

Order of the General Administration of Customs

No. 157

The Administrative Measures of the Customs of the People's Republic of China for Goods Temporarily Imported or Exported, which were deliberated and adopted at the executive meeting of the General Administration of Customs on February 14, 2007, are hereby promulgated and shall come into force as of May 1, 2007. The Measures of the Customs of the People's Republic of China for the Supervision of Exported Exhibits promulgated on September 20, 1976, Measures of the Customs of the People's Republic of China for the Supervision of Goods Temporarily Imported promulgated by the General Administration of Customs on September 3, 1986, Measures of the Customs of the People's Republic of China for the Supervision of Imported Exhibits promulgated by Order No. 59 of the General Administration of Customs on February 14, 1997, and the Measures of the Customs of the People's Republic of China for the Supervision of Goods Temporarily Imported or Exported under the ATA Carnets promulgated by Order No. 93 of the General Administration of Customs on December 24, 2001 shall be repealed simultaneously.

Director Mou Xinsheng

March 1st, 2007

Administrative Measures of the Customs of the People's Republic of China for Goods Temporarily Imported or Exported

Chapter I General Provisions

Article 1 In order to regulate the surveillance to goods temporarily imported or exported by the customhouse, the present Measures are constituted subject to the Customs Law of the People's Republic of China (hereinafter referred to as the Customs Law) as well as other relevant laws and administrative regulations.

Article 2 The present Measures shall apply to the goods that are temporarily imported or exported and that are re-exported or re-imported within the prescribed time limit upon approval of the customhouse.

Article 3 The goods temporarily imported or exported referred to in the present Measures shall comprise:

(1) Goods that are displayed or used at exhibitions, fairs, conferences or similar events;

- (2) Articles that are used in cultural or sports exchange activities for performance or competition;
- (3) Apparatus, equipment and articles that are used for making news report or producing a film or TV program;
- (4) Apparatus, equipment and articles that are used for conducting scientific research, teaching or medical treatment activities;
- (5) Vehicles and special types of cars that are used in such activities as listed in Subparagraphs (1) to (4) of this Paragraph;
- (6) Samples of goods;
- (7) Apparatus, equipment and articles that are used in charity activities;
- (8) Apparatus and tools that are used for the installing, debugging, testing and repairing the equipments;
- (9) Containers for goods;
- (10) Self-driving vehicles as well as the articles thereof using in traveling;
- (11) Equipment, apparatus and articles that are used in the construction of projects;
- (12) Other goods temporarily imported or exported as approved by the customhouse.

Where any good are temporarily imported under any ATA Carnet for the Temporary Admission of Goods (hereinafter referred to as the ATA carnet), it shall be limited to the goods as prescribed in the international conventions relating to the temporary admission of goods, which China has acceded to.

Article 4 The goods temporarily imported are not required to submit the licensing certificate for verification, except that it is otherwise provided for in any international convention or treaty of which China is a contracting state or to which China has acceded, or in any law or administrative regulation of the State, or in any rule or regulation of the General Administration of Customs.

Article 5 The goods temporarily imported or exported shall be re-exported or re-imported in the original form except for the depreciation or wear and tear because of normal use.

Article 6 An application for goods temporarily imported or exported shall be subject to the examination and approval of the customhouse directly under the General Administration of Customs, or subject to the examination and approval of the customhouse as authorized by the customhouses directly under the General Administration of Customs.

Article 7 The goods temporarily imported or exported shall be re-exported or re-imported within six months as of the importation or exportation.

In the case of any special circumstance under which it is necessary to extend the time limit, the ATA carnet holder or the consignee or consignor of the goods temporarily imported or exported under the non-ATA carnet item may file an application for extend the time limit to the local competent customhouse. The customhouse directly under the General Administration of Customs may approve the extension of the time limit that shall not be more than three times and shall not be in excess of six months each. After the extended term expires, the goods shall be re-exported or re-imported or the import or export formalities shall be gone through.

As for the goods temporarily imported or exported as used for the important projects of the state or for scientific research projects of the state, and the articles in exhibitions for a term of more than 24 months, if it still needs to extend the time limit after the expiry of the 18-month-extension period, it shall be reported to the General Administration of Customs for examination and approval by the customhouse directly under the General Administration of Customs.

Article 8 China Chamber of International Commerce shall provide a general guaranty for goods temporarily exported under ATA carnets to the General Administration of Customs.

Except it is otherwise stipulated, the consignees or consignors of goods temporarily imported or exported under any non-ATA carnet shall pay the local competent customhouse a sum of security equivalent to the taxes or any other guaranty recognized by the customhouse as required by the customhouse.

Where an exhibition is hold at a place designated by the customhouse or at a place under the surveillance of special persons as assigned by the customhouse, no guaranty for the exhibits is required to be submitted to customhouse upon approval of the local competent customhouse directly under the General Administration of Customs.

Article 9 Where any goods temporarily imported or exported are damaged because of any force majeure and then it may not be re-exported or re-imported in the original form, the holder of the ATA carnet or the consignee or consignor of the goods temporarily imported or exported under the non-ATA carnet shall report to the local competent customhouse in a timely manner. It may go through the formalities for re-exportation or re-importation upon the certification materials as issued by the relevant department. In case of any destruction or losing the useful value because of any force majeure, such goods may be regarded to have been re-exported or re-imported upon verification of the customhouse.

In case of any destruction or losing the useful value because of any reason other than force majeure, the holder of ATA carnet or the consignee or consignor of the goods temporarily imported or exported under the non-ATA carnet shall go through the customs formalities in accordance with the relevant provisions relating to the import and export of goods.

Article 10 With respect to the goods temporarily imported or exported that are re-imported or re-exported at another place, the holder of ATA carnet or consignee or

consignor of goods temporarily imported or exported under the non-ATA carnet shall go through the re-exportation or re-importation formalities in the customhouse at the locality of entry or exit upon the customs documents affixed with the seal of the local competent customhouse. After the re-exportation or re-importation, the local customhouse shall handle the formalities for verification and write-off upon the customs documents affixed with the seal of the customhouse at the locality of entry or exit.

Article 11 Except it is otherwise stipulated in the present Measures, the customhouse shall handle the administrative licensing items concerning goods temporarily imported or exported in accordance with the procedures and time limits as prescribed in the Administrative License Law of the People's Republic of China and the Measures of the Customs of the People's Republic of China on Implementing the Administrative License Law of the People's Republic of China.

Chapter II Examination and Approval of Temporary Importation and Exportation of Goods

Article 12 An application for the temporary importation or exportation of goods shall be submitted to the local competent customhouse.

Where any ATA carnet holder files an application for the temporary importation or exportation of goods to the customhouse, it shall submit the original ATA carnet that is real and valid, an accurate checklist of goods, as well as other relevant commercial instruments or certificates.

Where any consignee or consignor of goods temporarily imported or exported under non-ATA carnet files an application to the customhouse for the temporary importation or exportation of goods, it shall submit an Application for the Temporary Importation or Exportation of Goods (See Attachment 1 for format), checklist of goods temporarily imported or exported, invoice, contract or agreement, as well as other relevant instruments as required by the customhouse.

Article 13 Where the customhouse approves the temporary importation or exportation of goods under any ATA carnet, it shall make an endorsement on the ATA carnet, otherwise no endorsement shall be made.

After the customhouse has made a decision on approval or disapproval of an application for the temporary importation or exportation of goods under any non-ATA carnet, it shall make and issue a Decision of the Customs of the People's Republic of China on Approval of Application for the Temporary Importation/Exportation of Goods (See Attachment 2 for format) or a Decision of the Customs of the People's Republic of China on Disapproval of Application for the Temporary Importation/Exportation of Goods (See Attachment 3 for format).

Article 14 Where it applies for extending the time limit for the re-importation and re-exportation of goods temporarily imported or exported, the holder of ATA carnet or consignor or consignee of goods temporarily imported or exported under non-ATA

carnet shall apply for the extension of the time limit to the customhouse that examines and approves the temporary importation or exportation of goods not later than 30 days before the expiry of the prescribed term, and submit an Application for Extension of the Time Limit for the Goods Temporarily Imported / Exported (See Attachment 4 for format) and other relevant application materials.

Where a customhouse directly under the General Administration of Customs accepts an extension application, it shall make and issue a Decision of the Customs of the People's Republic of China on Approval of Application for Extension of Time Limit for Goods Temporarily Imported/Exported (See Attachment 5 for format) or Decision of the Customs of the People's Republic of China on Disapproval of Application for Extension of Time Limit for Goods Temporarily Imported/Exported within 20 days as of the acceptance of the application(See Attachment 6 for format).

If a customhouse subordinate to a customhouse directly under the General Administration of Customs accepts an extension application, it shall carry out an overall examination under the statutory conditions and procedures within 10 days as of the acceptance of application and submit the examination opinions and a complete set of application materials to the customhouse directly under the General Administration of Customs in a timely manner. The customhouse directly under the General Administration of Customs shall make a decision accordingly within 10 days as of the receipt of the examination opinions.

If it is under the circumstances as described in Paragraph 3 of Article 7 in the present Measures, the ATA carnet holder or consignee or consignor of goods temporarily imported or exported under non-ATA carnet shall submit an application to the local competent customhouse directly under the General Administration of Customs. The customhouse directly under the General Administration of Customs shall carry out an overall examination in accordance with the statutory conditions and procedures within 10 days as of the receipt of the extension application and submit the examination opinions and a complete set of application materials to the General Administration of Customs in a timely manner. The General Administration of Customs shall make a decision within 10 days as of the receipt of the examination opinions.

Chapter III Surveillance and Administration on the Goods Temporarily Imported or Exported

Article 15 When making a declaration of goods temporarily imported or exported under the ATA carnet, the ATA carnet holder shall submit a valid ATA carnet to the customhouse.

When making a declaration of goods temporarily imported or exported under non-ATA carnet, the consignee or consignor of the goods shall complete a customs import/export declaration form, and submit a checklist of goods, Decision of the Customs of the People's Republic of China on Approval of Application for the Temporary Importation/Exportation of Goods and other relevant documents to the customhouse.

Article 16 The organizer of an exhibition within the territory of China or organizer or exhibitor of an exhibition outside the territory of China (hereinafter generally referred to as the organizer or exhibitor) shall submit the filing certificates or approval documents as issued by the relevant departments, checklist of the exhibits and other relevant documents to the local competent customhouse in order to go through the formalities for filing no later than 20 days before the importation or exportation of the exhibits.

If the exhibition is not under an administrative licensing item of the relevant department, the organizer or exhibitor shall submit a letter of invitation, confirmation document of the exhibition booth, other certification documents as well as checklist of the exhibits to the local competent customhouse in order to go through the formalities for filing.

Article 17 Where an exhibition is held necessarily in two or more customs areas within the territory of China, it shall go through the transit formalities for the imported exhibits under the relevant provisions relating to the surveillance of transit. The customhouse at the locality of final exhibition shall have the responsibilities of verifying and writing off the imported exhibits and the customhouse at the exportation place shall handle the re-exportation formalities.

Article 18 Where it requires to extend the time limit for an exhibition, the organizer or exhibitor shall go through the relevant formalities in the customhouse at the filing place upon the approval document on extension as issued by the original approval department before the expiry of the exhibition period.

If an exhibition is not under an administrative licensing item of the relevant department, the organizer or exhibitor shall go through the relevant formalities in the customhouse at the filing place upon the relevant documents before the expiry of the exhibition period.

Article 19 The organizer or exhibitor shall apply to the customhouse at the filing place for ending the case of exhibition within 30 days as of the completion of customs clearance formalities for the exhibits temporarily imported/exported.

Article 20 The customhouse shall check and determine the total quantities and total value of the following Articles for consumption or distribution during the period of an exhibition within the territory of China (hereinafter referred to as the exhibition articles) according to the nature of exhibition, number of exhibitors, number of audiences and other information and shall exempt it from the import duties and import link taxes thereof within a reasonable range:

- (1) Small samples for the exhibition, including food or beverage samples that are imported in the original packages or that are made with loose raw materials imported;
- (2) Materials that are consumed or damaged in operating and demonstrating the machines or spare parts displayed;

- (3) Goods of low value that are consumed in the arrangement or decoration of the temporary exhibition booths;
- (4) Relevant publicity materials that are gratuitously distributed to the audience during the exhibition period; and
- (5) Archives, forms and other documents to be used at the exhibition.

The goods as listed in Subparagraph (1) of the preceding Paragraph shall meet the requirements as follows:

- (1) They are provided by the exhibitors gratuitously and exclusively distributed to the audience for use or consumption during the period of exhibition in a gratuitous manner;
- (2) The unit price thereof is low and they are used as advertising samples;
- (3) They are not applicable for commercial purposes and the unit capacity is obviously smaller than the capacity of the smallest retail packages;
- (4) The food or samples have not been packaged or distributed subject to Subparagraph (3) of this Paragraph, but they are actually consumed in the exhibition.

Article 21 The relevant duty (tax) exemption provisions are not applicable for alcoholic beverages, tobacco products and fuels of the exhibition articles.

Where any exhibition articles are subject to the licensing certificate administration of the state, the exhibitor shall submit the relevant certificates to the customhouse and go through the import formalities.

Where the quantity of any exhibits as listed in Subparagraph (1) of Paragraph 1 of Article 20 in the present Measures is in excess of the import limit, the excess portion shall be subject to the duties and taxes in accordance with relevant laws. Any exhibits as listed in Subparagraphs (2), (3) and (4) of Paragraph 1 that have not been used or consumed yet shall be re-exported. In case they are not re-exported, it shall go through the import formalities under the relevant provisions.

Article 22 Any exhibits imported shall be reserved in a surveillance area as designated by the customs during the non-display period. No exhibit shall be moved out without approval of the customhouse. In the case of any special reason to move them out, it shall be approved by the local competent customhouse directly under the General Administration of Customs.

Where any exhibits imported are moved out of the surveillance area as designated by the customhouse upon the approval of the customhouse, but no guaranty is submitted to the customhouse at the time of importation thereof, a guaranty shall be submitted accordingly.

Article 23 When any personnel as assigned by the customhouse execute a surveillance task in the site of an exhibition, the sponsor or organizer of the exhibition

shall offer an office and essential office equipment in order to facilitate to handle the official affairs.

Article 24 The goods temporarily imported or exported for the sake of fairs, conferences or similar events shall be subject to surveillance in accordance with the relevant provisions of the present Measures on the surveillance of exhibits at exhibitions.

Article 25 In case any good temporarily imported or exported is really necessary to be imported or exported, the consignee or consignor of the said goods shall submit an application to the local competent customhouse no later than 30 days before the expiry of the time limit for the re-exportation or re-importation and shall go through the import or export formalities under the relevant provisions upon the approval of the local competent customhouse directly under the General Administration of Customs.

Chapter IV Management of ATA Carnets

Article 26 China Chamber of International Commerce is the institution that issues and guarantees the ATA carnets in China, it shall have the responsibilities of issuing ATA carnets for exportation, submitting to the customhouse the electronic text in Chinese for the carnets it issues, assisting the customhouse to distinguish whether any ATA carnets are authentic or fake, as well as paying the customhouse the relevant duties (taxes) and pecuniary penalty incurred by any ATA carnet holder that violates the provisions concerning temporary importation or exportation.

Article 27 The General Administration of Customs shall set up an ATA Verification and Write-off Center in Beijing Customhouse. The ATA Verification and Write-off Center shall verify, write off, conduct the statistical work and demand a recourse of the importation and exportation vouchers under ATA carnets, and provide importation or re-exportations certificates for goods temporarily imported or exported under ATA carnets in light of the request of the guarantor of any member state and the relevant original vouchers, and coordinate and manage the verification and write-off of ATA carnets of customhouses throughout the country as well.

Article 28 The ATA Verification and Write-off Center shall uniformly use the ATA Carnet Recourse Circular, ATA Carnet Verification and Write-off Circular and ATA Carnet Advance Payment Circular (See Attachments 7, 8 and 9 for format).

Article 29 The customhouse shall only accept ATA carnets that are completed in Chinese or in English.

Article 30 If any ATA carnet is under the circumstance that it has been damaged or destructed after the importation, the ATA carnet holder shall make a confirmation in the local competent customhouse directly under the General Administration of Customs with the new ATA carnet as issued by the original issuing institution.

The items filled in the new ATA carnet shall be consistent with those filled in the former ATA carnet.

Article 31 Where the extension of the time period for goods temporarily imported or exported under an ATA carnet exceeds the valid period of the ATA carnet, the ATA carnet holder shall apply for renewing the ATA carnet to the original issuing institution. The renewed ATA carnet may replace the former carnet upon confirmation of the local competent customhouse.

The renewed ATA carnet can only alter the valid period of the carnet and shall keep other items conform to those in the former carnet. The former ATA carnet is invalidated as of the starting of the renewed one.

Article 32 In the case of the transit, transshipment or transport of goods under any ATA carnet, the customhouse shall handle the formalities for importation or exportation upon the page for exiting or entering the territory of China in the ATA carnet.

If an ATA carnet holder needs to transport goods temporarily imported or exported through transit under any ATA carnet, the customhouse shall handle the transit formalities upon the page for exiting or entering the territory of China in the ATA carnet.

Article 33 Where any goods temporarily imported under any ATA carnet fails to be re-exported or fails to be transported to pass the territory of China under relevant provisions, the ATA Verification and Write-off Center shall apply for a recourse demand to China Chamber of International Commerce. If China Chamber of International Commerce provides to the customhouse a certification that certifies that the goods have been re-exported within the prescribed time limit or that the import formalities have been completed within nine months as of the date of demand, the ATA Verification and Write-off Center may annul the aforesaid demand. If it fails to provide above-mentioned certification, China Chamber of International Commerce shall pay the duties (taxes) and pecuniary penalty to the customhouse.

Article 34 Where any good temporarily imported under any carnet is re-exported to exiting the territory of China, if it fails to go through the verification and writing off or the endorsement by the customhouse in China for any reason, the ATA Verification and Write-off Center shall verify and write off the ATA carnet upon the endorsement on the ATA carnet by the customs authority of any other contracting state that certifies that importation or re-importation of this batch of goods, or other documents as acknowledged by the customhouse in China that can certify that this batch of goods has left China actually, as certifications certifying that the goods have been re-exported to exiting the territory of China.

In the case of any circumstance as mentioned in the preceding Paragraph, the ATA carnet holder shall pay to the customhouse an adjustment fee according to the relevant provisions. If the carnet holder applies for verifying and writing off the carnet upon the certification as issued by the customs authority of any other country that certifies that the goods have left the customs area of China before the customhouse of China

issues an ATA Carnet Recourse Circular, the adjustment fee shall be exempted by the customhouse.

Chapter V Supplementary Rules

Article 35 In the case of any violation of the present Measures that constitutes smuggling, or any violation of the customs surveillance provisions, or any other violation of the Customs Law, it shall be disposed by the customhouse under the Customs Law and the Regulation of the People's Republic of China on Implementing the Customs Administrative Punishment. Where any crime is constituted, it shall be investigated for criminal liabilities.

Article 36 Where any good temporarily imported from outside the territory of China is conveyed into any bonded area, export processing area or any other special customs surveillance area or bonded surveillance area, it shall not be deemed as re-exportation.

Article 37 The present Measures shall not apply to the importation or exportation of containers to carry goods under the surveillance of the customs, and the importation or exportation of goods leased.

The present Measures shall not be applicable for the temporary importation or exportation of articles of foreign institutions stationed in China or of personnel that enjoy diplomatic privileges and immunities.

Article 38 Any article temporarily imported or exported that is in excess of the reasonable quantity for self use shall be surveilled by referring to the present Measures.

Article 39 An ATA carnet holder, consignee or consignor of goods temporarily imported or exported under any non-ATA carnet, organizer of an exhibition, or exhibitor of an exhibition may entrust an agent to go through the relevant customs formalities. The agent shall be required to submit an authorization as issued by the entrusting party to the customhouse if so.

Article 40 Definitions of the relevant terms referred to in the present Measures:

Exhibitions, fairs, conferences and similar events mean:

- (1) Trade, industrial, agricultural, arts and crafts exhibitions, as well as fairs and expositions;
- (2) Exhibitions or conferences that are organized for the purpose of charity;
- (3) Exhibitions or conferences that are organized in order to promote scientific and technological, educational, cultural or sports exchange activities, or develop activities of tourism or folk friendship;
- (4) Conferences of the representatives of international organizations or international groups; and
- (5) Memorial conferences of representatives as organized by governments.

Non-public exhibitions that are organized at stores or other business places for the purpose of selling foreign goods are not within the category of exhibitions, fairs, conferences or similar events referred to in the present Measures.

The exhibits are:

- (1) Goods displaying at exhibitions;
- (2) Goods used in demonstrating the machines or devices to be displayed at exhibitions;
- (3) Architecture materials and decoration materials for arranging temporary booths;
- (4) Films, slides, video tapes, recording tape, instructions, advertisements, CDs, display equipment for advertising goods to be displayed; and
- (5) Other goods to be used for displaying at exhibitions.

The local competent customhouse means the customhouse at the locality where an exhibition, fair, conference or similar event within the territory of China is organized or the customhouse at the locality where the goods enter or exit China.

Article 41 The time limits for the customhouses to implement customs administrative licensing as prescribed in the present Measures shall be calculated by workdays, excluding legal holidays.

Article 42 The present Measures shall be subject to the interpretation of the General Administration of Customs.

Article 43 The present Measures shall come into force as of May 1st, 2007. The Measures of the Customs of People's Republic of China on the Surveillance of Exported Exhibits promulgated on September 20th, 1976, Measures of the Customs of the People's Republic of China for the Surveillance of Goods Temporarily Imported promulgated by the General Administration of Customs on September 3rd, 1986, Measures of the Customs of the People's Republic of China for the Surveillance of Imported Exhibits promulgated by Order No. 59 of the General Administration of Customs on February 14th, 1997 and Measures of the Customs of the People's Republic of China for the Surveillance of Goods Imported or Exported under ATA Carnets promulgated by Order No. 93 of the General Administration of Customs on December 24th, 2001 shall be annulled as of the same date.

Attachments:

1. Application for the Temporary Importation or Exportation of Goods;
2. Decision of the Customs of the People's Republic of China on Approval of Application for the Temporary Importation/Exportation of Goods;
3. Decision of the Customs of the People's Republic of China on Disapproval of Application for the Temporary Importation/Exportation of Goods;

4. Application for Extension of the Time Limit for the Goods Temporarily Imported / Exported;
5. Decision of the Customs of the People's Republic of China on Approval of Application for Extension of Time Limit for Goods Temporarily Imported/Exported;
6. Decision of the Customs of the People's Republic of China on Disapproval of Application for Extension of Time Limit for Goods Temporarily Imported/Exported;
7. ATA Carnet Recourse Circular;
8. ATA Carnet Verification and Write-off Circular;
9. ATA Carnet Advance Payment Circular.