 - a. Written application procedures: entities applying for import can obtain the Application Form for Import of Mechanical and Electronic Products (copyable) from issuance agencies or download it from the website authorized by the MOFCOM (<http://www.chinabidding.com/>), and submit it with other relevant written materials to corresponding competent authorities.
 - b. Online application procedures: Entities applying for import can visit the website authorized by the MOFCOM (<http://www.chinabidding.com/>) to enter the application system of import license for mechanical and electronic products to fill the *Application Form for Import of Mechanical and Electronic Products* online with true information according to requirements and submit it to corresponding competent authorities.

Article 9 The issuance procedures of *Automatic Import License* of mechanical and electronic products are as follows:

- (1) For the import of mechanical and electronic products that shall be handled by local and departmental mechanical and electronic offices, local and departmental mechanical and electronic offices shall issue the *Automatic Import License* at once upon receipt of the *Application Form for Import of Mechanical and Electronic Products* and relevant materials with accurate contents and complete forms; in special circumstances, said issuance shall not exceed 10 workdays.
- (2) For the import of mechanical and electronic products that shall be handled by the MOFCOM, local and departmental mechanical and electronic offices shall submit verified electronic data to the MOFCOM within 3 days upon receipt of complete application materials. The MOFCOM shall issue the *Automatic Import License* at once upon receipt of

corresponding data; in special circumstances, said issuance shall not exceed 10 workdays.

Article 10 The MOFCOM and local and departmental mechanical and electronic offices can refuse issuance of the *Automatic Import License* if the materials submitted by entities applying for import are inaccurate.

Article 11 Entities applying for import shall handle payment of foreign exchanges in banks and clearance procedures in customs against the *Automatic Import License* with the seal of the automatic import license stamp.

To import the used mechanical and electronic products listed in the *Catalogue of Automatic Import License of Mechanical and Electronic Products*, import entities shall handle clearance procedures with the *Automatic Import License* and the *Customs Clearance Form of Entry of Goods* (mark “file of import of used mechanical and electronic products” in Remark column) according to provisions of customs.

Article 12 The “one-batch-one-license” and “non-one-batch-one–license” is applicable to the administration of *Automatic Import License* of mechanical and electronic products.

“One-batch-one-license” means the same Import License shall not be used for clearance for several times accumulatively.

“Non-one-batch-one-license” means the same *Import License* can be used for clearance for several times accumulatively within the period of validity, but shall not exceed 12 times accumulatively. Customs shall write remarks in the column of “customs examination remark” of the original *Import License* with round hand and keep copies, and retain the original one after its final usage.

Article 13 The MOFCOM shall take statistics of import of the mechanical and electronic products subject to the *Automatic Import License* according to the used records of *Automatic Import License* kept by customs.

Article 14 The *Automatic Import License* is valid within the calendar year and the valid term is 6 months. No alteration of the *Automatic Import License* is needed if the actual foreign exchange used is less than 10% of the foreign exchange quota.

In the case of some contents of the *Automatic Import License* are needed to be altered within the valid term, import entities shall take the original *Automatic Import License* to the original issuance agency to apply for alteration or replacement of license. For products with long delivery period and the license needed to be extended within the valid term, import entities shall take the original *Automatic Import License* to the original issuance agency to apply for transaction of extension procedures.

Article 15 If the *Automatic Import License* is lost, the import entity shall report the loss to the

original issuance agency immediately. The original issuance agency shall decide whether to reissue a license after verification upon receipt of loss report.

Article 16 If import entities that applied and obtained the *Automatic Import License* have not used or determine not to use the licenses, they shall return the license to the original issuance agency in a timely manner.

Article 17 These Measures shall be applicable to the import of mechanical and electronic products subject to automatic import license in any of following circumstances:

- (1) Import of said products by foreign-invested enterprises for purposes of sale in China or sale in China after processing;
Import of new and used mechanical and electronic products by foreign-invested enterprises with their self-possessed funds beyond their amount of investment;
For the new mechanical and electronic products imported by foreign-invested enterprises within their amount of investment, if they are used and within the customs supervising term while the enterprises require to release them from the supervision of customs in advance for purposes of self-use or sale in China, relevant procedures shall be handled referring to conditions in import;
- (2) Import of priced equipment under processing trade and mechanical and electronic products under processing trade for purposes of sale in China, products sold in China or self-use;
Non-priced import equipment under processing trade that within the supervising term of customs and applied for release from the supervision of customs in advance by the original using entities or with expired supervising term and not used by the original using entities;
- (3) Entry in outside areas of areas under special customs supervision and customs bonded and supervisory areas (within boundaries of China) from areas under special customs supervision and customs bonded and supervisory areas;
- (4) Import of mechanical and electronic products in manners of leasing trade, compensatory trade and etc.
- (5) Import of mechanical and electronic products in manners of non-reimbursable assistance, donation or presentation in economic intercourse and etc.
- (6) Provisions in other laws and administrative regulations.

Article 18 These Measures are not applicable to the import of mechanical and electronic products subject to automatic import license in any of following circumstances:

- (1) Import of new mechanical and electronic products by foreign-invested enterprises within their amount of investment for purposes of investment and self-use;

- (2) Said products as non-priced import equipment under processing trade which remain to be used by original enterprises after expiration of supervising term of customs; and those imported under processing trade for purposes of export;
- (3) Said products that entered areas under special customs supervision and customs bonded and supervisory areas from abroad or those entered or exited among areas under special customs supervision and customs bonded and supervisory areas;
Said products that entered areas under special customs supervision and customs bonded and supervisory areas from outside of said areas (within boundaries of China) for purposes of use by enterprises in the said areas, and those required by infrastructure projects in the said areas and transferred to the outside of the said areas;
- (4) Said products supervised by customs that imported temporarily for re-export or exported temporarily for re-import;
- (5) Import samples, advertising samples and experimental products; the value of each batch is less than RMB5000;
- (6) Provisions of other laws and administrative regulations.

Article 19 The power of interpretation hereof rest with the MOFCOM and the GAC.

Article 20 These Measures take effect as of May 1, 2008, and meanwhile the *Detailed Regulations on Administration of Automatic Import License of Mechanical and Electronic Products* (decree No.25 [2001] of the MOFTEC and the GAC) are repealed.

**The Ministry of the Ministry of Commerce and
the Ministry of the General Administration of Customs
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