

**General Administration of Customs Announcement No. 48 in 2018
(Public Announcement on Promulgating the Implementation Rules
on the Supervision and Administration of Pre-shipment Inspection of
Imported Solid Waste Used as Raw Materials)**

Pursuant to the *Administrative Measures for the Inspection, Quarantine and Supervision of Imported Solid Waste Used as Raw Materials*, the General Administration of Customs has formulated the *Implementation Rules on the Supervision and Administration of Pre-shipment Inspection of Imported Solid Waste Used as Raw Materials*, which shall take effect as of June 1, 2018.

This announcement is hereby promulgated.

General Administration of Customs
May 28, 2018

**Implementation Rules on the Supervision and Administration of Pre-shipment
Inspection of Imported Solid Waste Used as Raw Materials**

CHAPTER I GENERAL PROVISIONS

Article 1 For purpose of strengthening and regulating the supervision and administration of pre-shipment inspection of imported solid waste used as raw materials (“**Waste Raw Materials**”) and Pre-shipment Inspection Agencies, these Rules are formulated in accordance with the *Implementing Regulations for the Law of the People's Republic of China on Inspection of Imported and Exported Commodities* and the *Administrative Measures for the Inspection, Quarantine and Supervision of Imported Solid Waste Used as Raw Materials*.

Article 2 These Rules shall be applicable to the pre-shipment inspection activities of imported Waste Raw Materials, the filing administration of Pre-shipment Inspection Agencies and the supervision and administration relating thereto.

Article 3 The General Administration of Customs (“**GAC**”) shall be responsible for the supervision and administration of pre-shipment inspection, conducting the filing administration of Pre-shipment Inspection Agencies, and duly carrying out the supervision and administration of their activities.

Article 4 The GAC shall not designate an inspection agency to carry out pre-shipment inspection of imported Waste Raw Materials.

Article 5 The GAC shall conduct the filing administration of Pre-shipping Inspection Agencies of imported Waste Raw Materials. A third party inspection agency shall make a filing application to the GAC before it engages in any pre-shipping inspection business of Waste Raw Materials.

Article 6 The GAC shall implement the risk alert and rapid response management system for Pre-shipping Inspection Agencies.

Article 7 Pre-shipping Inspection Agencies shall comply with the applicable PRC laws and regulations and applicable rules of the GAC, carry out the work of pre-shipping inspection of imported Waste Raw Materials independently and fairly as a third party, and be responsible for the authenticity and accuracy of the pre-shipping inspection certificates issued by them.

Article 8 None of the Pre-shipping Inspection Agency and its affiliates shall apply for registration of Supplier or apply for such registration by proxy, nor shall any of them engage in any production or operation activities of any Waste Raw Materials.

CHAPTER II PRE-SHIPPING INSPECTION

Article 9 “**Pre-shipping inspection**” shall mean the inspection, loading under supervision and stamping with sealing marks, and the issuance of the pre-shipping inspection certificate thereafter, by a Pre-shipping Inspection Agency of imported Waste Raw Materials in accordance with the laws and regulations, national environmental protection control standards and other mandatory requirements of technical codes, as well as pre-shipping inspection procedures, of the PRC before they are shipped to China.

Article 10 Pre-shipping Inspection Agencies shall conduct pre-shipping inspection at the offshore shipping or dispatching place of imported Waste Raw Materials in accordance with the national environmental protection control standards, mandatory requirements of relevant technical codes and pre-shipping inspection procedures of the PRC.

Article 11 A Pre-shipping Inspection Agency shall carry out pre-shipping inspection activities in the jurisdiction where it is duly registered according to the quality risk nature and management requirements of pre-shipping inspection work.

Article 12 Pre-shipping Inspection Agencies shall have the size, number of inspection staff and inspection facilities and equipment suitable for its conducting of pre-shipping inspection activities to ensure that the Waste Raw Materials as inspected by them shall comply with the laws and regulations, national environmental protection control standards and other mandatory requirements of technical codes of the PRC.

Article 13 A Pre-shipping Inspection Agency shall separately set up key positions of inspection and authorized signatories and keep these two positions independent from each other, and shall also stipulate the professional background conditions and continuing business training and education for such positions to ensure that inspectors and authorized signatories shall be familiar with and understand the laws and regulations, national environmental protection control standards and other mandatory requirements of technical codes of the PRC relating to Waste Raw Materials as well as relevant administrative regulations.

Article 14 A Pre-shipping Inspection Agency shall formulate the pre-shipping inspection work procedures or operation instructions appropriate for itself to regulate the pre-shipping inspection activities in the field in accordance with Article 10 hereof.

Article 15 Pre-shipping Inspection Agencies shall fully carry out the procedures of inspection, loading under supervision and sealing marks in reliance on their own inspection capabilities and shall be fully responsible for the quality of their work, and shall not engage any other agency, organization or person to carry out such work.

Article 16 Pre-shipping Inspection Agencies shall appropriately document the pre-shipping inspection activities conducted by them in a truthful, comprehensive and traceable manner and properly store and keep the original inspection records for a minimum of five (5) years.

CHAPTER III FILING ADMINISTRATION

Article 17 Pre-shipping Inspection Agencies shall file with the GAC in advance together with submission of the following information and documents:

- (i) The filing application (see Attachment 1);
- (ii) Notarized qualification certificate for the third party inspection agency duly registered in its home jurisdiction;

- (iii) Documents evidencing the right to use the permanent office and inspection site; a floor plan of the office premises and operation site; and videos or at least five (5) pictures that fully present the above-mentioned premises and site;
- (iv) Color copies of ISO/IEC17020 certificates and related Quality Management System documents;
- (v) Categories of the Waste Raw Materials undergoing Pre-shipping Inspection;
- (vi) Information about the authorized signatory of the pre-shipping inspection certificate and specimen of his signature and seal; and
- (vii) Articles of association.

All the papers to be submitted for the filing application shall be written in Chinese or Chinese and English.

Article 18 After the application package is properly prepared, the filing applicant shall submit the full package to the GAC, and the application package received by the GAC in writing shall be controlling.

Article 19 Upon receipt of the filing application package in writing, the GAC shall process the same on a case by case basis in the manner as set forth below:

- (i) If the filing application package is incomplete or fails to meet the requirement, it shall notify the filing applicant of the request for supplementary information or documents on the spot or within five (5) business days, requiring the filing applicant to fully submit all the requested supplementary information or documents within thirty (30) days;
- (ii) If the application package is complete and meets the requirement, or the filing applicant fully submits the supplementary information or documents, and upon review they are in order and meet the stated requirement, it shall accept the filing application;
- (iii) If the filing applicant fails to fully submit the supplementary information or documents within the prescribed time limit, it shall terminate the filing process; and
- (iv) If the filing applicant fails to fully submit the supplementary information or documents as requested or the submitted supplementary information or documents still fail to meet the requirement, it shall reject the filing application.

Article 20 Within ten (10) business days after a Pre-shipping Inspection Agency's filing application is accepted, the GAC shall form an expert panel to review the

qualification of the applicant and review the application package for completeness and compliance in accordance with the requirements of Filing Review Record Form of Pre-shipping Inspection Agency of Imported Solid Waste Used as Raw Materials (see Attachment 2).

The expert panel shall come to a conclusion after the review is completed and submit the review report to the GAC.

Article 21 The GAC shall render the decision on whether to approve the filing or not within ten (10) business days of receipt of the review report. If it passes the review, the filing shall be approved and a Filing Certificate of Pre-shipping Inspection Agency of Imported Solid Waste Used as Raw Materials (see Attachment 3) will be issued; if not, the filing shall be rejected.

Article 22 The GAC shall render the decision on whether to approve the filing or not within twenty (20) business days of the acceptance of the filing application, which shall exclude the time period for the review of the expert panel, provided that the filling applicant shall be notified in writing of the time required for the review of the expert panel.

Article 23 The GAC shall promptly publicly disclose the filed information of the Pre-shipping Inspection Agencies.

If there is any change to the telephone or fax number or email address of a Pre-shipping Inspection Agency, it shall promptly notify the GAC.

Article 24 If any Pre-shipping Inspection Agency intends to add to the categories of Waste Raw Materials undergoing pre-shipping inspection, or there is any change to the name, business registration address, legal representative, investors or ownership of any Pre-shipping Inspection Agency, it shall re-apply for the filing with the GAC within thirty (30) days of such change.

The process of re-application for the filing shall be subject to Article 17 hereof.

Article 25 In the event that any Pre-shipping Inspection Agency obtains the filing by providing false any information or document or concealing relevant information, the GAC may revoke its filing.

Any Pre-shipping Inspection Agency whose filing has been revoked shall not re-apply for the filing for three (3) year.

CHAPTER IV SUPERVISION AND ADMINISTRATION

Article 26 The GAC shall, according to its purview of responsibilities, carry out supervision and administration of Pre-shipping Inspection Agencies and their pre-shipping inspection work in the form of on-site inspection, verification and tracking of environmental protection quality condition of shipments.

In the event that any Pre-shipping Inspection Agency refuses to accept or cooperate with the supervision and administration, the GAC may revoke its filing.

Article 27 The GAC may arrange for supervision and inspection at any time as needed if a Pre-shipping Inspection Agency has (but not limited to) any of the following circumstances:

- (i) There is any change to the filing requirements or the filed information of such Pre-shipping Inspection Agency;
- (ii) There is any complaint or other reported situation needs to be verified or investigated;
- (iii) The GAC has implemented the risk alert measure against such Pre-shipping Inspection Agency;
- (iv) Any quality problem with the pre-shipping inspection work is found;
- (v) Such Pre-shipping Inspection Agency fails to file the annual report as required or conceal relevant information from the annual report; or
- (vi) Such special inspection or verification as deemed necessary by the GAC.

The supervision and inspection may be conducted in the form of on-site inspection or in other forms such as written inquiry and documentary review.

Article 28 When conducting on-site inspection, the inspection personnel may take measures including bearing witness at the site, taking samples, accessing or copying relevant information. The Pre-shipping Inspection Agencies subject to such inspection shall truthfully report relevant information and provide necessary materials. The inspection personnel shall maintain the confidence of the know-hows and business secrets of the Pre-shipping Inspection Agencies subject to such inspection.

Article 29 Pre-shipment Inspection Agencies shall provide proactive cooperation in properly preparing for the on-site inspection and assist with the inspection personnel in completing the relevant entry and exit procedures.

If the GAC decides to conduct the supervision and inspection in the form of documentary review, the Pre-shipment Inspection Agency subject to such inspection shall submit the relevant explanatory and evidentiary documents on the issue in question to the GAC within ten (10) days upon receipt of the notice.

Article 30 The inspection personnel shall conduct on-site inspection according to the On-site Inspection Record Form of Pre-shipment Inspection Agency of Imported Solid Waste Used as Raw Materials (see Attachment 4). The inspection shall focus on the authenticity, validity and compliance in the following aspects:

- (i) The filing information and documents submitted to the GAC;
- (ii) Policies and measures in place to ensure the independence and fairness of pre-shipment inspection activities;
- (iii) The operation status of the Quality Management System; and
- (iv) Witnessing at the site the capability of the Pre-shipment Inspection Agency subject to such inspection to conduct inspection in accordance with the mandatory requirements of national technical codes on environmental protection and solid waste management of the PRC and applicable rules of the GAC on pre-shipment inspection of imported Waste Raw Materials.

Article 31 The Pre-shipment Inspection Agency subject to such inspection shall promptly rectify any non-compliance found through such on-site inspection, and when necessary, propose preventive measures and complete such preventive measures within two (2) months. The inspection team shall verify the effectiveness of the rectification and preventive measures. If any on-site verification is required again, the Pre-shipment Inspection Agency subject to such inspection shall cooperate.

After the verification of the rectification and preventive measures is completed, the inspection personnel shall compile the final inspection results and opinion to prepare the on-site inspection report and submit such report to the GAC.

Article 32 The GAC shall review the on-site inspection report or the explanatory documents submitted by the Pre-shipment Inspection Agency, and when necessary, request the Pre-shipment Inspection Agency to provide supplementary evidence.

The on-site inspection report and the explanatory documents may serve as the basis for the GAC's determination or adjustment of institutional management categories and revocation of filing.

Article 33 If, during the arrival inspection at the port, any inconsistency between the shipment and shipping documents or any incompliance with environmental protection requirements is found in respect of the imported Waste Raw Materials that underwent pre-shipping inspection by the Pre-shipping Inspection Agency, the Pre-shipping Inspection Agency shall report the details of the pre-shipping inspection of the relevant shipment of such Waste Raw Materials to the GAC and provide it with pictures and written documents recording the inspection process and the like within fifteen (15) business days upon receipt of the notice from the GAC.

Article 34 If the GAC or any of its local counterparts finds any Pre-shipping Inspection Agency in any one of the following circumstances during their supervision and administration of the inspection of imported Waste Raw Materials, the GAC may issue a warning notice and decide to not recognize any pre-shipping inspection certificate issued by such Pre-shipping Inspection Agency for certain period of time, up to three (3) years:

- (i) The issued pre-shipping inspection certificate is in violation of Article 33 of the *Administrative Measures for the Inspection, Quarantine and Supervision of Imported Solid Waste Used as Raw Materials*; or
- (ii) The Pre-shipping Inspection Agency is in violation of Article 35, 46 or 59 of the *Administrative Measures for the Inspection, Quarantine and Supervision of Imported Solid Waste Used as Raw Materials*.

Article 35 Each Pre-shipping Inspection Agency shall file the work report of the preceding year to the GAC within the first month of every year (see Attachment 5), which shall include the current status and operation and management condition of the agency, the information about the conducting of the pre-shipping inspection business, the incompliances found during the inspection, the received complaints and investigations, and such other information necessary to be reported.

CHAPTER V CHAPTER VIII SUPPLEMENTARY PROVISIONS

Article 36 Unless otherwise specifically indicated, any reference to "business day" herein shall exclude any public holiday; any reference to "day" herein shall mean a calendar day, including public holidays.

Article 37 The GAC shall be responsible for interpreting these Rules.

Article 38 These Rules shall take effect as of June 1, 2018

Attachments:

1. Filing Application for Pre-shipping Inspection Agency of Imported Solid Waste Used as Raw Materials
2. Filing Review Record Form of Pre-shipping Inspection Agency of Imported Solid Waste Used as Raw Materials
3. Filing Certificate of Pre-shipping Inspection Agency of Imported Solid Waste Used as Raw Materials
4. On-site Inspection Record Form of Pre-shipping Inspection Agency of Imported Solid Waste Used as Raw Materials
5. Annual Report of Pre-shipping Inspection Agency of Imported Solid Waste Used as Raw Materials