Special Regulation No. 7

Concerning Customs Clearance, Phytosanitary Matters, Transportation and Handling of Goods

Beijing International Horticultural Exhibition Coordination Bureau

Article 1 Purpose

The purpose of this *Special Regulation* is, in accordance with the *Paris Convention of November 22nd*, *1928 relating to International Exhibitions*, as complemented and amended, and the *Customs Annex* of the *Paris Convention*, as well as Articles 27, 28, 29 and 37 of the *General Regulations* of the International Horticultural Exhibition 2019, Beijing, China (hereinafter referred to as the "Expo"), to specify the requirements for customs clearance, phytosanitary matters, transportation and handling of the Expo goods.

Article 2 Compliance with Laws and Regulations

- 1. All Official Participants shall comply with the *Paris Convention* relating to International Exhibitions signed on November 22nd, 1928 as amended and supplemented and the Customs Annex of the Paris Convention, the General Regulations and the Special Regulations of the Expo, the relevant laws, regulations, rules and standards of China, and the additional instructions and directives issued by the Organizer pursuant to the General Regulations and the Special Regulations of the Expo (hereinafter jointly referred to as "the Laws and Regulations").
- 2. The additional instructions and directives are issued by the Organizer to provide more information on related subjects and further specify the rights and obligations of the Organizer and the Official

Participants and shall be in conformity with the *General Regulations* and *Special Regulations*.

3. The Organizer shall provide Official Participants with documents and information related to the customs clearance, phytosanitary matters, transportation and handling of their goods according to the Laws and Regulations.

Article 3 Customs Clearance

- 1. Official Participants shall complete the customs clearance procedures of their goods as required by the Laws and Regulations.
- 2. Official Participants shall go through formalities for customs declaration and inspection for imports within a specified period of time as required by the Customs of China, the Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (hereinafter referred to as the AQSIQ), and the Organizer.

Article 4 Transportation and Handling of Goods

- 1. Official Participants shall manage the transportation and handling operations for the Expo-related goods according to the requirements of the Organizer.
- 2. The Official Participants may choose the logistic service providers designated by the Organizer or choose the carrier by themselves for

transporting their exhibits and goods to the Expo site (hereinafter referred to as "Expo Site"). As specified in Article 5.2 of this Special Regulation, transport costs from the Chinese national border to the Expo site shall be covered by the Organiser whether the Official Participants choose their own logistic service providers, or those designated by the Organiser. For the transportation of goods within the Expo Site, the Official Participants shall choose from the logistic service providers designated by the Organizer. Each Official Participant shall appoint a special representative in China responsible for matters related to the goods, and inform the Organizer of his/her name, address and contact information at least 60 days prior to the first shipment of goods.

Article 5 Taxes and Charges

- 1. According to the Laws and Regulations, Official Participants shall be responsible for the taxes and charges incurred in the process of entry and exit, transportation, customs clearance, inspection and quarantine, storage and handling of goods, except in the situation of temporary admission as provided for in Article 16 of this Special Regulation.
- 2. Official Participants shall, at their own cost, transport their exhibits and goods to the Chinese national border (dock, airport or other port designated by the Organizer), and after the Expo, reship the exhibits and goods from the said Chinese national border to their countries/regions.

Transport insurance related to the foresaid exhibits and goods shipment shall be borne by Official Participants. The round-trip cost of transporting the Official Participants' exhibits and goods from the foresaid Chinese national border to the designated storage area within the Expo Site shall be borne by the Organizer (charged at the local rates of China); however, cut flowers and plants on the exhibition stand which are sold in China shall be excluded. Transport insurance covering the exhibits and goods shipment from Chinese national border to the Expo site is to be borne by the carrier entrusted by the Organizer.

Article 6 Customs Clearance of Goods

- 1. The Customs of China and AQSIQ shall, respectively, be responsible for the customs declarations and the inspection and quarantine verification submitted by Official Participants. Depending on the volume of customs clearance requests, it will be determined whether or not to establish a customs area on the Expo site or next to the Expo site to facilitate the completion of customs procedures by Official Participants.
- 2. During the process of on-site examination made by the Customs and the Inspection and Quarantine Administration, the special representative appointed by the Official Participant shall be present to assist. The Organizer is authorized to process the goods on behalf of the

Official Participant, in the absence of the representative, and to this end to take all necessary and reasonable measures. The Official Participant concerned shall be responsible for the expenses and liabilities thus incurred.

3. The list of goods and articles related to the Expo, that are not for personal use and that have been brought to China by Official Participants' staff shall be submitted at least 45 days (different periods of time shall apply for plants) prior to their shipment for the necessary procedures in order to obtain the permission of the Customs and the AQSIQ at the entry port. Valid documents shall be presented at the time of entry, indicating that the goods and articles are related to the Expo.

Article 7 Transportation Plan and Arrangement

- 1. Each Official Participant shall submit in advance to the Organizer a detailed transportation plan for all goods to be used during the Expo (including the reshipping plan following the closing of the Expo). For goods to be transported from overseas, the transportation plan shall be submitted to the Organizer at least 45 days prior to the first shipment, while for domestic goods, at least 15 days prior to the first shipment. The Official Participant shall immediately inform the Organizer of any changes in transportation plan.
 - 2. For goods imported by sea and by air, the Official Participant shall,

prior to the shipping, provide the Organizer with additional information including names of the conveyance, voyage or flight numbers, shipping port and date, arrival port and date, reference numbers of transportation bills, dimensions and weight of the cargos, type of the packaging material as well as the names, contact information and other detailed information of the international freight forwarders concerned.

Article 8 Transportation of Dangerous Goods

The transportation of dangerous goods shall be subject to the Laws and Regulations, and the International Conventions and Treaties that China has concluded or acceded to.

Article 9 Packaging Requirements

- 1. The goods shall be packaged with cases or crates that are easy for use and re-shipping, and the items inside shall be fixed and supported.
- 2. The imported cargo with wood packing (including wood pallets) shall be subject to inspection and quarantine procedures according to the requirements of International Plant Protection Convention (IPPC) and shall be labeled with the IPPC mark.

Article 10 Labeling Instructions

1. Each piece of shipment shall be labeled at least on two sides of

the package with standard shipping marks, using standard metric units to indicate the dimensions and weight. For the goods to be uploaded, the locking point shall be marked; and for the goods of irregular shape, the gravity point shall be marked.

- 2. The shipping marks shall indicate information such as the title of the Expo, name of the Official Participant, contact person and his/her telephone number, the identity code of the Official Participant's exhibition area (the "Exhibition Area"), gross (net) weight, dimensions, package number, and country of origin.
- 3. For certain goods that require special handling, in addition to the above shipping marks, Official Participants shall strictly follow international conventions on package labeling by using special signs such as "Fragile" and "This Side Up".

Article 11 Documents for Customs Clearance

- 1. According to the Laws and Regulations, Official Participants shall submit the following documents for customs clearance:
- (1) two copies of the list of exhibits indicating the names of the imported plants and other goods, H.S. coding, quantity, value, style, model, and major parts and accessories;
 - (2) one original bill of lading or airway bill;
 - (3) one original packing certificate;

- (4) invoices;
- (5) packing list;
- (6) other documents for customs clearance as required by the Customs and the Inspection and Quarantine Administration.
- 2. The list of exhibits shall be submitted to the Organizer or the logistic service provider designated by the Organizer at least 30 days prior to the first shipment. Other documents for customs clearance shall be submitted at least 3 days prior to the arrival of goods.
- 3. In case there are catalogues, brochures, slides, CDs or promotional gifts in the shipment, the Official Participant shall submit to the Organizer two samples for each item, and the Organizer shall deliver these samples collectively to the relevant Chinese government departments for examination. The items which have not been approved by the Organizer cannot be included in the shipment. The Organizer reserves the right to refuse the entry of unapproved goods.

Article 12 Entry and Exit of Goods into and from the Expo Site

- 1. Entry and Exit of goods into and from the Expo Site shall be subject to the Organizer's directives on schedules, special routes and safety inspection, of which the details will be issued by the Organizer in a specified time.
 - 2. When goods are delivered to the Expo Site, the special

representative appointed by the Official Participant shall be present for supervision. In case of the absence of the representative, the Organizer shall appoint other personnel to supervise and store the goods temporarily in a warehouse at the expense and liability of the Official Participant concerned.

3. Exit of goods from the Expo Site shall be subject to the written approval in advance by the China Customs (the "Customs") and the Inspection and Quarantine Administration, and an exit permit issued by the Organizer shall be obtained.

Article 13 Handling Services

For exhibits that are heavy and oversized or that require special loading and positioning, the special representative appointed by the Official Participant shall be present at the Expo Site beforehand, provide a detailed layout diagram and superintend the loading and positioning. In case of the absence of the appointed representative, the logistic service provider may arrange the positioning according to the layout diagram provided by the Official Participant at the expense and liability of the Official Participant concerned.

Article 14 Storage Services

1. The Organizer shall establish warehouses within the Expo Site for

the storage of goods necessary for the exhibition and operation of Official Participants. The rates to be applied shall be consistent with the local market rate and expenses incurred shall be borne by the Official Participants concerned.

- 2. The empty packaging in the enclosed area of the Expo shall be collected, stored, and returned during exhibit removal to the Exhibition Areas by the logistic service provider designated by the Organizer. The Official Participant shall mark on the outside of the empty packaging its name, identity code of its Exhibition Area, contact person and his/her telephone number, and other relevant information. No objects shall be stored in the packaging set aside as empty, and the Official Participant shall be responsible for any risk and/or loss arising from the storage of objects in the empty packaging. Storage expenses of the empty packaging shall be borne by the Official Participants. Empty packaging left in the construction area will be removed and disposed of by the Organizer at the local market rate.
- 3. In case that Official Participants need to store or retrieve exhibits or other related objects during the Expo, the Organizer or the designated logistic service provider shall be informed to ensure that necessary warehousing arrangements will be made in a timely manner.

Article 15 On-site Support

- 1. During the duration of the Expo, the logistic service provider designated by the Organizer shall communicate in writing to Official Participants specific instructions for re-packing, re-shipping and retaining for sale of the goods during removal, promptly answer their questions in this regard, and in the meantime, for reference purposes, provide Official Participants with available voyage and flight schedules for re-shipping the exhibits.
- 2. Prior to the removal of exhibits, the logistic service provider designated by the Organizer shall complete the filing, as per the written instructions by Official Participants (a template of the written instruction will be delivered to Official Participants in advance), of the quantities of goods to be re-shipped, retained for sale, distributed, consumed, abandoned and discarded etc.

Article 16 Goods Imported on a Temporary Basis

1. According to the Customs Annex of the Paris Convention, the exhibits, supplies and equipment imported by Official Participants for the construction, installation, operation, maintenance and dismantling of their participation shall be treated as goods imported on a temporary basis. Those to be re-exported after the close of the Expo shall be exempted from customs duty and import VAT and those to be retained for use or

sale shall be subject to customs and inspection and quarantine procedures and applicable customs duty and import VAT as per regulations.

- 2. Exhibits referred to in paragraph 1 include:
- (1) Goods and items for display or demonstration during the Expo;
- (2) Goods and items required for demonstrating the exhibited machines or instruments;
- (3) Construction and decoration materials required by Official Participants for setting up the Exhibition Area;
- (4) Movies, slides, video tapes, audio tapes, instruction manuals, advertisements, CDs and display devices used for the demonstration and promotion of the exhibits.
 - 3. The supplies and equipment referred to in paragraph 1 include:
- (1) Imported equipment, instruments, supplies, transportation means and special vehicles required for the production of movies and TV programs managed by Official Participants or in cooperation with the Chinese government, organizations or corporations;
- (2) Imported supplies for games or performances, transportation means and special vehicles required for the presentation of Expo-related sports games or cultural events organized by Official Participants;
- (3) Imported equipment, instruments, tools, transportation means and special vehicles used for conducting scientific research, teaching activities related to the Expo.

If the said transportation means and special vehicles are not new, they shall be re-exported after the close of the Expo and shall not be retained for use or sale.

4. For the goods eligible for transport under the ATA Carnet as prescribed in the international conventions which China has entered into relating to the goods of temporary admission, the Customs shall accept and encourage the use of the ATA Carnet.

Article 17 Other Tax-free Circumstances

- 1. Promotional articles and samples provided by Official Participants and exclusively distributed to visitors for use or consumption free of charge within the Expo Site during the Expo shall be exempted from customs duty within a reasonable scope provided that the unit prices of such items are fairly low, they are not suitable for commercial purposes, and the Customs have determined their quantity and total value to be appropriate in regard to the nature of the Expo. A pertinent report shall be submitted by the Official Participant to the Customs after the close of the Expo.
- 2. The exemption of customs duty and import VAT for personal effects for the personnel of Official Participants shall be specified in Article 5 of Special Regulation No. 12 concerning Privileges and Advantages of Commissioners General of Section and their Staff.

Article 18 Taxable Imported Plants and Goods

The plants, goods and articles imported by Official Participants and sold in the commercial activities within their national sections shall be subject to applicable customs duty, import VAT and consumption tax (if applicable) based on different categories of goods.

Article 19 Goods Prohibited from Entry

As specified in the *List of Goods Prohibited from Import into the People's Republic of China* and other applicable Laws and Regulations, import of the following goods is prohibited:

- (1) arms, imitation arms, ammunitions and explosives of all kinds;
- (2) counterfeit currencies and negotiable securities;
- (3) printed materials, films, photos, A&V tapes and discs, CDs, laser discs, storage media for computers and other articles which are harmful to the political, economic, cultural and moral interests of China;
 - (4) deadly poison of all kinds;
- (5) opium, morphine, heroin, marijuana and other addictive drugs and psychotropic substances;
- (6) animals, plants and their products listed in the *Catalogues of the Animals, Plants and their Products Prohibited to be Carried or Posted into China* (including the exotic invasive species confirmed by the Ministry of Environmental Protection of China);

- (7) food, medicines and other articles coming from epidemic stricken areas and harmful to man and livestock or those capable of spreading diseases;
 - (8) jetton used in gambling games;
- (9) other goods and articles prohibited from importation by the Chinese government.

Article 20 Imported Animals and Plants and other Goods Which Need Approval

Pursuant to the Laws and Regulations, before the entry of the following imported animals, plants and goods, relevant approval certificates shall be obtained from the competent Chinese authorities:

(1) Approval of common imported plants and the competent approval authorities

Regarding seeds and seedling of the crops: Official Participants or their designated agents shall submit the request for import and quarantine of the seeds and seedling of the crops from the competent agriculture administration 6 months ahead of the opening of the Expo. At the time of entry, the Official Participants or their designated agents shall go through formalities for quarantine inspection conducted by the Inspection and Quarantine Administration at the port of entry to obtain the "Customs Clearance Bill for the Imported Goods" to complete the customs

clearance.

Regarding the plant seeds and nursery stock: Official Participants or their designated agents shall obtain in advance the "Quarantine Permit for Imported Plant Seeds, Nursery Stock and Other Propagating Materials" from the competent forestry administration before going through formalities for quarantine inspection conducted by the Inspection and Quarantine Administration at the port of entry. Official Participants will be allowed to participate in the Expo only after getting the permission of quarantine inspection and the corresponding "Customs Clearance Bill for the Imported Goods".

Regarding products of the plants: Official Participants or their designated agents shall obtain in advance the "Permission for the Quarantine of Animals and Plants" from General AQSIQ of China before going through formalities for quarantine inspection conducted by the AQSIQ at the port of entry and applying for the customs clearance.

(2) Approval of the plants prohibited from importation into China and the competent approval authorities

In order to obtain the "Special Permission for the Prohibited Plants and Country of Origin" indicated in the *Catalogue regarding the Plants Prohibited from Importation of People's Republic of China*, Official Participants or their designated agents shall in advance apply to the General Administration of Quality Supervision, Inspection and

Quarantine of the People's Republic of China for "Permission for the Quarantine of Animals and Plants" subject to the *Law of the People's Republic of China on Animal and Plant Quarantine during Entry and Exit of Chinese territory*, its implementing regulations and other Laws and Regulations as well as international conventions. In addition, "Permission for the Quarantine of Animals and Plants" is also required for the growing medium of the imported plants.

(3) Animals and their products

The entry and exit of animals and their products shall comply with the Law of the People's Republic of China on Animal and Plant Quarantine during Entry and Exit of Chinese territory, its implementing regulations and other Laws and Regulations as well as international conventions. Official Participants shall apply for the "Permission for the Quarantine of Animals and Plants" from General Administration of Quality Supervision, Inspection and Quarantine of China in advance. The Customs shall, as per the "Customs Clearance Bill for the Imported Goods" issued by the Inspection and Quarantine Administration, complete the examination and the customs clearance.

(4) Wild animals and plants

The entry and exit of wild animals and plants shall comply with the Chinese Laws and Regulations concerning the protection of wild animals and plants and with the relevant international conventions. The export of

wild animals and plants or their products which are subject to priority protection from China, the import or export of wild animals and plants or the products thereof whose import or export is restricted by international conventions to which China is a party, shall be approved by the State Council or the competent authorities of wildlife and wild plants under the State Council. An "import and export permit" issued by the National Administration of Import and Export of Endangered Species shall be obtained. The Customs and Inspection and AQSIQ shall clear the imports or exports upon examination and inspection and quarantine according to the import and export permit.

(5) Food and cosmetics

The entry and exit of food and cosmetics shall comply with the Laws and Regulations concerning the supervision of food and cosmetics. The food and cosmetics carried into China for self-use shall not be sold and shall be determined and released within a reasonable quantity by Chinese Customs. Pursuant to the Laws and Regulations, the food and cosmetics shall be subject to inspection and quarantine in advance if necessary. When the products exceed the reasonable quantity for personal use, Official Participants or their designated agents shall accomplish customs procedures with the Chinese Customs, using the "Customs Clearance Bill for Imported Goods" issued by the AQISQ.

(6) Medicine

The entry and exit of medicine shall comply with the Laws and Regulations concerning medicine control. The Customs shall, according to the valid permit or approval document issued by the drug administration departments of China, process and verify the imported and exported medicine.

(7) Photographic and video equipment

The photographic and video equipment brought in by Official Participants' reporters shall be processed for a temporary import permit by the Customs as per approval documents issued by the Information Department of the Chinese Ministry of Foreign Affairs, the Chinese Journalists Association, and the Foreign Affairs Office of Beijing Municipal Government, as well as the guarantee provided by the reception department. All equipment shall be re-exported promptly after the close of the Expo.

(8) Radio transmission equipment

The import of radio transmission equipment shall comply with the Laws and Regulations concerning telecommunication administration. At the time of entry of the imported radio transmission equipment, relevant formalities shall be conducted in accordance with the Administration Regulation of Radio of People's Republic of China. An import license must be obtained from the competent department of commerce of China upon verification of the approval documents. The Customs shall inspect

and release such equipment as per the import license.. Outside broadcast equipment shall require an additional approval document from the Chinese administrative department of radio and television broadcasting; Outside broadcast vehicles shall, at the point of entry into Chinese territory, be accompanied by the aforementioned documents and an additional approval document issued by the public security departments of China. Individuals are prohibited from carrying or mailing to China any radio or television transmission equipment or instruments.

(9) Ground receiving facilities for satellite television transmission

The entry and exit of ground receiving facilities for satellite television transmission shall comply with relevant provisions issued by the State Administration of Radio, Film and Television of China. For import of the said facilities, a certificate shall be obtained from the broadcast and television administrations of China, which shall then be processed and approved by the competent department of commerce of China. The Customs shall handle the procedures as per the approval document issued by such competent department of commerce. Individuals are prohibited from carrying or mailing to China any ground receiving facilities for satellite television transmission.

(10) Wood packing materials

The entry and exit of wood packing materials shall comply with the requirements of IPPC and the Laws and Regulations concerning

inspection and quarantine.

(11) Imported means of foreign transportation

The entry of means of foreign transportation shall comply with the Laws and Regulations.

(12) Religious printed materials and audiovisual products

As regulated by the Customs on the import and export of printed materials and audiovisual products, religious printed materials and audiovisual products carried or mailed to China shall be subject to Customs verification of the reasonable quantity for self-use. Religious printed materials and audiovisual products for distribution purpose are prohibited from entry.

(13) Used mechanical and electrical equipment

The used mechanical and electrical equipment imported for the purpose of the construction of the Expo shall comply with the laws and regulations concerning inspection and quarantine as well as inspection and supervision of used mechanical and electrical equipment, and shall be subject to inspection and supervision by Inspection and Quarantine Administration.

(14) Other goods which require approval pursuant to the Laws and Regulations.

Article 21 Re-exported Goods

Goods imported on a temporary basis and to be re-exported shall be exempted from customs duty, import VAT and consumption tax (if applicable). Official Participants shall complete procedures for re-export and cancellation of temporary admission according to the Laws and Regulations.

Article 22 Goods Transformed into Normal Imports

- 1. For goods imported on a temporary basis and not to be re-exported after the close of Expo due to the fact that they are damaged, lost or stolen, Official Participants shall submit to the Customs evidential documents for the above situations as required in the Laws and Regulations. A declaration shall be made to the Customs and Inspection and Quarantine Administration, for Customs examination and inspection and quarantine procedures; and import procedures under normal trade conditions shall be carried out.
- 2. For goods imported on a temporary basis that are retained for sale after the close of Expo, Official Participants shall make a declaration to the Customs and Inspection and Quarantine Administration 30 days prior to the close of Expo; and import procedures under normal trade conditions shall be carried out. For the goods subject to import licenses, valid import licenses shall be presented to the Customs as per regulations.

Article 23 Discarded, Returned, Damaged or Lost Goods

- 1. Upon approval of competent Customs authorities, exhibits or materials may be discarded by Official Participants. Goods packed in wood shall be submitted to the Inspection and Quarantine Administration for proceeding.
- 2. The imported plants are for the exhibition only and shall not be used for any other purpose after the Expo. Official Participants shall be responsible for destroying or returning the imported plants to the country they came from under the supervision of Inspection and Quarantine Administration or other competent quarantine department of agriculture or forestry administration, and bear all costs arising therefrom.
- 3. Where the goods are returned to the country they came from, Official Participants shall go through relevant formalities for return transporation and tax refund pursuant to the Laws and Regulations. The destroying of goods shall be conformity with the quarantine requirements by relevant Laws and Regulations. Official Participants shall make accurate declaration in terms of the quantities and values of goods to be locally destroyed, and undergo normal importation procedures. However, the customs duty, import VAT and consumption tax (if applicable) may be exempted, provided that they are verified by the Customs in advance, and are destroyed under the Customs supervision. In such circumstances, the Official Participant concerned shall be responsible for the removal of the

goods out of the Expo Site under the supervision of the Customs, and bear all costs arising therefrom.

4. Official Participants shall declare to the Customs and undergo normal importation procedures for goods lost or with less actual quantity than that on the exhibits list for unknown reasons, or goods disposed of by Official Participants without the Customs approval. However, taxes may be reduced or exempted for goods damaged or lost as a consequence of force majeure, which will be verified and confirmed by the Customs. Where the said goods are subject to permission, the corresponding permits shall be submitted to the Customs.

Article 24 Donations from Overseas

For imported articles donated by foreign governments or international organizations as gifts to the Organizer for use in Expo-related activities, the Organizer shall submit to the Customs a written application, along with a letter by the donating government or organization, a "Certificate for the articles Donated by Foreign Governments or International Organizations and those Imported by China for the Performance of International Treaties" issued by the competent authority of Chinese government, and a list of the imported goods. The imported goods that satisfy the above conditions shall be abated or exempted from customs duty, while other donated goods shall be subject

to the applicable Laws and Regulations.

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Article 25 VAT Procedures

The Organizer shall refund the VAT paid by the Official Participants in their procurement in China of the following goods to be used in construction and exhibition, except those to be sold in China following the close of the Expo:

- (1) Construction materials necessary for the construction, exhibition, and operation;
- (2) Equipment and office supplies necessary for the construction, exhibition, dismantlement and operation.

The Organizer will issue the specific procedure of the said VAT refund separately.