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FAIRS Subject Report

Bulk Agricultural Commodity Reporting System

2008

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Report Highlights:

On June 25, 2008, China's Ministry of Commerce (MOFCOM) published "The Administrative Measures of the Reporting and information Publication on the import of Bulk agriculture Commodities" (for trial implementation) and a related No.46 Announcement. According to MOFCOM, these measures will be effective on August 1, 2008. This report contains an UNOFFICIAL translation of the MOFCOM measures and announcement. Based on a preliminary review of these measures the trade impact is expected to be limited.

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

Executive Summary

On June 25, 2008, China's Ministry of Commerce (MOFCOM) published MOFCOM Announcement (2008) No. 46 "Announcement on the Catalogue of Agriculture Commodities Subject to the Implementation of Administrative Measures of the Reporting and Information Publication on the Import of Bulk Agriculture Commodities (for Trial Implementation) and Other Pertinent Issues" and, MOFCOM Decree (2008) No. 10 "The Administrative Measures of the Reporting and Information Publication on the Import of Bulk Agriculture Commodities (for Trial Implementation)". The original MOFCOM release is posted at:

<http://www.mofcom.gov.cn/aarticle/b/c/200806/20080605623410.html>

<http://www.mofcom.gov.cn/aarticle/b/c/200806/20080605623539.html>

On July 1, 2008, MOFCOM published questions and answers based on an interview with a MOFCOM official (<http://www.mofcom.gov.cn/aarticle/ae/ai/200807/20080705637860.html>). According to MOFCOM, the current version was amended based on the first two drafts and comments (including comments from the United States) received in 2006 and 2007 (GAIN 6116 and GAIN 7045). The purpose of these measures is aimed at facilitating trade based on timely and sound publication of information.

This report contains an UNOFFICIAL translation of the MOFCOM measures and announcement.

Preliminary review the measures and announcement shows that some changes were made compared to the previous drafts. One significant change is that the "contract value" was removed from the reporting form and the article "the statistical authority may impose a fine up to RMB50,000 for any illegal activity of overstatement...." was removed from the measures. Additionally, the definition of "Bulk Agricultural Commodities" was expanded from the two items (soybeans and soybean meal) in the previous draft to include four new items, namely rapeseed, soybean oil, palm oil and rapeseed oil (see appendix 1). According to industry sources, the impact of the implementation of these measures is expected to be limited. China's import demand for oilseeds and oils is forecast to continue growing in marketing year 08/09, although domestic oilseed production is likely to increase slightly. Post will keep close contact with industry sources to monitor and report the implementation of these measures.

BEGIN TRANSLATION

MOFCOM Decree (2008) No.10

Administrative Measures for the Reporting and Information Publication on the Import of Bulk Agriculture Commodities (for Trial Implementation)

Department of Promulgation: the Ministry of Commerce

Number of Promulgation: No.10, 2008

Date of Promulgation: June 24, 2008

Administrative Measures for the Reporting and Information Publication on the Import of Bulk Agriculture Commodities (for Trial Implementation) were examined and adopted by the 73rd Executive Meeting of the Ministry of Commerce on February 27, 2008 and hereby promulgated. These measures will enter into force on August 1, 2008.

Chen Deming
Minister
June 24, 2008

Administrative Measures for the Reporting and Information Publication on the Import of Bulk Agriculture Commodities (for Trial Implementation) (hereinafter referred to the Measures)

Article 1 With a view to maintaining the order of foreign trade, protecting the legal rights and interests of the traders, providing services on the information of the import of bulk agriculture commodities and in accordance with the Foreign Trade Law of the People's Republic of China, the Regulations of the People's Republic of China on the Import and Export of Goods and other pertinent laws and regulations, the Measures are hereby formulated.

Article 2 The Bulk Agriculture Commodities so called in the Measures are referred to the agriculture commodities that are closely related to the national economy and the people's livelihood with features of larger quantity and volume in production, consumption, trade, and transportation etc.

Article 3 The Ministry of Commerce, jointly with other departments concerned, shall formulate and regulate "the Catalogue of the Bulk Agriculture Commodities Subject to Import Reporting Administration"(hereinafter referred to the Catalogue).

Article 4 The Ministry of Commerce shall entrust relevant agents (hereinafter referred to as "entrusted agents") to undertake routine work on the information collecting, sorting, compiling, analyzing and verifying concerning import of bulk agriculture commodities.

Article 5 Traders engaged in foreign trade of bulk agriculture commodities listed under the Catalogue shall register with the basic information of the enterprises with the entrusted agents.

The contents of registration include: name of trader engaged in foreign trade, customs code, photocopy of the Record Registration Form for the Company Engaged in Foreign Trade, photocopy of Business License, names and signatures of its legal representative and person in charge of statistics etc.

Article 6 The traders shall fill in the Report Form on the Import of Bulk Agriculture Commodities (format referred to Appendix). The items to be reported mainly include: company, contract person, contact information, name of goods, code of goods, trade type, trade country (or region), country (or region) of origin, contract number, contract value, delivery time, port of departure, anticipated arrival date, actual date of shipment, quantity of shipment, value of shipment, import port of customs clearance, import quantity, and actual port arrival date etc.

The traders shall deliver their reports to the entrusted agents through electronic reporting system. Whereas the electronic system is unavailable, they may report in written form by fax with downloaded forms.

Article 7 The traders shall perform their reporting obligation within 3 working days upon occurrence of any of following events:

- Signing of the import contract;
- Departure of goods from the shipping port;
- Arrival of goods at the port of destination;
- Occurrence of changes on the reported items.

Article 8 The traders shall strictly comply with the regulations, reporting related import information promptly and accurately. They shall be accountable for the authenticity of the contents of reporting and shall not commit overstatement, concealment, forgery, falsification, delay of or refusal to reporting.

Article 9 The entrusted agents shall report to the Ministry of Commerce the information concerning import of bulk agriculture commodities on a regular basis and offer due advices.

Article 10 The Ministry of Commerce shall publish on "The Publicizing Column for Import Information on Bulk Agriculture Commodities" on the government website on a regular basis the import information on bulk agriculture commodities listed under the Catalogue.

The contents to be published are: anticipated import quantity, anticipated arrival date of goods, actual date of shipment, actual quantity of shipment, port of departure, country (region) of origin, and import statistics at major import ports, etc.

Article 11 The entrusted agents shall, by reference to related data provided by customs and quality inspectors, examine and verify the authenticity of the reports of the traders engaged in import of bulk agriculture commodities and report the results to the Ministry of Commerce promptly.

Article 12 The Ministry of Commerce shall report to the National Statistics Bureau when it is found that any enterprise engaged in foreign trade has conducted any illegal activity of overstatement, concealment, forgery, falsification, delay of or refusal to reporting related import information.

After the administrative sanctions imposed by the state statistical authority in accordance with the law take effect, the Ministry of Commerce may prohibit the trader on whom the sanctions are imposed from engaging in foreign trade of such goods for a period of at least one year up to three years from the date the administrative sanctions take effect.

Article 13 The Ministry of Commerce may publish announcement revealing the traders engaged in foreign trade who violate regulations regarding reporting of import of bulk agriculture commodities in accordance with the provisions in the Measures for the Announcement on the Acts of the Foreign Trade Operators in Violation of the Laws and Regulations and notify of the relevant sanction decisions to the relevant authorities of customs, taxation, quality inspection, foreign exchange administration and industry and commerce and local commerce authorities, industrial intermediate organizations, and banks, etc.

Article 14 Any organization or individual may report to the Ministry of Commerce any falsifications in the reported information provided by companies engaged in foreign trade.

Article 15 The Ministry of Commerce and its entrusted agents shall keep confidential the business secrets of the traders who have performed their obligation of import information reporting and shall not disclose the specific information of the traders to any enterprise, organization or individual. Whoever violates the regulations shall be imposed due punishment in accordance with Article 65 of the Foreign Trade Law of the People's Republic of China, and Article 70 of the Regulations of the People's Republic of China on the Import and Export of Goods.

Article 16 The Measures are applicable to the import transactions, conducted in various trade forms, of bulk agriculture commodities listed under the Catalogue, including

Instructions on filling in forms:

I. Reporting Type:

Tick (v) in the ? corresponding to your choice

1. Signing new contract: after the import contract has been signed;
2. Shipment of goods: after the goods have departed from the shipping port;
3. Actual arrival at port: after the goods have arrived at the port of destination; and
4. Changes on the reported items: Changes have occurred on the reported items.

II. Customs HS Code: referred to the HS code used when making customs clearance.

III. Code of Goods: referred to the code of goods when making customs clearance.

IV. Actual Quantity of Shipment: referred to that on the bill of lading.

V. Actual Date of Shipment: referred to the date on the bill of lading.

VI. Whenever the number of country(region) of origin, shipping port, or port for customs clearance are more than one, separate forms shall be filled out.

VII. Actual date of arrival at the port of destination: referred to the date when customs clearance is made.

VIII. Remark: indicate the items that some change has occurred and any other matters that need to be remarked.

MOFCOM Announcement (2008) No. 46**Announcement on the Catalogue of Agriculture Commodities Subject to the Implementation of Administrative Measures for the Reporting and Information Publication on the Import of Bulk Agriculture Commodities (for Trial Implementation) and Other Pertinent Issues**

Department of Promulgation: The Ministry of Commerce of People's Republic of China
No. of Announcement: Announcement No.46, 2008; Date of Promulgation: June 24, 2008
Date of Enforcement: August 1, 2008

In line with Order 10, 2008 of the Ministry of Commerce, Administrative Measures for the Reporting and Information Publication on the Import of Bulk Agriculture Commodities (For Trial Implementation) shall enter into force as of August 1, 2008, an announcement on the Catalogue of the Bulk Agriculture Commodities Subject to Import Reporting Administration and pertinent concrete issues is hereby made as follows:

I. The Catalogue of the Bulk Agriculture Commodities Subject to Import Reporting Administration (hereinafter referred to the Catalogue)

The Commodities Subject to Import Reporting Administration include: soybean, rapeseeds, soybean oil, palm oil, rapeseed oil, soybean cake, their specific codes refer to Appendix 1.

II. The Entrusted Agent

The Ministry of Commerce entrusted China Chamber of Commerce of Import and Export of Foodstuffs, Native Produce & Animal By-Products to be the entrusted agent which shall undertake the routine work on the information concerning import of the commodities listed above, including collecting, sorting, compiling, analyzing and verifying on it.

III. The Registration

Dealers engaged in foreign trade of bulk agriculture commodities listed under the Catalogue shall make their record registrations with China Chamber of Commerce of Import and Export of Foodstuffs, Native Produce & Animal By-Products and send a duplicate copy of their Record Registration Form for the Enterprise Engaged in Foreign Trade of Bulk Agriculture Commodities to the competent trade authorities at provincial level or municipal level that has direct planning power under the state plans where their business licenses were issued. The enterprises based in Beijing and directly under the supervision of the State-owned Assets Supervision and Administration Commission of the State Council shall send a duplicate copy of their Record Registration Forms for the Enterprise Engaged in Foreign Trade of Bulk Agriculture Commodities directly to the Ministry of Commerce (the Department of Foreign Trade). The Record Registration Form for the Enterprise Engaged in Foreign Trade of Bulk Agriculture Commodities is attached as Appendix 2.

IV. The Information Publication

The Ministry of Commerce shall publish at the Publishing Column for Import Information on Bulk Agriculture Commodities on the government website semimonthly (postponed whenever there is any holiday) the import information on bulk agriculture commodities.

Appendices

1. Catalogue of the Bulk Agriculture Commodities Subject to Import Reporting Administration
2. Record Registration Form for the Enterprise Engaged in Foreign Trade of Bulk Agriculture Commodities

Ministry of Commerce
June 24, 2008

Appendix 1. Catalogue of the Bulk Agriculture Commodities Subject to Import Reporting Administration

Series No.	Category of Goods	HS Code	Description of Goods
1	Soybean	1201001000	Soybean for seed use
		1201009100	Yellow Soybean for Non-Seed Use (Whether crushed or not)
		1201009200	Black Soybean for Non-Seed Use (Whether crushed or not)
		1201009300	Green Soybean for Non-Seed Use (Whether crushed or not)
		1201009900	Other Soybean for Non-Seed Use (Whether crushed or not)
2	Rapeseed	1205101000	Rapeseed for seed use with low erucic acid
		1205109000	Rapeseed for non seed use with low erucic acid (Whether crushed or not)
		1205901000	Other rapeseed for seed use
		1205909000	Other rapeseed (Whether crushed or not)
3	Soybean Oil	1507100000	Crude soybean oil (but not chemically modified)
		1507900000	Refined soybean oil and its fractions(including the fractions of crude soybean oil, but not chemically modified)
4	Palm Oil	1511100000	Crude oil (but not chemically modified)
		1511901000	Liquid palm oil (melting point 19 °C to 24°C but not chemically modified)
		1511909000	Other refined palm oil (including its fractions, but not chemically modified)
5	Rape oil	1514110000	Crude rape oil with low erucic acid (but not chemically modified)
		1514190000	Other Rape oil with low erucic acid (including its fractions, but not chemically modified)
		1514911000	Crude rape oil with non low erucic acid (but not chemically modified)
		1514919000	Crude mustard oil(but not chemically modified)
		1514990000	Refined rape oil with non low erucic acid , mustard oil (including their fractions, but not chemically modified)
6	Soybean meal	2304001000	Oil Foot Cake from Soybean Oil Refining (Soybean cake)
		2304009000	Other Solid Residue from Soybean Oil Refining (Whether ground or made into agglomerate)

Appendix 2. Record Registration Form for the Enterprise Engaged in Foreign Trade of Bulk Agriculture Commodities

Registration No:

Name of the Enterprise Engaged in Foreign Trade		
Custom Code of the Enterprise		
Code of the Enterprise for Import and Export		
Registration No. of Business License		
Name of Goods for Record Registration		
Contact Person		
Tel/Cell Phone No.		
Facsimile No.		
E-mail Address		
Post Code		
Address		
Name and Signature of Person in Charge of Statistics		
Name and Signature of Legal Representative		
Seal of the Enterprise for Record Registration		

Send Duplicate Copy to:

Remark: the Registration No. shall be filled in by the China Chamber of Commerce of Import and Export of Foodstuffs, Native Produce & Animal By-Products.

END OF TRANSLATION