

# **REGULATIONS FOR THE IMPLEMENTATION OF THE LAW OF THE PEOPLE'S REPUBLIC OF CHINA CONCERNING IMPORT AND EXPORT COMMODITY INSPECTION**

Decree of the State Council of the People's Republic of China

No.447

The Regulations for the Implementation of the Law of the People's Republic of China concerning Import and Export Commodity Inspection, which have been adopted at the 101 executive meeting of the State Council on August 10, 2005, are hereby promulgated, and shall enter into force as of December 1, 2005. Wen Jiabao

August 31, 2005

Regulations for the Implementation of the Law of the People's Republic of China concerning Import and Export Commodity Inspection Chapter I General Rules

## Article 1

These Regulations are constituted subject to the provisions of the Law of the People's Republic of China concerning Import and Export Commodity Inspection (hereinafter referred to as the Commodity Inspection Law).

## Article 2

The General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (hereinafter referred to as the GAQSIQ) shall be in charge of import and export commodity inspection countrywide.

The entry-exit inspection and quarantine bureaus and their organs which are established by the GAQSIQ at the provinces, autonomous regions, and municipalities directly under the Central Government, as well as at the ports, and the distribution centers of import and export commodities (hereinafter referred to as the entry-exit inspection and quarantine bodies) shall be responsible for the import and export commodity inspection at the place under their jurisdictions.

## Article 3

In accordance with the provisions of Article 4 of the Commodity Inspection Law, the GAQSIQ shall establish and regulate the Catalog of Import and Export Commodities Subject to Compulsory Inspection (hereinafter referred to as the Catalog), and shall propagate the Catalog for implementation as well.

The Catalog shall be publicized at least 30 days prior to its implementation; in case of any

emergency circumstance, it shall be publicized no later than the date of its implementation.

The GAQSIQ shall ask for the opinions of the competent foreign trade department of the State Council and the General Administration of Customs and other departments concerned when establishing and regulating the Catalog.

#### Article 4

The entry-exit inspection and quarantine bodies shall perform inspection (hereinafter called as the statutory inspection) on the import and export commodities listed in the Catalog as well as other import and export commodities that must be inspected by the entry-exit inspection bodies as prescribed by laws and administrative regulations.

The entry-exit inspection and quarantine bodies shall conduct random inspections on the import and export commodities which are not subject to statutory inspection according to the state provisions.

#### Article 5

Inspection organs that are prescribed by the relevant laws and administrative regulations shall take charge of the inspections on the quality of import and export medicines, calibration of instruments of measurement, the safety of boilers and pressure vessels, the specifications of ships (including offshore platforms, main equipment and materials for the ships) and containers, airworthiness of airplanes (including the engine and equipment of the plane) and safety of nuclear pressure-bearing equipment.

#### Article 6

Samples and gifts that enter and exit the territory of China, goods temporarily permitted to enter and exit the territory of China and other non-trade items may be exempted from inspection, unless otherwise provided by any law or administrative regulation.

Where any import and export commodity listed in the Catalog satisfies the conditions for exemption of inspection as prescribed by the state, the consignees and consigners or the production enterprises shall submit an application for the exemption of inspection, the entry-exit inspection and quarantine bodies shall exempt the inspection upon the examination and approval of the GAQSIQ.

The GAQSIQ shall constitute the tangible measures for the exemption of inspection through negotiation with related departments.

#### Article 7

As to the import and export commodities subject to statutory inspection, the entry-exit inspection and quarantine bodies shall perform the inspections in light of the provisions of Article 7 of the Commodity Inspection Law.

The GAQSIQ may, constitute technical specifications and standards on the method of import and export commodity inspection in accordance with the actual need of import and export

commodity inspection and the international standard.

The technical specifications and standards relied on or referred to in the import and export commodity inspection and the technical specifications and standards of the inspection method shall be publicized no less than six months prior to the day of their implementation; in case of any emergency circumstance, they shall be publicized no later than the day of their implementation.

#### Article 8

The entry-exit inspection and quarantine bodies shall implement categorized management on import and export enterprises upon the need of convenience for foreign trade, and shall perform inspection on import and export commodities pursuant to the ways of inspection and surveillance as determined in accordance with the prevailing international conformity assessment procedures.

#### Article 9

The contents of inspection on import and export commodities that is conducted by the entry-exit inspection and quarantine bodies shall comprise: whether the commodities satisfy such requirements as safety, sanitation, health, environmental protection, prevention of fraud, etc., and the related quality, quantity and weight, and other items.

#### Article 10

In accordance with the provisions of the Commodity Inspection Law, the entry-exit inspection and quarantine bodies shall implement verification administration on the import and export commodities subject to the license system and the compulsory certification as prescribed by the state, check and examine the documentations and verify whether the documentations and the commodities comply with each other or not.

The GAQSIQ shall constitute, regulate and publicize the catalog of import and export commodities subject to verification administration after negotiating with related departments.

#### Article 11

The consignees or consigners of the import and export commodities may handle formalities of inspection application without authorizations, or may entrust an agency inspection application enterprise to handle formalities of inspections application. If commodities are imported and exported by express mails, the consignees or consigners shall entrust the entry-exit express mails operation enterprises to handle the formalities of inspection application.

#### Article 12

The consignees or consigners of import and export commodities shall apply for filing to the entry-exit inspection and quarantine bodies in accordance with related laws when handling formalities of inspection application.

The agency inspection application enterprises and the entry-exit express mails operation

enterprises that engage in the business of inspection application shall be registered by the entry-exit inspection and quarantine bodies in accordance with related laws. An enterprise that fails to be approved for registration by an entry-exit inspection and quarantine body may not engage in the business of inspection application.

Anyone that handles the business of inspection application shall handle registration on the practice of inspection application in accordance with related laws, and perform inspection application subject to vouchers. Anyone who fails to handle registration on the practice of inspection application in accordance with related laws may not undertake the business of inspection application.

Any agency inspection application enterprise or entry-exit express mails operation enterprise and inspection applicant may not act as an agent for others to apply for inspection in violation of laws, or engage in the business of application for inspection in excess of its business scope.

### Article 13

Where any agency inspection application enterprise accepts the entrustment of any consignee or consigner of import and export commodities, and then handles the formalities of inspection application in the name of the client, it shall submit the power of attorney to the entry-exit inspection and quarantine body, and shall observe the various provisions of these Regulations on the client; where the said enterprise handles formalities of inspection application in its own name, it shall bear the same legal responsibilities as those of the consignee or the consigner.

Where an entry-exit express mails operation enterprise accepts the entrustment of a consignee or consigner of the import and export commodities, it shall handle the formalities of inspection application in its own name, and bear the same legal responsibilities as those of the consignee or the consigner.

Where a client entrusts any agency inspection application enterprise or any entry-exit express mails operation enterprise to handle the formalities of inspection application, it shall offer true information about the entrusted matters of inspection application to the agency inspection application enterprise or the entry-exit express mails operation enterprise; in case of any agency inspection application enterprise or the entry-exit express mails operation enterprise accepting the entrustment of a client to handle the formalities of inspection application, it shall perform rational investigation on the truthfulness of the information offered by the client.

### Article 14

The GAQSIQ shall set up early warning mechanism concerning the risk of import and export commodities, and implement risk assessment by way of collecting the information on the import and export commodity inspection, make sure of the type of risk, and perform early warning measures against the risk and rapid response measures accordingly.

The GAQSIQ and the entry-exit inspection and quarantine bodies shall timely issue the information about the import and export commodity inspection to related departments.

## Article 15

Related entities and individuals shall give cooperation when the staff members in the entry-exit inspection and quarantine bodies perform duties in accordance with related laws, no entity or individual shall interfere or obstruct illicitly.

## Chapter II Inspection on Import Commodities

### Article 16

The consignees of the import commodities subject to statutory inspection shall provide contracts, invoices, packing lists, bills of lading and other necessary credence and the related approval documents when applying for inspection to the entry-exit inspection and quarantine bodies at the place of customs declaration; and the consignees shall, in light of the provisions of Article 18 of these Regulations, apply for inspection to the entry-exit inspection and quarantine bodies within 20 days after the commodities are released by the customs houses. If any import commodity subject to statutory inspection has not been inspected, it may not be sold or used.

As regards the import commodities subject to verification administration, the consignees shall apply for verification to the entry-exit inspection and quarantine bodies at the place of customs declaration. The entry-exit inspection and quarantine bodies shall perform verification pursuant to the provisions of the GAQSIQ.

### Article 17

The import commodities subject to statutory inspection and the import commodities subject to verification administration shall handle customs clearance formalities with the customs clearance form of goods issued by the entry-exit inspection and quarantine bodies.

### Article 18

The inspection on the import commodities subject to statutory inspection shall be performed at the place of destination where the consignees apply for inspection.

As regards large commodities in bulk, unpreserved commodities and solid wastes that may be used as materials, as well as the commodities that are damaged or in short supply, they shall be inspected at the port of discharge.

The inspection on the import commodities as prescribed in the preceding two paragraphs shall be performed at other places that are designated by the GAQSIQ according to the need of convenience for foreign trade and import and export commodity inspection.

### Article 19

If any import commodity subject to statutory inspection fails to satisfy the requirements after inspection in terms of personal or property safety, health and environmental protection, the parties concerned shall be ordered by the entry-exit inspection and quarantine body to destroy the aforesaid commodity, or be issued a notice on returning the commodity and customs

house shall be informed in written form, and then the customs house shall handle the formalities for returning the shipment upon the said notice, unless it is otherwise specified by any law or administrative regulation. If other items of the commodity fail to meet the standards, technical treatment shall be performed on it under the surveillance of the entry-exit inspection and quarantine body, no commodity may be sold or used until it has met the standard after re-inspection. In case of any application of the party concerned to the entry-exit inspection and quarantine body for issuing certificate, the entry-exit inspection and quarantine body shall issue the certificate timely.

As regards the import whole set of equipment and the materials thereof that fail to pass the inspection, a notice of not allowing the installation and use shall be issued by an entry-exit inspection and quarantine body. And no such equipment and the materials thereof may be installed and used until they have been subject to technical treatment and passed the re-inspection by the entry-exit inspection and quarantine body.

#### Article 20

Where the import commodities that are not subject to statutory inspection fail to pass the random inspection of the entry-exit inspection and quarantine bodies, they shall be disposed in accordance with the provisions of Article 19 of these Regulations

Where any import commodities subject to verification administration fail to pass the verification of the entry-exit inspection and quarantine body, they shall be disposed pursuant to the provisions of Article 19 of these Regulations or forwarded to the related departments for disposal.

If the consignees of the import commodities that are not subject to statutory inspection apply for issuing certificate when discovering that the quality of the import commodities fails to meet the standard or are damaged or in short supply, the entry-exit inspection and quarantine bodies or other inspection bodies shall timely issue the certificate after inspection.

#### Article 21

With respect to the import commodities within the scope of statutory inspection that concern the national economy and the people's livelihood, with fairly high value and complicated technology and other important import commodities and large whole set of equipment, they shall be manufactured under surveillance, inspected before shipment or loaded under surveillance in accordance with the provisions of the foreign trade contract. The consignees shall keep the rights for final inspection and claims after the goods have been received.

The entry-exit inspection and quarantine bodies may designate inspectors to participate in or organize the implementation of surveillance over the manufacture, inspection before shipment or loading under surveillance.

#### Article 22

The state shall implement a registration system on overseas suppliers and domestic consignees of import solid wastes that may be used as raw materials. An overseas supplier or domestic consignee shall register at the GAQSIQ or the entry-exit inspection and quarantine

body before signing a foreign trade contract. The state shall perform the system of pre-shipping inspection on the said import solid wastes. When such solid wastes are imported, the consignees shall offer the pre-shipping inspection certificate issued by the entry-exit inspection and quarantine bodies or the inspection organs designated by the GAQSIQ.

The consignees of the old electromechanical products that are allowed to be imported by the state shall handle filing formalities to the GAQSIQ or the entry-exit inspection and quarantine bodies before signing a foreign trade contract. As regards the imported high risk old electromechanical products concerning personal or property safety, health, or environmental protection and other items, the inspection shall be performed before shipping in accordance with related state provisions. The pre-shipping inspection certificate issued by the entry-exit inspection and quarantine bodies or the inspection organs designated by the GAQSIQ shall be offered by the consignees when the aforesaid products are imported.

The inspection on the import solid wastes that may be used as raw materials or the old electromechanical products allowed to be imported by the state shall be performed by the entry-exit inspection and quarantine bodies in accordance with related laws after they have been received,.

#### Article 23

The consignees shall apply for obtaining the automobile plates to the vehicle administration organs on the basis of the certificate of import vehicle inspection or documents issued by the entry-exit inspection and quarantine bodies or other documents and certificates signed by the related departments after the import motor vehicles are received. In case of any quality defect involving personal or property safety discovered in the use of any vehicle, the entry-exit inspection and quarantine body shall make appropriate disposal timely.

### Chapter III Inspection on Export Commodities

#### Article 24

The consigners of export commodities subject to statutory inspection shall apply for inspection to the entry-exit inspection and quarantine bodies on the basis of the contracts and other necessary credence and the related approval documents at the place and within the time limit as prescribed by the GAQSIQ uniformly. No export commodities subject to statutory inspection shall be exported if it fails to be inspected or fails to pass the inspection.

The inspection on an export commodity shall be performed at the place of production of the commodity. The GAQSIQ may appoint that the inspection be implemented at other places according to the need of convenience for foreign trade and the inspection on import and export commodities.

The consigners shall apply for verification to the entry-exit inspection and quarantine bodies when exporting the commodities subject to verification administration. The said commodities shall be verified by the entry-exit inspection and quarantine bodies in accordance with the provisions of the GAQSIQ.

#### Article 25

As regards any export commodity that is inspected at the place of production of the commodity needs to be exported by changing license at a port, the voucher for changing license shall be issued by the entry-exit inspection and quarantine body at the place of production of the commodity as required. The consigners shall, within the prescribed time limit, apply for examination and inspection to the entry-exit inspection and quarantine body at a port with the voucher for changing license and required credence. If the commodity has passed examination and inspection, the customs clearance form of goods shall be issued by the entry-exit inspection and quarantine body at the port.

#### Article 26

The customs authorities shall handle the customs clearance formalities for the export commodities subject to statutory inspection and the export commodities subject to verification administration on the basis of the customs clearance form of goods issued by the entry-exit inspection and quarantine bodies.

#### Article 27

Where any export commodity subject to statutory inspection fail to pass the inspection of the entry-exit inspection and quarantine body or the entry-exit inspection and quarantine body of a port, technical treatment shall be performed on it under the surveillance of the entry-exit inspection and quarantine body, and it cannot be exported until it meets the standard after re-inspection. No commodity shall be exported if technical treatment failed to be performed or it fails to meet the standard after technical treatment or re-inspection.

#### Article 28

The export commodities that are not subject to statutory inspection shall be disposed in light of the provisions of Article 27 of these Regulations in case of any failure to pass the random inspection of the entry-exit inspection and quarantine bodies.

The export commodities subject to verification administration shall be disposed with reference to the provisions of Article 27 of these Regulations or be forwarded to the related departments if they fail to pass the verification of the entry-exit inspection and quarantine bodies.

#### Article 29

An enterprise that produces packaging containers of dangerous export goods shall apply for a test of the performance of such packaging containers to the entry-exit inspection and quarantine body. No packaging container may be used for packing dangerous goods until it has passed the examination of the entry-exit inspection and quarantine body and obtained the performance testing certificate.

An enterprise that produces dangerous export goods shall apply for an examination on the use of the packaging containers of dangerous goods to the entry-exit inspection and quarantine body. No dangerous goods that use packaging containers may be exported unless it has been

examined and passed the examination.

#### Article 30

The carriers, loading entities or agents shall, before shipping, apply to the entry-exit inspection and quarantine body for cargo worthiness inspection in respect of cleaning, hygiene, freezing, sealing and tightness, etc. on the containers, cabins, airplanes, vehicles and other means of delivery that ship the exported unpreserved food or frozen food. No means of delivery may be loaded if it fails to be inspected or pass the inspection.

#### Chapter IV Surveillance and Administration

#### Article 31

The entry-exit inspection and quarantine bodies may perform quality surveillance and administration and inspection on the export commodities listed in the Catalog before they leave the factories according to the need of convenience for foreign trade, and shall carry out export commodity registration administration on the export commodities concerning personal and property safety and health. No export commodity subject to export commodity registration administration may be exported until they have been registered.

As regards the quality surveillance and administration and inspection on export commodities that is implemented by the entry-exit inspection and quarantine bodies before they leave the factories, the contents thereof shall include the surveillance and inspection on the quality assurance work of production enterprises, and the inspection on the export commodities before they leave the factories.

#### Article 32

The state shall execute sanitary registration administration on the production enterprises of import and export food. A production enterprise of export food may not produce, process or store export food until it has obtained sanitary registration. A production enterprise of import and export food may import or export food after obtaining sanitary registration.

As regards a production enterprise of import food that is subject to sanitary registration administration, it shall apply for sanitary registration to the GAQSIQ as required.

As regards a production enterprise of export food that is subject to sanitary registration administration, it shall apply for sanitary registration to the entry-exit inspection and quarantine body as required.

Where a production enterprise of export food needs to make sanitary registration out of the territory of China, the GAQSIQ shall, after the enterprise has made sanitary registration pursuant to the provisions of Paragraph three of this Article, uniformly handle the overseas sanitary registration.

#### Article 33

The state shall carry out sanitary registration administration on the production enterprises of

import and export cosmetics. The GAQSIQ shall constitute the concrete measures by negotiating with the competent department of health of the State Council.

#### Article 34

The operators or the agents of any import and export food or cosmetic shall be inspected by the entry-exit inspection and quarantine bodies on whether the contents of the labels of the import and export food and cosmetic meet the requirements of laws and administrative regulations and the authenticity and accuracy of the related contents concerning the quality thereof, and shall obtain the inspection certificate documents issued by the GAQSIQ or the entry-exit inspection and quarantine bodies authorized by GAQSIQ on the labels of import and export food and cosmetic before the said food or cosmetic is imported and exported.

#### Article 35

The entry-exit inspection and quarantine bodies shall lay commodity inspection marks on the import and export commodities which have passed the inspection if required, and shall set sealing marks on the import and export commodities which have passed the inspection and on the export commodities that need to be stamped with sealing marks. The GAQSIQ shall constitute the concrete measures.

#### Article 36

The entry-exit inspection and quarantine bodies shall obtain samples from the import and export commodities subject to inspection in accordance with the related provisions. Related entities shall be informed by the entry-exit inspection and quarantine bodies to get back the remaining samples after inspection within a prescribed period; in case of any sample failing to be obtained within the time limit, they shall be disposed by the entry-exit inspection and quarantine bodies.

#### Article 37

Where an applicant for inspection of import and export commodities is dissatisfied with the inspection conclusion given by an entry-exit inspection and quarantine body, it/he may submit an application for re-inspection to the entry-exit inspection and quarantine body that has drawn the inspection conclusion or to its upper level entry-exit inspection and quarantine body or even the GAQSIQ within 15 days as of the receipt of the inspection conclusion. The entry-exit inspection and quarantine body or the GAQSIQ that accepts the re-inspection shall draw a re-inspection conclusion within 60 days as of the receipt of the application for re-inspection. Where the technology for the re-inspection is so complicated that the re-inspection conclusion cannot be drawn within a prescribed time limit, the time limit for re-inspection may be properly extended on the basis of the approval of the person in charge of the organ, but the time limit for extension may not be more than 30 days.

#### Article 38

The GAQSIQ or the entry-exit inspection and quarantine bodies shall appoint domestic or overseas testing bodies that satisfy the prescribed qualification requirements to implement the examination of the import and export commodities entrusted by the entry-exit inspection and

quarantine bodies as required by import and export commodity inspection. If the appointed testing organs fail to meet the requirements after inspection, the designation may be canceled by the GAQSIQ or the entry-exit inspection and quarantine bodies.

#### Article 39

The inspection organs to be established within the territory of People's Republic of China that carry out the inspection and examination of import and export commodities shall meet the requirements including the registered capital, technical capability, and qualification of personnel as prescribed by related laws, administrative regulations and rules, and may not accept entrustment to handle inspection and examination of import and export commodities until they have been examined and approved by the GAQSIQ and the related competent authorities, obtained license, and perform industry and commerce registration in accordance with related laws.

#### Article 40

In case of any dissatisfaction with the inspection and testing business activities of an inspection organ, a complaint may be submitted to the GAQSIQ or the entry-exit inspection and quarantine body.

#### Article 41

The GAQSIQ or an entry-exit inspection and quarantine body may be entitled to consult or copy the related contracts, invoices, account books and other related materials of the parties concerned when it performs surveillance and administration or makes investigation into any act that is suspected of violating any law or administrative regulation on import and export commodity inspection. The entry-exit inspection and quarantine body may seal or detain the import and export commodity that is deemed to be not reaching the standard in such items regarding personal or property safety, health or environmental protection upon the approval of the person in charge of the organ, unless the goods are under customs surveillance.

#### Article 42

The GAQSIQ and the entry-exit inspection and quarantine bodies shall adopt effective measures to simplify the procedures and facilitate import and export as required in foreign trade.

The electronic data documents may be adopted for the handling of such formalities as the inspection application, inspection, and examination of import and export commodities that conform to the requirements.

#### Article 43

The entry-exit inspection and quarantine bodies shall issue the generalized system of preferences certificate place of origin, regional preferences certificate place of origin and the special certificate of place of origin of the export goods in accordance with the provisions of related laws and administrative regulations. The applicants for handling the certificate of place of origin shall obtain the registration of the entry-exit inspection and quarantine bodies

in accordance with related laws.

The issuance of the general certificate of place of origin of export goods shall observe the provisions of the related laws and administrative regulations.

#### Article 44

The GAQSIQ shall constitute measures separately through negotiation with the General Administration of Customs for the inspection administration of the entry-exit inspection and quarantine bodies on the goods entering and exiting the bonded zones, export processing zones and other special customs surveillance areas, and the import and export commodities of frontier small amount of trade as well.

### Chapter V Legal Liabilities

#### Article 45

Where anyone sells or uses without approval any import commodity subject to statutory inspection without applying for inspection or without having the commodity inspected, or sells or uses any import commodity without applying for import verification as it should be, its/his illegal gains shall be confiscated by the entry-exit inspection and quarantine bodies, and a fine of 5% up to 20% the value of the commodities shall be imposed upon it/him. If a crime is constituted, it/he shall be subject to criminal liabilities in accordance with related laws.

#### Article 46

Where anyone exports without approval any export commodity subject to statutory inspection without applying for inspection or without having the commodity inspected, or exports without approval any export commodity without applying for export checking as it should be, its/his illegal gains shall be confiscated by the entry-exit inspection and quarantine body, and a fine of 5% up to 20% the value of the commodities shall be imposed upon it/him. If a crime is constituted, it/he shall be subject to criminal liabilities in accordance with related laws.

#### Article 47

Where anyone sells or uses any import commodity that fails to pass the statutory inspection, random inspection or verification, or exports any commodity that fails to pass the statutory inspection, random inspection or verification, it/him shall be ordered to stop selling, using or exporting the commodity by the entry-exit inspection and quarantine body, its/his illegal gains and illegally sold, used or export commodity shall be confiscated, and a fine of more than the equivalent to or less than three times the value of the commodities illegally sold, used or exported shall be imposed upon it/him. If a crime is constituted, it/he shall be subject to criminal liabilities in accordance with related laws.

#### Article 48

Where a consignee, consigner, agency inspection application enterprise or entry-exit express mails operation enterprise, or applicant obtains the related documentations of the entry-exit

inspection and quarantine bodies but not offer the true information of the import and export commodities, or fails to apply for inspection on the import and export commodities subject to statutory inspection, evades the inspection on the import and export commodities, its/his illegal gains shall be confiscated by the entry-exit inspection and quarantine bodies, and a fine of 5% up to 20% the value of the commodities shall be imposed upon it/him. In case of serious circumstance, the registration on application for inspection, and the registration on the practicing of application for inspection shall be revoked.

Where a consignee or consigner entrusts an agency inspection application enterprise or entry-exit express mails operation enterprise to handle the formalities of inspection application, and obtains the related documentations of the entry-exit inspection and quarantine bodies but not offering the true information on the matters applied for inspection under entrustment to the said enterprises as required, the client shall be punished in accordance with the preceding provisions.

Where any agency inspection application enterprise, entry-exit express mails operation enterprise, or applicant for inspection fails to make rational examination on the genuineness of the information offered or lead to obtaining the related documentations of the entry-exit inspection and quarantine bodies by cheating due to negligence in the work, the agency inspection application enterprise or the entry-exit express mails operation enterprise shall be imposed upon a fine ranging from RMB 20,000 to 200,000 by the entry-exit inspection and quarantine bodies. In case of serious circumstances, the registration on the application for inspection and the registration on the practicing of application for inspection shall be revoked.

#### Article 49

Where anyone forges, alters, sells or purchases or steals inspection documentation, seal, mark, sealing mark, customs clearance form of goods or uses the forged or altered inspection documentation, seal, mark, sealing mark, or customs clearance form of goods, if a crime is constituted, it/he shall be investigated to criminal liabilities in accordance with related laws. If it is not serious enough to be subject to criminal liabilities, it/he shall be ordered to correct by the entry-exit inspection and quarantine body, its/his illegal gains shall be confiscated, and a fine less than the equivalent to the value of the commodities shall be imposed upon it/him.

#### Article 50

Where anyone changes the samples selected by the entry-exit inspection and quarantine body without authorization or changes the import and export commodities that have passed the inspection of the entry-exit inspection and quarantine body, it/he shall be ordered to correct by the entry-exit inspection and quarantine body and warnings shall be given. In case of serious circumstances, a fine of 10% up to 50% the value of the commodities shall be imposed upon it/him.

#### Article 51

Anyone who exports any commodity that is subject to export commodity registration administration of the state without obtaining registration shall be ordered to stop exporting the commodity by the entry-exit inspection and quarantine body, its illegal gains shall be

confiscated, and a fine of 10% to 50% the value of the commodities shall be imposed upon it/him.

#### Article 52

Anyone imports or exports any food or cosmetic that is subject to sanitary registration administration of the state and is produced by the production enterprise without obtaining sanitary registration shall be ordered to stop the import or export by the entry-exit inspection and quarantine body, its illegal gains shall be confiscated, and a fine of 10% up to 50% the value of the commodity shall be imposed upon it/him.

Where a production enterprise of import and export food or cosmetic that has obtained the sanitary registration fails to meet the prescribed requirements after examination, it shall be ordered to rectify by the GAQSIQ or the entry-exit inspection and quarantine body within a prescribed time limit. Where it fails to satisfy the prescribed requirements after rectification or has other illegal acts, if the circumstance is serious, its certificate of sanitary registration shall be revoked.

#### Article 53

When an overseas supplier or domestic consignee imports solid wastes that may be used as raw materials, if it/he fails to get the registration or fails to make pre-shipping inspection, it/he shall be ordered to return the goods pursuant to related state provisions. In case of serious circumstance, a fine ranging from RMB 100,000 to 1,000,000 shall be imposed upon it/him by the entry-exit inspection and quarantine body.

Where any overseas supplier or domestic consignee that has obtained registration on the solid wastes that may be used as raw materials is in violation of related state provisions, if the circumstance is serious, its registration shall be revoked by the entry-exit inspection and quarantine body.

Where anyone fails to handle filing or fails to make pre-shipping inspection when importing any old electromechanical products that are allowed by the state, the products shall be returned in light of the related state provisions. In case of serious circumstances, a fine of less than RMB one million shall be imposed upon it/him concurrently by the entry-exit inspection and quarantine body.

#### Article 54

Where anyone provides or uses any packaging container of dangerous export goods that is not subject to the examination of the entry-exit inspection and quarantine body, a fine of RMB 100,000 shall be imposed upon it/him by the entry-exit inspection and quarantine body.

Where anyone who ships dangerous export goods by providing or using any packaging container that fail to pass the examination of the entry-exit inspection and quarantine body, a fine less than RMB 200,000 shall be imposed upon it/him by the entry-exit inspection and quarantine body.

#### Article 55

Where anyone exports any unpreserved food or frozen food by providing or using any container, cabin, airplane or vehicle and other means of delivery without performing cargo worthiness inspection by the entry-exit inspection and quarantine body, a fine less than RMB 100,000 shall be imposed upon it/him by the entry-exit inspection and quarantine body.

Where anyone exports any unpreserved food or frozen food by providing or using any container, cabin, airplane or vehicle and other means of delivery that fails to pass the inspection of the entry-exit inspection and quarantine body, a fine less than RMB 200,000 shall be imposed upon it/him by the entry-exit inspection and quarantine body.

#### Article 56

Anyone that changes or damages any commodity inspection mark or sealing mark placed by the entry-exit inspection and quarantine bodies shall be imposed upon a fine of less than RMB 50,000 by the entry-exit inspection and quarantine bodies.

#### Article 57

Where any inspection organ embarks on the inspection and examination of import and export commodity inspection in excess of its business scope, or violates related state provisions, disturbs the order of inspection and examination, it shall be ordered to correct by the entry-exit inspection and quarantine body, its illegal gains shall be confiscated, or a fine less than RMB 100,000 may be imposed upon, and its inspection and testing business may be suspended by the GAQSIQ or the entry-exit inspection and quarantine body within six months. In case of serious circumstances, its qualification certificate of inspection and examination shall be revoked by the GAQSIQ.

#### Article 58

Anyone who engages in the business of inspection application without making registration, shall be ordered to stop illegal operation activities by the entry-exit inspection and quarantine body, its/his illegal gains shall be confiscated, and a fine of one time up to three times the illegal gains shall be imposed upon it/him.

Any agency inspection application enterprise or entry-exit express mails operation enterprise that violates related state provisions, or disturbs the order of application for inspection shall be ordered to correct by the entry-exit inspection and quarantine body, its illegal gains shall be confiscated, and a fine less than RMB 100,000 may be imposed upon it, and its agency inspection declaration business may be suspended by the GAQSIQ or the entry-exit inspection and quarantine body within 6 months. In case of serious circumstances, its registration on application for inspection shall be revoked.

Any applicant for inspection that violates related state provisions, disturbs the order of application for inspection, may be suspended of his practice within 6 months by the GAQSIQ or the entry-exit inspection and quarantine bodies. In case of serious circumstances, his registration on the practice of application for inspection shall be revoked.

#### Article 59

Where any staff member of the entry-exit inspection and quarantine bodies misuses power, deliberately creates difficulties to the parties concerned, commits irregularities for personal interests, forges inspection conclusions or is neglect its duties, delays the issuance of license for inspection, an administrative sanction shall be imposed in accordance with related laws. Anyone who issues the certificate of place of origin of the export goods in violation of the provisions of the related laws and administrative regulations shall be given an administrative sanction in accordance with related laws, and the illegal gains shall be confiscated. If it constitutes a crime, he/she shall be subject to criminal liabilities in accordance with related laws.

#### Article 60

The money gained from the confiscation of commodities in accordance with related laws, all the confiscated illegal gains and the fines collected shall be turned in to the state treasury by the entry-exit inspection and quarantine bodies.

### Chapter VI Supplementary Rules

#### Article 61

Any party concerned that is dissatisfied with the re-inspection conclusion of the entry-exit inspection and quarantine body or the GAQSIQ or is dissatisfied with the penalty decision made by the GAQSIQ or the entry-exit inspection and quarantine body may apply for administrative reconsideration in accordance with related laws, or may file a lawsuit to the people's court in accordance with related laws.

Where any party neither performs the decision on penalty within the time limit, nor applies for administrative reconsideration or files a lawsuit to the people's court, the organ that has made the penalty decision may apply for compulsory enforcement to the people's court.

#### Article 62

The entry-exit inspection and quarantine bodies may collect fees in accordance with the related state provisions when implementing the statutory inspection, or handling inspection and testing business on the approved inspection organs.

#### Article 63

These Regulations shall enter into force as of December 1, 2005. The Regulations for the Implementation of the Law of the People's Republic of China on Import and Export Commodity Inspection as were 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 be concurrently abrogated.

The State Council of the People's Republic of China 2005-08-31