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China, People's Republic of

Food and Agricultural Import Regulations and Standards

Implementation Measures for 2002 TRQ Allocation

2002

Approved by:

John Wade

U.S. Embassy

Prepared by:

Zhang Jianping, Rachel Matthews, Adam Branson

Report Highlights:

This is an UNOFFICIAL translation of the People's Republic of China Implementation Measures for 2002 Tariff Rate Quota Allocation. Exporters should carefully discuss regulations and their application with Chinese importers to ensure that their interpretation of the regulations is accurate.

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

This report was prepared by the Office of Agricultural Affairs of the USDA/Foreign Agricultural Service in Beijing, People's Republic of China for U.S. exporters of domestic food and agricultural products. While every possible care was taken in the preparation of this report, information provided may not be completely accurate either because policies have changed since its preparation, or because clear and consistent information about these policies was not available. It is highly recommended that U.S. exporters verify the full set of import requirements with their foreign customers, who are normally best equipped to research such matters with local authorities, before any goods are shipped. FINAL IMPORT APPROVAL OF ANY PRODUCT IS SUBJECT TO THE IMPORTING COUNTRY'S RULES AND REGULATIONS AS INTERPRETED BY BORDER OFFICIALS AT THE TIME OF PRODUCT ENTRY.

Summary

The following is an UNOFFICIAL translation of China's Implementation Measures for Tariff Rate Quota. This document describes the amount, application requirements, and allocation principles for wheat, corn, rice, palm oil, soybean oil, rapeseed oil, sugar, cotton, wool and wool tops agricultural products for 2002. This measure was formulated in accordance with the Interim Rules and Regulations for Agricultural Products (CH2007). The appendix to this document describes the information that is requested for on the Application Form for A Type TRQ Agricultural Commodity Imports. These measures were announced on 7 February 2002 and put into effective from 10 February 2002.

Amount, Application Conditions, and Allocation Principles of Tariff Rate Quota for Major Imported Agricultural Products for 2002

In accordance with the Interim Rules and Regulations for Agricultural Products, the Tariff Rate Quota (TRQ) amount, application requirements and allocation principles for 2002 for wheat, corn, rice, palm oil, soybean oil, rapeseed oil, sugar, cotton, sheep wool and wool tops are announced as follows:

Section One

The TRQ amounts for imported agricultural products for 2002 shall be: wheat 8.468 million metric tons with 90% designated for state trading firms; corn 5.85 million metric tons with 68% designated for state trading firms; rice 3.99 million metric tons (long grain (Indica rice) 1.995 million metric tons; medium-short grain or other rice 1.995 million metric tons) with 50% designated for state trading firms; palm oil 2.4 million metric tons with 34% designated for state trading firms; soybean oil 2.518 million metric tons with 34% designated for state trading firms; rapeseed oil 879,000 metric tons with 34% designated for state trading firms; sugar 1.764 million metric tons with 70% designated for state trading firms, and cotton 818,500 metric tons with 33% designated for state trading firms.

Section Two

TRQs for imported agricultural products shall be designated into A and B categories. Category A shall apply to imports through general trade (including all kinds of imports through various trading methods except processing trade). Category B shall apply to processing trade (i.e. trade for re-export). Imports for processing trade in bonded areas or export processing zones that are already included in TRQ management shall be exempt from applying for Agricultural Product Tariff Quota Certificates.

Section Three

Requirements for applying for TRQ allocations to import agricultural products shall include the following:

Applicant shall be registered with the State Industry and Commerce Management Authorities (attach copy of corporate business licence to application); Applicants shall have a good financial status and tax payment record (attach relevant data for 2001); Applicant shall have no violation record with the Customs, Industry and Commerce, or Quarantine Authorities; Applicant shall have a 2001 annual inspection qualification certificate.

Under the above mentioned conditions, applicants for general trade TRQs shall conform with one of the following categories:

(I) Wheat

1. State-owned enterprises;
2. Central enterprises for state reserve functions;
3. Enterprises with good import records for general trade in 2001;
4. Enterprises with daily wheat processing of over 400 tons;

(II) Corn

1. State-owned enterprises;
2. Central enterprises for state reserve functions;
3. Enterprises with good import records for general trade in 2001;
4. Enterprises processing compound feed using corn as a raw material and a need of over 50 thousand metric tons of corn a year;
5. Other processing enterprises using corn as a raw material and a need of over 100 thousand metric tons of corn a year;

(III) Paddy Rice and Milled Rice (Separate application is needed for Indica rice and other rice)

1. State-owned enterprises;
2. Central enterprises for state reserve functions;
3. Enterprises with good import records for general trade in 2001;
4. Enterprises qualified for handling wholesale grains and retail grains with an annual sales volume greater than RMB 200 million;
5. Enterprises with annual import and export volume over USD 50 million

(IV.) Palm Oil

1. State trading enterprises;
2. Central enterprises for state reserve functions;
3. Enterprises that had general trading records of imports in 2001 (excluding chemical industrial enterprises and production enterprises that use palm stearin as a raw material);
4. Food production enterprises that use more than 3,000 tons palm oil as a direct raw material annually.

(V.) Soybean Oil

1. State trading enterprises;
2. Central enterprises that have the ability to hold national reserves;
3. Enterprises that had general trading records of imports in 2001;
4. Oil processing enterprises that can handle 200 tons of crude soybean oil daily and produce refined oil.

(VI.) Rape Oil

1. State trading enterprises;

2. Central enterprises that have the ability to hold national reserves;
3. Enterprises that had general trading records of imports in 2001;
4. Oil processing enterprises that can handle 200 tons of crude rape oil daily and produce refined oil.

(VII.) Sugar

1. State trading enterprises;
2. Central enterprises that have the ability to hold national reserves;
3. Enterprises that had general trading records of imports in 2001;
4. Sugar processing enterprises that can process more than 800 tons raw sugar daily (in beet sugar production areas, enterprises will need to be able to process 600 tons of raw sugar daily)

(VIII.) Cotton

1. State trading enterprises;
2. Central enterprises that have the ability to hold national reserves;
3. Enterprises that had general trading records of imports in 2001;
4. Cotton mill enterprises that have the facility to spin more than 50,000 spindles.

Section Four

Standards for TRQ allocation for (A type) general trade TRQ's depend on historical records, processing capacity, production, imports, sales, or experience and the capability of providing services on the international market.

1. When the total amount requested from qualified non-state applicants does not exceed the total (A type) TRQ available for non-state trading, applicants shall be allotted the entire amount requested.
2. When the total amount requested from qualified non-state applicants exceeds the total (A type) TRQ available, priority shall be given to those who have an actual (i.e. not as an agent) history of imports. Applicants who have no actual history of imports, will be allocated according to their processing capacity and business volume. Applicants who have applied for less than what they are apportioned in this process shall receive the applied amount. Applicants who are apportioned an amount smaller than what is determined to be a minimal threshold will receive no allocation.

Section Five

Using Processing Trade Certificates issued by MOFTEC, applicants for the processing trade should apply for a B type TRQ allocation and obtain a certificate from organizations authorized by SDPC in their jurisdiction.

Section Six

The application period for TRQ agricultural import commodities for 2002 shall be between the date of this announcement and February 21. Applicants for A TRQ allocations should obtain application forms (see appendix) from organizations authorized by the SDPC or they should download the form from the *China Economic Information Network* website (<http://www.cei.gov.cn>). The forms may be copied. The organizations authorized by the SDPC will accept applications from their area of jurisdiction.

Authorized organizations shall submit all qualified applications to SDPC before February 25. SDPC will send the notice of TRQ allocation for agricultural commodity imports to end users by March 5.

Section Seven

TRQ allocations for sheep wool and wool top shall be allocated on a first-come first-serve basis. Applicants interested in the details of application requirements and procedures should see the "Detailed Implementation Measures for Sheep Wool and Wool Top TRQ Allocations for 2002".

Appendix One

Application form for A TRQ Agricultural Commodity Imports

This form is available on *China Economic Information Network* website (<http://www.cei.gov.cn>) (This information shall be completed on the application)

Stamp of Applicant Organization

Signature of Applicant Organization Legal Representative

Commodity/ Quantity

Type of Trade/ Application Type (With or without trading history)

Area of Jurisdiction/ Name of Enterprise

Registered Address

Telephone/Fax/Email Address

Trade Enterprise Address

Registered Capital/ Registration # from Industry and Commerce/ Registration # of State Tax Bureau

Nature of Enterprise/ State-owned/ Collective/ Private/ Foreign Invested/ Other

Type of Enterprise/ Manufacturer/ Trade and Distribution/ Other

–Completed by the Manufacturing Enterprise

2001 Products and Production Capability/ Product/ Needed Raw Materials

Daily Production in Metric Tons/ Daily Amount Need in Metric Tons

Annual Production in Metric Tons/ Annual Quantity Needed in Metric Tons

Annual Sales Volume (10,000 RMB)

–Completed by Trade and Distribution Enterprises

Purchase and Sale Quantity of Agricultural Products/ 1999 Import Quantity

2000 Import Quantity

2001 Import Quantity

2001 Sales Volume of Enterprise (10,000 RMB)

–Completed by Enterprises with a History of Imports (Not including Importing Agents)

2000 Allocation Quantity (Metric Tons)/ 2000 Actual Import Quantity (Metric Tons)

2001 Allocation Quantity (Metric Tons)/ 2001 Actual Import Quantity (Metric Tons)

Remarks

Verification Comments completed by Authorized Organization