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Implementation Measures of 2004 TRQ Allocation for Imported Oils and Sugar

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Report Highlights:

This is an UNOFFICIAL translation of the Implementation Measures of 2004 TRQ Allocation for Imported Oils and Sugar issued by the Ministry of Commerce on September 28, 2003. Exporters should carefully discuss regulations and their application with Chinese importers to ensure their interpretation of the regulation is accurate.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
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[CH]

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

Summary

The following is an UNOFFICIAL translation of the Implementation Measures of 2004 Tariff Rate Quota (TRQ) Allocation for Imported Palm oil, Soybean oil, Rapeseed oil, and Sugar as issued by the Ministry of Commerce on September 28, 2003. Under WTO obligation, China should publish TRQ allocation details for major imported agricultural products one month ahead of the application period, which is from October 15 to October 30 of each year. The document also contains two appendices. The first appendix gives Harmonized System (HS) codes and tariffs for imported oils and sugar. And the second one is a sample of application form of Agricultural Product Import TRQ Certificate.

Implementation Measures of 2004 TRQ Allocation for Palm oil, Soybean oil, Rapeseed oil, and Sugar

In accordance with the "Interim Rules and Regulations for Agricultural Imports Tariff Rate Quota" (Decree No. 4), jointly issued by the Ministry of Commerce and the State Development and Reform Commission, the 2004 TRQ amount, application requirements and allocation principles for imported palm oil, soybean oil, rapeseed oil, and sugar are announced as follows:

Section I

The 2004 TRQ amounts for imported palm oil, soybean oil, rapeseed oil, and sugar shall be: palm oil 2.7 million metric tons with 18% designated for state trading firms; soybean oil 3.118 million metric tons with 18% designated for state trading firms; rapeseed oil 1.1266 million metric tons with 18% designated for state trading firms; sugar 1.945 million metric tons with 70% designated for state trading firms.

Section II

Fundamental requirements for applicants of import TRQs for palm oil, soybean oil, rapeseed oil, and sugar include: Applicants shall be registered with the State Industry and Commerce Management Authorities (provide copy of corporate business license) before October 1, 2003; Applicants shall have a good financial status and tax payment record (provide relevant data for 2002 and 2003); Applicants shall have no violation record with the Customs, Industry and Commerce, Tax Bureau or Quarantine Authorities in 2001-2003; Applicants should have passed the 2002 enterprise inspection; Applicants shall have no record of violating the "Interim Rules and Regulations for Agricultural Imports Tariff Rate Quota" issued by the former State Development and Planning Commission.

Under the aforementioned conditions, applicants for import TRQs shall conform to one of the following categories:

- (I) Palm oil

1. State-owned trading enterprises;
2. Central enterprises with state reserve functions;
3. Enterprises having been allocated with palm oil import TRQs in 2003;
4. Food manufacturers using palm oil as direct production material with an annual production capacity of more than 3,000 tons;
5. Enterprises engaged in processing trade using palm oil as a raw material.

(II) Soybean oil

1. State-owned trading enterprises;
2. Central enterprises with state reserve functions;
3. Enterprises having been allocated with soybean oil import TRQs in 2003;
4. Oil processing enterprises producing refined oil with daily crude oil processing capacity of more than 200 metric tons;
5. Enterprises engaged in processing trade using soybean oil as a raw material.

(III) Rapeseed oil

1. State-owned trading enterprises;
2. Central enterprises with state reserve functions;
3. Enterprises having been allocated with rapeseed oil import TRQs in 2003;
4. Oil processing enterprises producing refined oil with daily crude oil processing capacity of more than 200 metric tons;
5. Enterprises engaged in processing trade using rapeseed oil as a raw material.

(VI) Sugar

1. State-owned trading enterprises;
2. Central enterprises with state reserve functions;
3. Enterprises having been allocated with sugar import TRQs in 2003;
4. Sugar producers with a daily raw sugar processing capacity of more than 600 metric tons;
5. Enterprises engaged in processing trade using sugar as a raw material.

Section III

The aforementioned agricultural product import TRQs are allocated on the basis of application quantities, import history records, producing capacity, and other relevant industry standards.

1. When import TRQ amount can satisfy applicants' total requested quantities, the TRQs will be allocated according to an applicant's requested quantities.
2. When import TRQ amount cannot satisfy applicants' total requested quantities, priority shall be given to those who have an actual history of imports. Applicants without an actual history of imports will be allocated proportionally, based on their processing capacity and business volume. In case requested quantities are lower than the proportionally allocated quantities, the requested quantities will apply.

Section Four

The application period for 2004 import TRQs for palm oil, soybean oil, rapeseed oil, and sugar shall be from October 15 to 31, 2003. TRQ applicants may obtain an application form (see appendix) from the Ministry of Commerce authorized agencies or download a copy from the Ministry's web site (<http://www.mofcom.gov.cn>).

Section Five

The Ministry of Commerce authorized agencies are responsible for handling enterprise applications within their jurisdiction and submitting the eligible applications to the Ministry of

Commerce, and copy to the State Development and Reform Commission, before 30 November 2003.

Section Six

The Ministry of Commerce will issue Agricultural Product Import TRQ Certificates, through authorized agencies, to the end-users before January 1, 2004.

Appendixes:

1. 2004 HS Codes and Tariffs for Edible Oil, Sugar imports
2. Application Form of Agricultural Product Import TRQ

Appendix 1.

2004 HS Codes and Tariffs for Edible Oil, Sugar imports

NO.	Commodity Category	HS Code	Product name	Tariff (%)		
				MFN	General	In-Quota
1	Palm oil	15111000	Crude oil and its fractions	30.7	60	9
		15119010	Palm liquid oil	30.7	60	9
		15119090	Other palm oil	30.7	60	9
2	Soybean oil	15071000	Crude oil and its fractions	30.7	190	9
		15079000	Refined oil and its fractions	30.7	190	9
3	Rapeseed oil	15141100	Low erucic acid rape or colza crude oil and its fractions	30.7	170	9
		15141900	Other low erucic acid rape or colza crude oil and its fractions	30.7	170	9
		15149110	Crude rapeseed oil and its fractions	30.7	170	9
		15149190	Crude mustard oil and its fractions	30.7	170	9
		15149900	Other	30.7	170	9
4	Sugar	17011100	Raw cane sugar not containing added flavorings or colorings	50	125	15
		17011200	Raw beet sugar not containing added flavorings or colorings	50	125	15
		17019100	Raw sugar containing added flavorings or colorings	50	125	15
		17019910	Granulated sugar	50	125	15
		17019920	Superfine sugar	50	125	15
		17019990	Other refined sugar	50	125	15

Appendix 2.

Application Form of Agricultural Product Import TRQ

Application Form of Agricultural Product Import TRQ

Stamp of Applicant Organization:

Signature of Applicant's Legal Representative:

Name of Enterprise: import			
Import Commodity:	<input type="checkbox"/> With 2003 general trade import record	<input type="checkbox"/> With 2003 processing trade import record	<input type="checkbox"/> Without 2003 import record
General trade	Application amount: Declaration Port 1). 2).	Processing trade	Application amount: Declaration Port 1). 2).
Registered Address:			
Registered capital:	Registration NO.	Telephone:	
Business category:			Customs Code:
Registered Capital:	Industry & Commerce Registration Number:	State Tax Registration Number:	
Nature of Enterprise:	<input type="checkbox"/> State-own <input type="checkbox"/> Share-holding <input type="checkbox"/> Private <input type="checkbox"/> Foreign Invested		
Type of Enterprise	<input type="checkbox"/> Manufacturing enterprise <input type="checkbox"/> Trading enterprise		
The following is to be completed by the Manufacturing Enterprises:			
2003 Products and Production Capability	Name of Product:	Name of imported ag product Needed:	
	Daily Production (Metric Tons):	Daily Demand (Metric Tons):	
	Annual Production (Metric Tons):	Annual Demand (Metric Tons):	
	Annual Sales Value (10,000 RMB):		
The following is to be completed by processing trade enterprises with actual import record:			
Processing trade TRQs in 2002	Allocated TRQs:	Processing trade TRQs in 2003	Allocated TRQs:
	Actual imports:		Imported amount:
General trade TRQs in 2002	Allocated amount (MT):	General trade TRQs in 2003	Allocated amount (MT):
	Actual imported amount (MT):		Actual imported amount (MT):
	Returned amount (MT)		Returned amount (MT):
Whether agree to provide TRQ allocation information to international/domestic inquiries: <input type="checkbox"/> yes <input type="checkbox"/> no			
Verification Comments completed by Authorized Agency:			

Notes:

1. "2003 product and production capacity" refers to products produced from requested import ag products and production capacity. 2. "Daily and Annual Production" and "Daily and Annual Demand" refer to enterprise daily, annual production in 2003, and daily, annual demand for imported soybean oil, rapeseed oil, palm oil, and sugar.

