



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

**Date:** 10/27/2005

**GAIN Report Number:** CH5071

## China, Peoples Republic of

### Trade Policy Monitoring

### Food and Agricultural Import Regulations and Standards

### Regulations on the Enforcement of the Law of the People's Republic of China on the Inspection of Import and Export Commodities

**2005**

**Approved by:**

Maurice House  
U.S. Embassy Beijing

**Prepared by:**

Anthony Cino, Kevin Latner

---

**Report Highlights:**

This is an unofficial translation of the "Regulations on the Enforcement of the Law of the People's Republic of China on the Inspection of Import and Export Commodities," which appears to reform import and export procedures for traded goods without changing the underlying standards. The Regulations will enter into force on December 1, 2005.

---

Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Beijing [CH1]  
[CH]

**Table of Contents**

**Executive Summary ..... 3**  
**Regulations on the Enforcement of the Law of the People’s Republic of China on the  
Inspection of Import and Export Commodities ..... 3**  
**Chapter I General Provisions ..... 3**  
**Chapter II Inspection of Import Commodities..... 6**  
**Chapter III Inspection of Export Commodities ..... 8**  
**Chapter IV Supervision and Administration ..... 9**  
**Chapter V Legal Liabilities ..... 12**  
**Chapter VI Supplementary Provisions ..... 15**

**Executive Summary**

This is an unofficial translation of the "Regulations on the Enforcement of the Law of the People's Republic of China on the Inspection of Import and Export Commodities" and will enter into force on December 1, 2005. This regulation has not been notified to the WTO Secretariat.

The regulation changes the inspection procedures for import and export. The regulation does not contain specific standards and appears to reference existing standards as part of the new procedures. One example a requirement for the government to publish a catalogue of goods subject to inspection; this catalogue is currently published annually.

The regulation implements the "Law on Import and Export Commodity Inspection" (CH2029). According to Article 63, the regulations supercedes the previous "Regulations on the Enforcement of the Law of the People's Republic of China on the Inspection of Import and Export Commodities" approved by the State Council on October 7, 1992 and promulgated by the former State Administration of Import and Export Commodity Inspection on October 23, 1992.

BEGIN TRANSLATION

**Regulations on the Enforcement of the Law of the People's Republic of China on the Inspection of Import and Export Commodities****Chapter I General Provisions**

Article 1 These Regulations are formulated in accordance with the provisions of the Law of the People's Republic of China on the Inspection of Import and Export Commodities (hereafter "Commodity Inspection Law").

Article 2 The State Administration of Quality Supervision and Quarantine of the People's Republic of China (hereafter "State Quality and Quarantine Administration") is in charge of the inspection of import and export commodities nationwide.

The exit and entry inspection and quarantine bureaus and their subordinate institutions established by the State Quality and Quarantine Administration in provinces, autonomous regions and municipalities directly under the central government and at the ports and distribution centers of import and export commodities (hereafter "exit and entry inspection and quarantine institutions") are in charge of the inspection of import and export commodities in the regions under their jurisdictions.

Article 3 The State Quality and Quarantine Administration should, in accordance with the provisions of Article 4 of the Commodity Inspection Law, formulate and adjust the catalogue of import and export commodities that must be inspected (hereafter "catalogue") and publicize it for enforcement.

The catalogue should be published at least 30 days before the date it enters force; under emergency circumstances, it should be published no later than the date it enters force.

When the State Quality and Quarantine Administration formulates and adjusts the catalogue, it should solicit opinions from the department in charge of foreign trade, the General Administration of Customs and other related departments of the State Council.

Article 4 The exit and entry inspection and quarantine institutions enforce inspections of import and export commodities included in the catalogue and other import and export commodities that must be inspected by the exit and entry inspection and quarantine institutions under the provisions of the laws and administrative regulations (hereafter "mandatory inspection").

The exit and entry inspection and quarantine institutions enforce spot checks on import and export commodities other than those subject to mandatory inspection in accordance with the relevant state stipulations.

Article 5 The inspection of the quality of import and export medicines, the ascertainment of the accuracy of measuring instruments, the inspection of the safety of boiler pressure containers and the inspection of the standards of ocean ships (including offshore platforms and important ship-related equipment and materials) and containers, the navigability of airplanes (including airplane engines and airborne equipment) and the safety of nuclear pressure equipment shall be enforced by the institutions specified in the relevant laws and administrative regulations.

Article 6 Samples and gifts that enter and exit China, goods that are temporarily allowed to enter and exit China and other non-trade articles are exempted from inspection, unless provided otherwise by law or administrative regulation.

The import and export commodities included in the catalogue that meet the state criteria for inspection exemption shall be exempted from inspection by the exit and entry inspection and quarantine institutions if the applications for inspection exemption from the related consignees, consigners or producing enterprises are examined and approved by the State Quality and Quarantine Administration.

The specific rules for inspection exemption shall be formulated by the State Quality and Quarantine Administration in consultation with the relevant departments.

Article 7 The inspection of the import and export commodities that are subject to mandatory inspection shall be enforced by the exit and entry inspection and quarantine institutions in accordance with the provisions of Article 7 of the Commodity Inspection Law.

The State Quality and Quarantine Administration may, in light of the practical requirements of the import and export commodity inspection and in accordance with international standards, formulate the technical specifications and standards for the method of import and export commodity inspection.

The technical specifications and standards in accordance with which or in reference to which import and export commodities are inspected and the technical specifications and standards for the inspection method should be published at least six months before the date when they enter into force; under emergency circumstances, they should be published no later than the date when they enter into force.

Article 8 The exit and entry inspection and quarantine institutions shall, out of the need to facilitate foreign trade, administer the classification of import and export enterprises, and shall enforce inspection of import and export commodities in accordance with the inspection and regulatory methods specified in the internationally accepted qualification evaluation procedures.

Article 9 The contents of the import and export commodity inspection enforced by the exit and entry inspection and quarantine institutions include whether they conform to the

requirements of safety, hygiene, health, environmental protection and fraud prevention, and to the relevant items of quality, quantity and weight.

Article 10 The exit and entry inspection and quarantine institutions shall, in accordance with the provisions of the Commodity Inspection Law, exercise document verification administration over the import and export commodities that are under the control of the licensing system and that must be certified as required by the state stipulations, and verify the documents to see whether the documents and goods tally with each other.

The catalogue of the import and export commodities that are subject to document verification administration shall be formulated, adjusted and published by the State Quality and Quarantine Administration in consultation with the relevant departments.

Article 11 The consignees or consignors of import and export commodities may handle the inspection application formalities by themselves or by entrusting the formalities to agencies specializing in inspection application; if the commodities are imported and exported through express delivery, the consignees or consignors should entrust the inspection application formalities to the enterprises operating exit and entry express delivery.

Article 12 If the consignees or consignors of import and export commodities handle the inspection application formalities, they should register with the exit and entry inspection and quarantine institutions according to law.

If enterprises specializing in inspection application agency and enterprises operating exit and entry express delivery engage in inspection application service, they should register with the exit and entry inspection and quarantine institutions according to law. Enterprises failing to register with the exit and entry inspection and quarantine institutions according to law are not allowed to offer inspection application services.

The personnel who handle inspection application services should have employment registration for inspection application according to law and should produce certificates when handling inspection application services. Those without employment registration for inspection application according to law are not allowed to engage in inspection application service.

Enterprises specializing in inspection application agency and enterprises operating exit and entry express delivery and personnel handling inspection application service are not allowed to illegally apply for inspection for other people or engage in inspection applications beyond their scope of business.

Article 13 If enterprises specializing in inspection application agency accept the entrustment of the consignees or consignors of import and export commodities and handle the inspection application formalities in their name, they should present the certificate of authority to the exit and entry inspection and quarantine institutions and comply with all the provisions regarding entrustment in the Regulations; if they handle the inspection application formalities in their own name, they should assume legal liabilities identical to those of the consignees or consignors.

If enterprises operating exit and entry express delivery accept the entrustment of the consignees or consignors of import and export commodities, they should handle the inspection application formalities in their own name and assume legal liabilities identical to those of the consignees or consignors.

If the applicants entrust the enterprises specializing in inspection application and the enterprises operating exit and entry express delivery to handle inspection application formalities, they should provide these enterprises with true information about the matters for inspection application; if the enterprises specializing in inspection application and the enterprises operating exit and entry express delivery accept the entrustment of an applicant to handle the inspection application formalities, they should conduct a reasonable examination of the truthfulness of the information provided by the applicant.

Article 14 The State Quality and Quarantine Administration shall establish a risk warning mechanism for import and export commodities, and shall carry out risk evaluation, determine the types of risks, and adopted corresponding risk warnings and rapid response measures by collecting information about the inspection of import and export commodities.

The State Quality and Quarantine Administration and the exit and entry inspection and quarantine institutions should provide the relevant parties with the information about import and export commodity inspection.

Article 15 The staff of the exit and entry inspection and quarantine institutions should perform their duties according to law, and the relevant units and individuals should cooperate with them. No unit or individual is allowed to illegally interfere in or obstruct their work.

## **Chapter II Inspection of Import Commodities**

Article 16 The consignees of the import commodities subject to mandatory inspection should present their inspection applications to the exit and entry inspection and quarantine institutions at the places for customs declarations along with the contracts, invoices, packing lists, bills of lading and other necessary papers and the relevant approval documents. The consignees should, within 20 days after the release by the customhouses, apply to the exit and entry inspection and quarantine institutions for inspection in accordance with the provisions of Article 18 of the Regulations. The import commodities subject to mandatory inspection are prohibited from being sold or used if they have not been inspected.

With regard to the commodities for which importation is subject to document verification administration, the consignees should apply to the exit and entry inspection and quarantine institutions in the places for customs declaration for inspection. The exit and entry inspection and quarantine institutions should conduct document verification in accordance with the stipulations of the State Quality and Quarantine Administration.

Article 17 With regard to the commodities for which exportation is subject to mandatory inspection and the import commodities subject to document verification administration, the customhouses handle the customs clearance formalities on the basis of the goods customs clearance bills issued by the exit and entry inspection and quarantine institutions.

Article 18 Import commodities subject to mandatory inspection should be inspected at the locations where the consignees apply for inspection.

Bulk commodities, perishable commodities, solid waste that can be used as raw materials and commodities that are damaged or short should be inspected port of unloading.

With regard to the import commodities specified in the preceding two paragraphs, the State Quality and Quarantine Administration may designate other places for inspection in light of the requirements of facilitating foreign trade and import and export commodity inspection work.

Article 19 Unless provided otherwise by laws and administrative regulations, the exit and entry inspection and quarantine institutions shall order the parties concerned to destroy the import commodities subject to mandatory inspection that are found via inspection to have failed to meet the standards for personal life and property safety, health and environmental protection. They may also issue a return notice and notify custom in writing. With the return notice, customs shall handle the formalities of shipping the goods back. Goods failing to meet other standards may be technically treated under the supervision of the exit and entry inspection and quarantine institutions and may be sold or used only after they are found to have met these standards through re-inspection. If the parties concerned apply to the exit and entry inspection and quarantine institutions for certification, these institutions should issue certificates in a timely manner.

If the exit and entry inspection and quarantine institutions find that complete sets of imported equipment and related materials fail to pass inspection, they shall issue a notice to forbid their installation and use. Only goods that have been technically treated and have passed re-inspection by the exit and entry inspection and quarantine institutions may be installed and used.

Article 20 If import commodities not subject to mandatory inspection fail to pass spot checks by the exit and entry inspection and quarantine institutions, they shall be handled in accordance with the provisions of Article 19 of the Regulations.

If the import commodities subject to document verification administration fail to pass the document verification by the exit and entry inspection and quarantine institutions, they shall be handled with reference to the provisions of Article 19 of the Regulations or handed over to the relevant departments for handling.

If the consignees of import commodities not subject to mandatory inspection find import commodities that fail to meet the quality standards or are damaged or short, and apply for certification, the exit and entry inspection and quarantine institutions or other inspection institutions should issue certificates in a timely manner after inspection.

Article 21 The consignees reserve the right to conduct final post-delivery inspection and to claim compensation for import commodities and large complete sets of equipment that are subject to mandatory inspection, concern the national economy and people's livelihood, have high values and complex technologies, are important in other aspects, should be manufactured under supervision, inspected before shipping or loaded under supervision in accordance with the terms of foreign trade contracts.

The exit and entry inspection and quarantine institutions may, where necessary, dispatch inspection personnel to participate in or organize the implementation of manufacturing supervision, pre-shipping inspection or loading supervision.

Article 22 The state exercises a registration system for foreign suppliers and domestic consignees of imported solid wastes that can be used as raw materials. The foreign suppliers and domestic consignees should, before signing foreign trade contracts, register with the State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions. The state exercises a pre-shipping inspection system for the import of solid wastes that can be used as raw materials. When importing these materials, the consignees should provide the pre-shipping inspection certificate issued by the exit and entry inspection and quarantine institutions or the inspection institutions designated by the State Quality and Quarantine Administration.

The consignees of used machinery and electric products for which importation is allowed by the state should, before signing foreign trade contracts, handle record-filing formalities with the State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions. With regard to high-risk imported used machinery and electric products that have relatively high values and concern personal life and property safety, health and environmental protection, pre-shipping inspection should be conducted in accordance with the relevant state stipulations. When importing, consignees should provide pre-shipping inspection certificates issued by the exit and entry inspection and quarantine institutions or the inspection institutions designated by the State Quality and Quarantine Administration.

After the arrival of imported solid wastes that can be used as raw materials and used machinery and electric products for which importation is allowed by the state, the exit and entry inspection and quarantine institutions should conduct inspection according to law.

Article 23 After the arrival of imported motor vehicles, the consignees should apply to the department in charge of vehicle administration for vehicle licenses with the imported motor vehicle inspection certificate issued by the exit and entry inspection and quarantine institutions and other documents issued by the relevant departments. If these vehicles are found in the course of use to have quality defects that affect personal life and property safety, the exit and entry inspection and quarantine institutions deal with them appropriately and in a timely manner.

### **Chapter III Inspection of Export Commodities**

Article 24 The consigners of export commodities subject to mandatory inspection should, in the places and within the time limits specified by the State Quality and Quarantine Administration and in a unified way, apply to the exit and entry inspection and quarantine institutions for inspection, with the contracts and other necessary papers and related approval documents. Export commodities subject to mandatory inspection that are not inspected or fail to pass inspection are prohibited from being exported.

The inspection of export commodities should be done at their places of production. The State Quality and Quarantine Administration may designate other places for inspection in accordance with the need of facilitating foreign trade and inspecting export commodities.

The consigners exporting the commodities subject to document verification administration should apply to the exit and entry inspection and quarantine institutions for document verification, and the exit and entry inspection and quarantine institutions should conduct document verification in accordance with the stipulations of the State Quality and Quarantine Administration.

Article 25 If the export commodities that are inspected at the places of production need to change documents for export at the ports, the exit and entry inspection and quarantine institutions in the places of production should issue the documents for inspection document changes according to the relevant requirements. The consigners should, within the specified time limit, apply to the port-based exit and entry inspection and quarantine institutions for inspection with the documents for inspection document changes and other necessary documents. If the commodities pass the inspection, the port-based exit and entry inspection and quarantine institutions should issue the customs clearance documents.

Article 26 With regard to the export commodities subject to mandatory inspection and the export commodities subject to document verification administration, the customhouses shall

handle the customs clearance formalities on the basis of the goods customs clearance documents issued by the exit and entry inspection and quarantine institutions.

Article 27 If the export commodities subject to mandatory inspection fail to pass inspection by the exit and entry inspection and quarantine institutions or the port-based exit and entry inspection and quarantine institutions, technical treatment may be carried under the supervision of the exit and entry inspection and quarantine institutions. Only the export commodities that pass re-inspection shall be allowed to be exported; if the export commodities cannot be treated technically or fail to pass re-inspection after treatment, they shall not be allowed to be exported.

Article 28 If the export commodities not subject to mandatory inspection fail to pass inspection by the exit and entry inspection and quarantine institutions, they shall be handled in accordance with the provisions of Article 27 of the Regulations.

If the export commodities subject to document verification administration fail to pass the document verification by the exit and entry inspection and quarantine institutions, they shall be handled in accordance with the provisions of Article 27 of the Regulations or be handed over to the relevant departments for handling.

Article 29 Producing enterprises that export packing containers for dangerous goods should apply to the exit and entry inspection and quarantine institutions for a performance assessment of the packing containers. Only packing containers that pass the performance assessment by the exit and entry inspection and quarantine institutions and are given the performance assessment certificate can be used for the packing of dangerous goods.

Producing enterprises that export dangerous goods should apply to the exit and entry inspection and quarantine institutions for assessment of the use of the packing containers for the dangerous goods. The dangerous goods using the packing containers that are not assessed or fail to pass the performance assessment shall not be allowed to be exported.

Article 30 With regard to the containers, ships, airplanes, vehicles and other transport equipment that carry perishable food and frozen products for export, the carriers, packing units or their agents should, before transport, apply to the exit and entry inspection and quarantine institutions for transportability inspection on hygiene, health, refrigeration and airtightness. Those that are not inspected or fail to pass inspection shall not be allowed to be exported.

#### **Chapter IV Supervision and Administration**

Chapter 31 The exit and entry inspection and quarantine institutions may, in consideration of the need to facilitate foreign trade, conduct in-factory quality supervision, administration and inspection over export commodities included in the catalogue, and enforce export commodity registration administration over important export commodities that concern personal life and property safety and health. Export commodities subject to export commodity registration administration can only be exported after being registered.

The contents of in-factory quality supervision, administration and inspection by the exit and entry inspection and quarantine institutions include supervision and inspection over the quality control measures of the producing enterprises as well as in-factory inspection of the export commodities.

Article 32 The state exercises health registration administration over enterprises producing import and export food items. Only enterprises producing export food items that have

acquired health registration are allowed to produce, process and store food items for export. Only the food items produced by the enterprises producing import and export food items that have acquired health registration can be imported or exported.

Enterprises producing import food items subject to health registration administration should apply to the State Quality and Quarantine Administration for health registration as required.

Enterprises producing export food items subject to health registration administration should apply to the exit and entry inspection and quarantine institutions for health registration as required.

If enterprises producing export food items require foreign registration, they should first acquire health registration as specified in Paragraph 3 of this article and then their foreign health registration shall be handled in a unified way by the State Quality and Quarantine Administration.

Article 33 The state exercises health registration administration over enterprises producing cosmetics for import and export. The specific rules shall be formulated by the State Quality and Quarantine Administration in consultation with the health department of the State Council.

Article 34 Before the import and export of food items and cosmetics, their operators or agents should accept inspection by the exit and entry inspection and quarantine institutions regarding whether the labeled contents of the import and export food items and cosmetics comply with the requirements specified in the laws and administrative regulations and regarding the truthfulness and accuracy of the quality-related contents, and should acquire the certificate of label inspection for the import and export of food items and cosmetics issued by the State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions authorized by it.

Article 35 The exit and entry inspection and quarantine institutions shall, where necessary, add the commodity inspection mark to import and export commodities that pass inspection and add the sealing mark to import and export commodities that pass inspection or other commodities that require the addition of the sealing mark. The specific methods shall be formulated by the State Quality and Quarantine Administration.

Article 36 The exit and entry inspection and quarantine institutions should take samples of import and export commodities for inspection according to the relevant stipulations. The exit and entry inspection and quarantine institutions should notify the relevant units to take back any surplus post-inspection samples within the prescribed time limit; those failing to be taken back within the time limit shall be disposed of by the exit and entry inspection and quarantine institutions.

Article 37 If persons applying for import and export commodity inspection have objection to the inspection results of the exit and entry inspection and quarantine institutions, they may, within 15 days of the date when their inspection result is received, apply for re-inspection to the exit and entry inspection and quarantine institution which made the inspection result or exit and entry inspection and quarantine institutions at higher levels and even the State Quality and Quarantine Administration. The exit and entry inspection and quarantine institutions or the State Quality and Quarantine Administration accepting re-inspection applications should, within 60 days of the date when the re-inspection applications are received, make their conclusions regarding re-inspection. If these conclusions cannot be made within the prescribed time limit due to technology complexity, the time limit may be

extended in an appropriate manner subject to the approval of the leaders of said institution. But this extension should not be more than 30 days.

Article 38 The State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions may, in light of the requirements of import and export commodity inspection, designate Chinese or foreign inspection and test institutions that meet the specified qualifications to undertake import and export commodity inspection and testing as entrusted by the exit and entry inspection and quarantine institutions. If the designated inspection and testing institutions are found to fail to meet the specified qualifications, the State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions may cancel their designations.

Article 39 Inspection institutions that are established in the People's Republic of China to engage in the inspection and assessment of import and export commodities should meet the criteria for registered capital, technological capacity, personnel qualifications and other conditions as specified in relevant laws and administrative regulations and rules. These institutions may accept entrustment to handle the inspection and assessment of import and export commodities only after they have been examined and approved by the State Quality and Quarantine Administration, acquired licenses, and completed business registration as required by law.

Article 40 Those with objections to the inspection and assessment activities of the inspection institutions may complain to the State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions.

Article 41 When the State Quality and Quarantine Administration and the exit and entry inspection and quarantine institutions exercise supervision and administration over or conduct investigations into suspected violations of the laws and administrative regulations regarding the inspection of import and export commodities, they have the right to read and copy the relevant contracts, invoices, account books and other materials of relevant parties. The exit and entry inspection and quarantine institutions may, on the approval of the leaders of these institutions, seal off or detain those import and export commodities that these institutions have the ground to believe fail to meet requirements for personal life and property safety, health and environmental protection. This does not apply to goods under the control of customs.

Article 42 The State Quality and Quarantine Administration and the exit and entry inspection and quarantine institutions should, in light of the need to facilitate foreign trade, take effective measures and simplify procedures to facilitate importing and exporting.

Those handling the formalities for the inspection application, inspection and assessment of import and export commodities may use electronic data files where conditions permit.

Article 43 The exit and entry inspection and quarantine institutions issue place of origin certificates under the generalized system of preferences, place of origin certificates under regional preferences and special place of origin certificates for import and export commodities. Those applying for place of origin certificates should register with the exit and entry inspection and quarantine institutions as required by law.

The issuing of the general place of origin certificates for export goods should observe the provisions of the relevant laws and administrative regulations.

Article 44 With regard to the inspection and administration by the exit and entry inspection and quarantine institutions over goods that enter or leave bonded areas, export processing

areas and other areas under special customs control and over the import and export commodities in small cross-border trade, the State Quality and Quarantine Administration shall formulate separate regulations in consultation with the General Administration of Customs.

## Chapter V Legal Liabilities

Article 45 With regard to those selling and using without permission import commodities subject to mandatory inspection for which no inspection application or no inspection has been made or those selling and using without permission import commodities for which import inspection has not been applied for as it should, the exit and entry inspection and quarantine institutions shall confiscate their illegal earnings and impose a fine equivalent to more than 5 percent and less than 20 percent of the value of the commodities; if their acts constitute crimes, they shall be held criminally liable according to law.

Article 46 With regard to those exporting without permission export commodities subject to mandatory inspection for which no inspection application or no inspection has been made or those exporting without permission export commodities for which export inspection has not be applied for as it should, the exit and entry inspection and quarantine institutions shall confiscate their illegal earnings and impose a fine equivalent to more than 5 percent and less than 20 percent of the value of the commodities; if their acts constitute crimes, they shall be held criminally liable according to law.

Article 47 With regard to those selling and using import commodities that have failed to pass mandatory inspection, spot checks or document verification or those exporting commodities that have failed to pass mandatory inspection, spot checks or document verification, the exit and entry inspection and quarantine institutions shall order them to stop selling, using or exporting, confiscate their illegal earnings and the commodities for illegal sale, use or export, and impose a fine that is more than one time and less than three times the value of the illegally sold, used or exported commodities; if their acts constitute crimes, they shall be held criminally liable according to law.

Article 48 If the consignees, consigners, enterprises specializing in inspection application agency or operating exit and entry express delivery, and inspection application personnel of import and export commodities fail to provide true information about the import and export commodities and acquire the relevant documents from the exit and entry inspection and quarantine institutions or fail to apply for inspection for the import and export commodities subject to mandatory inspection and evade from import and export commodity inspection, the exit and entry inspection and quarantine institutions shall confiscate their illegal earnings and impose a fine equivalent to more than 5 percent and less than 20 percent of the value of the commodities; if their cases are of a serious nature, their inspection application registration and their employment registration for inspection application shall be revoked.

If the consignees or consigners of import and export commodities entrusting the enterprises specializing in inspection application agency or operating exit and entry express delivery to handle the inspection application formalities fail to provide these enterprises with the true information about the matters for which inspection application is entrusted and acquire the relevant documents from the exit and entry inspection and quarantine institutions, the trusters shall be punished according to the provisions specified in the preceding paragraph.

If enterprises specializing in inspection application or operating exit and entry express delivery and inspection application personnel fail to conduct reasonable examinations of the truthfulness of the information provided by the trusters or their negligence results in the fraudulent acquisition of documents from the exit and entry inspection and quarantine

institutions, the exit and entry inspection and quarantine institutions shall impose a fine of more than 20,000 yuan and less than 200,000 yuan on the enterprises specializing in inspection application or operating exit and entry express delivery; if their cases are of a serious nature, their inspection application registration and their employment registration for inspection application shall be revoked.

Article 49 Those who falsify, alter, trade or steal inspection documents, stamps, marks, sealing marks and customs goods clearance documents or use falsified or altered inspection documents, stamps, marks, sealing marks and customs goods clearance documents and whose acts constitute crimes shall be held criminally liable; with regard to those whose acts do not deserve criminal punishment, the exit and entry inspection and quarantine institutions shall order them to rectify, confiscate their illegal earnings and impose a fine that is less than the value of the commodities.

Article 50 With regard to those who change the samples taken by the exit and entry inspection and quarantine institutions or the import and export commodities that have passed the inspection of the exit and entry inspection and quarantine institutions, the exit and entry inspection and quarantine institutions shall order them to rectify and give a warning; if their cases are of a serious nature, these institutions shall additionally impose a fine equivalent to more than 10 percent and less than 50 percent of the value of the commodities.

Article 51 With regard to those who export commodities over which the state exercises export commodity registration administration and for which no registration has been acquired, the exit and entry inspection and quarantine institutions shall order them to stop exporting, confiscate their illegal earnings and impose a fine equivalent to more than 10 percent and less than 50 percent of the value of the commodities.

Article 52 With regard to those who import or export food items and cosmetics produced by the producing enterprises over which the state exercises health registration administration and for which no health registration has been acquired, the exit and entry inspection and quarantine institutions shall order them to stop importing or exporting, confiscate their illegal earnings and impose a fine equivalent to more than 10 percent and less than 50 percent of the value of the commodities.

If the enterprises producing import and export food items and cosmetics for which health registration has been acquired are found to have failed to meet the prescribed requirements, the State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions shall order them to rectify within a time limit; if they still fail to meet the prescribed requirements after rectification or have committed other illegal acts and their cases are of a serious nature, their health registration certificates shall be revoked.

Article 53 If the foreign suppliers and domestic consignees of the imported solid wastes that can be used as raw materials fail to acquire registration or fail to conduct pre-shipment inspection, they shall be ordered to return the goods according to the relevant state stipulations; if their cases are of a serious nature, the exit and entry inspection and quarantine institutions shall additionally impose a fine of more than 100,000 yuan and less than 1 million yuan.

If foreign suppliers and domestic consignees of the solid waste that can be used as raw materials, for which registration has been acquired, violate the relevant state stipulations and their cases are of a serious nature, the exit and entry inspection and quarantine institutions shall revoke their registration.

With regard to those who import used machinery and electric products allowed by the state but fail to handle record filing or fail to conduct pre-shipping inspections as required, they shall be ordered to return the goods according to the relevant state stipulations; if their cases are of a serious nature, the exit and entry inspection and quarantine institutions shall also impose a fine of 1 million yuan.

Article 54 The exit and entry inspection and quarantine institutions shall impose a fine of less than 100,000 yuan on those who provide or use packing containers for dangerous goods export that have not been assessed by the exit and entry inspection and quarantine institutions.

The exit and entry inspection and quarantine institutions shall impose a fine of less than 200,000 yuan on those who provide or use the packing containers that have failed to pass the assessment of the exit and entry inspection and quarantine institutions for transporting dangerous goods for export.

Article 55 The exit and entry inspection and quarantine institutions shall impose a fine of less than 100,000 yuan on those who provide or use containers, ships, airplanes, vehicles and other transport equipment for the transport of perishable food items and frozen projects which have not been inspected by the exit and entry inspection and quarantine institutions.

The exit and entry inspection and quarantine institutions shall impose a fine of less than 200,000 yuan on those who provide or use the containers, ships, airplanes, vehicles and other transport equipment, which have failed to pass the inspection of the exit and entry inspection and quarantine institutions, for transporting perishable food items and frozen products.

Article 56 The exit and entry inspection and quarantine institutions shall impose a fine of less than 50,000 yuan on those who change or destroy the commodity inspection mark and seal added by the exit and entry inspection and quarantine institutions.

Article 57 If the inspection institutions engaging in the inspection and assessment of import and export commodities overstep their scope of business, violate the relevant state stipulations and disturb the order of inspection and assessment, the exit and entry inspection and quarantine institutions shall order them to rectify, confiscate their illegal earnings and impose a fine of less than 100,000 yuan. The State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions may suspend their inspection and assessment service for up to six months; if their cases are of a serious nature, the State Quality and Quarantine Administration shall revoke their inspection and assessment qualification certificates.

Article 58 With regard to those engaging in inspection application service without registration, the exit and entry inspection and quarantine institutions shall order them to stop their illegal business activities, confiscate their illegal earning and impose a fine that is more than one time and less than three times their illegal earnings.

If enterprises specializing in inspection application and enterprises operating exit and entry express delivery violate the relevant state stipulations and disturb the order of inspection application, the exit and entry inspection and quarantine institutions shall order them to rectify, confiscate their illegal earnings and impose a fine of less than 100,000 yuan and the State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions may suspend their inspection application agency service for up to six months; if their cases are of a serious nature, their inspection application registration shall be revoked.

If inspection application personnel violate the relevant state stipulations and disturb the order of inspection application, the State Quality and Quarantine Administration or the exit and entry inspection and quarantine institutions may suspend their employment for up to six months; if their cases are of a serious nature, their employment registration for inspection application shall be revoked.

Article 59 If the staff of the exit and entry inspection and quarantine institutions abuse their powers and deliberately make things difficult for the parties concerned, if they practice favoritism and falsify inspection results, or if they commit dereliction of duty and delay inspections and certificate issuing, they shall be subject to administrative punishment by law; if they issue the place of origin certificates for export goods in violation of the provisions of the relevant laws and administrative regulations, their illegal earnings shall be confiscated; if their acts constitute crimes, they shall be held criminally liable.

Article 60 The exit and entry inspection and quarantine institutions must hand over to the national treasury all the earnings arising from the legitimate disposal of the confiscated commodities and all the confiscated illegal earnings and collected fines.

## **Chapter VI Supplementary Provisions**

Article 61 If the parties concerned do not accept the re-inspection conclusions made by the exit and entry inspection and quarantine institutions and the State Quality and Quarantine Administration or the punishments meted out by the State Quality and Quarantine Administration and the exit and entry inspection and quarantine institutions, they may apply for administrative reconsideration or file legal proceedings with the people's court according to law.

If the parties concerned fail to comply with the punitive decisions within the time limit and fail to apply for administrative reconsideration or file legal proceedings with the people's court, the institutions that have made the punitive decisions may apply to the people's court for enforcement.

Article 62 The exit and entry inspection and quarantine institutions and the authorized inspection institutions may collect service charges for conducting mandatory inspection and for handling inspection and assessment according to state provisions.

Article 63 The Regulations shall enter into force on December 1, 2005. The Regulations on the Enforcement of the Law of the People's Republic of China on the Inspection of Import and Export Commodities approved by the State Council on October 7, 1992 and promulgated by the former State Administration of Import and Export Commodity Inspection on October 23, 1992 shall cease to be effective on the same date. (End)

END TRANSLATION