

**Decree No. 171 of the General Administration of Quality Supervision, Inspection
and Quarantine**

The Measures for the Inspection and Supervision Administration of Imported Used Mechanical and Electronic Products, as deliberated and adopted at the executive meeting of the General Administration of Quality Supervision, Inspection and Quarantine on July 9, 2015, is hereby issued and shall come into force on January 1, 2016.

Director

November 23, 2015

Measures for the Inspection and Supervision Administration of Imported Used Mechanical and Electronic Products

Chapter I General Provisions

Article 1 For the purpose of standardizing the inspection and supervision administration of imported used mechanical and electronic products, these Measures are formulated according to the *Law of the People's Republic of China on Import and Export Commodity Inspection* and the implementation regulation thereof, as well as the relevant international conventions and treaties to which the People's Republic of China has either acceded or is a contracting party.

Article 2 These Measures shall be applicable to the inspection and supervision administration with respect to the used mechanical and electronic products allowed to be imported into, sold and used within the territory of China.

The term "used mechanical and electronic products" as mentioned in these Measures refers to the mechanical and electronic products meeting any of the following conditions:

- (1) The mechanical and electronic products that have been used (excluding testing and calibration prior to use) and still have the basic functions and certain value of use;
- (2) The mechanical and electronic products that have not been used but kept for a long time and have exceeded the term of quality guarantee;
- (3) The mechanical and electronic products that have not been used but have obvious physical spoilage in the parts and components;
- (4) The mechanical and electronic products that are assembled with new and used components together; or
- (5) Have been refurbished.

Article 3 The General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) shall take charge of the inspection and supervision administration of imported used mechanical and electronic products across the State.

The local entry-exit Inspection and Quarantine Institutions directly under the AQSIQ (hereinafter referred to as the Inspection and Quarantine Institutions) shall take charge of the inspection and supervision administration of imported used mechanical and electronic products within their respective regions.

Article 4 Imported used mechanical and electronic products shall conform to the compulsory requirements in terms of safety, sanitation, fraud prevention, energy consumption and environmental protection, and the compulsory requirements of national technical regulations.

Article 5 The State shall implement the port inspection, inspection at final destination, and

supervision for used mechanical and electronic products. The pre-shipment inspection is required for the products with high risk, high value, and which involve human safety, human health and environmental protection. The list of used mechanical and electronic products required for pre-shipment inspection is created by AQSIQ and published on its website.

If the results of arrival inspection differ from the results of pre-shipment inspection, the results of arrival inspection shall prevail.

Article 6 The importer of used mechanical and electronic products shall be honest, take major responsibility for the quality of the products and the social responsibility to public.

Chapter II Pre-shipment Inspection

Article 7 For the imported used mechanical and electronic products which require the pre-shipment inspection, the consignee, shipper or their agents shall apply to the Inspection and Quarantine Institution or to an entrusted pre-shipment inspection institution. The pre-shipment inspection shall be done before the shipment.

Article 8 If the consignee, shipper or their agents apply to Inspection and Quarantine Institution for pre-shipment inspection, the Inspection and Quarantine Institution shall either arrange accordingly or send out inspector to implement the pre-shipment inspection for imported used mechanical and electronic products.

Article 9 The pre-shipment inspection institution shall carry out the pre-shipment inspection of imported used mechanical and electronic products according to compulsory requirements of the relevant technical national criteria.

The pre-shipment inspection is to:

- (1) Preliminarily evaluate the items of safety, sanitation, human health, environmental protection, fraud prevention and energy consumption, etc.;
- (2) Inspect whether the name, quantity, specifications, degree of depreciation or spoilage of the goods comply with those specified in the contract, invoice and other commercial documents;
- (3) Inspect whether the products include or is loaded with products which are prohibited to be imported.

Article 10 The pre-shipment inspection institution which is entrusted to execute pre-shipment inspection shall be honest and execute pre-shipment inspection according to the article 9 of this Decree and the other regulations of AQSIQ.

Article 11 The Inspection and Quarantine Institution or the pre-shipment inspection institution shall issue the certificate for pre-shipment inspection and enclose the inspection report when the activities of pre-shipment inspection are completed.

The inspection certificate and enclosed report shall comply with the following requirements:

- (1) Accurate inspection foundation (or reference), clear inspection situation, truthful inspection result;
- (2) Presence of unified and traceable number;
- (3) Inspection report shall include inspection foundation (or reference), inspected item, inspection results, signature of inspection institution and signature of authorized person, etc.;
- (4) The inspection certificate shall not contain the imported used mechanical and electronic products mentioned in the result and conclusion of the inspection report that violate the Article 4 of this Decree;
- (5) Inspection certificate and enclosed report shall be in Chinese. If it is in dual language, the Chinese shall prevail;
- (6) The inspection certificate shall have precise validity date. The validity date shall be set by the issuing institution depends on the situation of used mechanical and electronic products. Normally, it shall be half year or 1 year.

The inspection report for construction machinery shall, besides the above requirements, indicate one by one the following: name, HS code, model, production region, number of engine/body frame, production date (year), operation hours, inspection report, maintenance record, and verification of operations manual, etc.

Chapter III Arrival Inspection

Article 12 After the arrival of imported used mechanical and electronic products at the destination port, the consignee or its agent shall go through the formalities of the Inspection and Quarantine Institution with following documents:

- (1) Contracts, invoices, packing lists and bills of lading;
- (2) If the products are required for the pre-shipment inspection, pre-shipment inspection certificate and the enclosed inspection report issued by the Inspection and Quarantine Institution or the pre-shipment inspection institution.

Article 13 Upon acceptance of an inspection application, the Inspection and Quarantine Institution shall issue an approval for Customs Clearance indicating “imported used mechanical and electronic products”.

Article 14 The Inspection and Quarantine Institutions at the entry port shall execute the arrival inspection at port.

When the inspection is executed at arrival port, documents of application shall be inspected batch by batch, when necessary, the consistency between products and documents shall be verified at site.

The other inspections at port shall be executed according to the relevant regulations.

Article 15 The local Inspection and Quarantine Institution where imported used mechanical and electronic products will be finally used shall be responsible for inspection

at final destination.

Article 16 The arrival inspection at final destination is to: verify consistency, inspect safety, sanitation and environmental protection, etc.

(1) Consistency verification:

1. Verify whether the appearance and package of the products are incomplete or with defect;
2. Verify whether the name, specifications, mode, quantity, place of production and other actual product conditions comply with the documents of application and result of pre-shipment inspection;
3. Spot-check on the actual usage of imported used mechanical and electronic products, in particular for the ones imported via countertrade.

(2) Safety inspection:

1. Inspect the defect on the surface, safety marks, and warning signs of the product;
2. Inspect the electrical safety and machinery safety when the product is not operating;
3. Inspect the electrical safety, machinery safety, reliability and stability when the product is running.

(3) Inspection of sanitation and environmental protection:

1. Inspect whether the sanitation of the product, and food processing machinery and household electrical appliances which are related to food safety comply with relevant compulsory standards;
2. Inspect whether noise, dust content, radiation and emissions comply with standards when the product is running;
3. Inspect whether the product complies with the State standard of energy efficiency.

(4) Verify the effectiveness of the measures applied to the non-conformity found out during pre-shipment inspection; inspect the item which is not covered by pre-shipment inspection; when necessary, carry out random sampling of the items which have been inspected during pre-shipment inspection.

(5) Other inspections shall be executed according to the relevant regulations of same category of mechanical and electronic products.

Article 17 In the arrival inspection, if the imported used mechanical and electronic products do not comply with the requirements of life and property safety, sanitation or environmental protection, the Inspection and Quarantine Institution shall order the consignee to return or destroy the products, and then formally inform the customs in writing; if the products do not comply with other requirements, the not-compliant products can undergo second inspection after technical rectification under the supervision of the

Inspection and Quarantine Institution. The products can be sold or used if they pass the second inspection.

If the imported used mechanical and electronic product which fails in the arrival inspection is part of equipment set or a component of equipment set, the Inspection and Quarantine Institution shall issue a notification letter that forbid the use or the installation of such product. If the product undergoes a technical rectification and passes the second inspection of Inspection and Quarantine Institutions, it can be installed and used.

Chapter IV Supervision and Management

Article 18 AQSIQ and the Inspection and Quarantine Institution shall carry out the supervision and management of the consignee, importer, agents of consignee and importer, pre-shipment inspection institution, and other relevant activities.

Article 19 Inspection institution shall be responsible for the authenticity and accuracy of its pre-shipment inspection certificate and enclosed inspection report.

If certificates or enclosed reports violate the Article 11 of this Decree, resulting in serious consequences, AQSIQ or the Inspection and Quarantine Institution shall issued a warning bulletin and decide not to acknowledge the certificates and reports issued by the inspection institution for certain time period. The time period shall not exceed 3 years.

Article 20 The importer of imported used mechanical and electronic products shall establish a record system for import, sales and use. The system truthfully record product name, specification, amount, and other information such as delivery date, contact details of the exporter and the purchasers. The record shall be authentic and be kept for not less than 2 years.

The Inspection and Quarantine Institution can inspect the records of import, sales and use from importer within their respective regions.

Article 21 The Inspection and Quarantine Institution shall act according to the relevant regulations of risk alert and rapid reaction when quality and safety non-conformances of imported used mechanical and electronic products are found.

Article 22 The staff members of Inspection and Quarantine Institution have obligation to maintain the confidentiality of any commercial information which is known during their inspection and supervision.

The Inspection and Quarantine Institution, when perform its duties of inspection and supervision on imported used mechanical and electronic products, shall abide by the law, safeguard national interests, accept supervision from other parties, and execute law enforcement according to statutory duty and legal procedures.

Chapter V Legal Liability

Article 23 If imported used mechanical and electronic products are sold or used without inspection, the Inspection and Quarantine Institution shall confiscate the illegal income according to the *Regulations for the Implementation of the Law of the People's Republic of*

China on Import and Export Commodity Inspection, and impose a fine between 5% up to 20% of the value of the corresponding illegal products. When a crime is constituted, the criminal responsibility shall be investigated.

Article 24 If the imported used mechanical and electronic products are sold or used after failing the legal inspection, the random sampling, or the verification, the Inspection and Quarantine Institution shall, according to the *Regulations for the Implementation of the Law of the People's Republic of China on Import and Export Commodity Inspection*, order to stop selling and using the products, confiscate the illegal income and the illegal products, and impose a fine between 100% up to 300% of the value of the corresponding illegal products. When a crime is constituted, the criminal responsibility shall be investigated.

Article 25 If either the samples to be inspected or the approved samples are swapped without permission of Inspection and Quarantine Institution, the Inspection and Quarantine Institution shall, according to the *Regulations for the Implementation of the Law of the People's Republic of China on Import and Export Commodity Inspection*, issue an alert and order the confiscation; if the circumstances are serious, a fine not exceeding 1 million Yuan shall be imposed.

Article 26 If the consignee, agent company or other inspection applicants of imported used mechanical and electronic products obtain the relevant inspection certificates by not providing truthful product information, or by avoiding inspection for the products which are required for statutory inspection, the Inspection and Quarantine Institution shall, according to the *Regulations for the Implementation of the Law of the People's Republic of China on Import and Export Commodity Inspection*, confiscate the illegal income and impose a fine between 5% up to 20% of the value of the corresponding illegal products.

Article 27 The imported used mechanical and electronic products that are permitted by the State to be imported, but that have not undergone the required pre-shipment inspection, shall be returned according to the relevant national regulations. If the circumstances are serious, the Inspection and Quarantine Institution shall, according to the *Regulations for the Implementation of the Law of the People's Republic of China on Import and Export Commodity Inspection*, impose a fine not exceeding 1 million Yuan.

Article 28 If the pre-shipment inspection certificates or reports issued by Inspection and Quarantine Institution are forged, altered, bought, sold or stolen, or the forged or altered certificates or reports are used, when a crime is constituted, the criminal responsibility shall be investigated; if criminal penalty is not ascertained, the Inspection and Quarantine Institution shall, according to the *Regulations for the Implementation of the Law of the People's Republic of China on Import and Export Commodity Inspection*, order to make corrections, confiscate the illegal income and impose a fine not exceeding the value of corresponding illegal products.

Article 29 The staff members of the Inspection and Quarantine Institution, when implementing the duties and functions of inspection and supervision, shall enforce law impartially, be devoted to the duty, and shall not abuses their power, neglects their duty,

engages in illegalities for personal gain or by fraudulent means; If violation of the law or dereliction of duty is ascertained, liability shall be investigated in accordance with the law.

Chapter VI Supplementary Provisions

Article 30 The used mechanical and electronic products imported from special supervision area shall conform to this regulation.

Article 31 The animal and plant quarantine, and sanitary quarantine of imported used mechanical and electronic products shall be executed in accordance with the regulations of animal and plant quarantine, and regulation of sanitary quarantine.

Article 32 For the used mechanical and electronic products which are prohibited by the State to be imported, if they are imported they shall be returned or destroyed.

Article 33 The power to interpret these Measures shall remain with the AQSIQ.

Article 34 These Measures shall come into force from January 1st 2016. Simultaneously, it invalidates the *administration measures of inspection and supervision for the imported used mechanical and electronic products* and the *Procedure Regulation of inspection and supervision for the imported used mechanical and electronic products* published by AQSIQ respectively on December 31st 2002 and August 18th 2003.