

A red truck is parked on a paved area, its bed filled with green cabbages. A large green tarp covers the top of the load. Several people are visible: one in the driver's seat, one standing by the front of the truck, and others in the foreground. In the background, there are modern buildings, one with the Chinese characters '世贸西城' (World Trade West City) on its facade.

# Regulatory and procedural measures in trade: Views of SMES and regulatory agencies

Case study: Importation of fresh fruits  
from Viet Nam to P.R. China

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Pingxiang, PRC

# SCOPE OF THE STUDY

- Understanding key regulatory and procedural barriers to trade through the intuitive views of the main actors in the border trade supply chain;
- Establishing a simple/easy to grasp representation of Business Processes and Regulatory activities underpinning supply chain operations in the agro-food sector.

# SCOPE OF THE STUDY

**Desk research:** Review Laws, regulations, and processes related to the import-export of the agriculture goods

**Actor interviewers:** Interviewers seek to obtain preliminary data and explore issues emerging from the discussions

	Number of interviewees		
Interview actors	PRC	Viet Nam	Total (by actor)
Traders (Exporters and Importers)	3	4	7
Border control agencies	1	4	5
Customs authorities	1	-	1
Service providers	1	-	1
<b>Total by country</b>	<b>6</b>	<b>8</b>	<b>14</b>

# INTERVIEWEE PROFILE

## Trader's profile

- **Company size:** SMEs (20 – 25 employees);
- **Import & Export experiences:** More than 5 years;
- **Trade sector:** Fresh fruits, Spices and Coffee
- **Import & Export countries:** PRC, Viet Nam, Thailand, Netherlands, France
- **Operation border:** Ping Xiang – Lang Son border and others

## Border control agencies

- Pingxiang Exit and Entry Quarantine and Inspection Bureau
- Lang Son Sub- Department of Animal Quarantine and Inspection, Viet Nam
- Agro Processing and Market Development, Viet Nam
- National Agro Forestry Fisheries Quality Assurance Department, Viet Nam
- Plant Protection Department, Viet Nam

## Customs authorities

- Customs Clearance Management Section, PRC

## Service providers:

- **Activity:** Customs service, Freight forwarding service, and truck operations;
- **Service sector:** PRC – Viet Nam: Apple & Pear;  
Viet Nam - PRC: Dragon fruit & Watermelon  
Thailand – PRC: Durian
- **Operation border:** Ping Xiang – Lang Son and other

# GOVERNMENT AGENCIES INVOLVED IN CONTROL OPERATIONS AT THE PINGXIANG – LANG SON BORDER

## P.R. CHINA

- Exit and Entry Frontier Inspection, Ministry of Police;
- Quarantine and Inspection, AQSIQ;
- Customs, General Administration of Customs;
- Bureau of industry and commerce, Ministry of Commerce;
- Free Trade Zone Management,
- Provincial government

## VIET NAM

- Border Guard, Vietnam Border Defense Force
- Quarantine and Inspection, Ministry of Agriculture and Rural Development;
- Customs, Ministry of Finance;
- Ministry of Industry & Trade
- Ministry of Health

# CORE BUSINESS PROCESS: IMPORTATION OF FRESH FRUITS FROM VIET NAM TO P.R. CHINA

## 2. SHIP

### 1. BUY

1.1. Agree and sign Contract

### 3. PLAY

3.1. Payment according to the Invoice

2.1. . Obtaining certificate of Origin

2.2. Obtaining Sanitary certificate

2.3. Loading the goods to vehicle

2.4. Commodity inspection

2.5. Customs declaration and clearance

2.6. Release

2.7. Import & Customs registration

2.8. Commodity inspection

2.9. Customs declaration

2.10. Documents submission

2.11. Tax levy and exemption

2.12. Release

Joint inspection

Future single window system

# DOCUMENTARY REQUIREMENTS FOR TRADE: IMPORTATION OF FRESH FRUITS FROM VIET NAM TO P.R. CHINA



Documentary requirements for the importation of fresh fruits from Viet Nam to P.R. China under the current customs regimes are limited to 6 types of documents, except for cases specified in Customs Code:

- **Contract:** Commercial contract, Invoice, and Packing list
- **Import – Export declaration:** Import & export's registration number, Import Permit, etc.
- **Transport documents:** Bill of Lading (B/L)
- **Confirmation of Origin:** Certificate of Origin (C/O)
- **Technical documents:** Phytosanitary Certificate, etc.
- **Payment documents:** Customs Clearance Declaration, Taxes payment

# DOCUMENTARY REQUIREMENTS FOR TRADE

Document Name	Link	Cost Estimate (USD)	Time Estimate (Days)
Annex Form HQ/2015/PLXX			
Application Form (Form 02 TS)	• <a href="#">VIE_Applicant form (Form 02 TS).pdf</a>		
Application For Import Quotas	• <a href="#">VIE_APPLICATION FOR IMPORT QUOTAS.pdf</a>		
Application Form (Form 01 TS)	• <a href="#">VIE_Application form (Form 01 TS).pdf</a>		
Certificate of Origin (C/O)	• <a href="#">VIE_Certificate of Origin (CO).pdf</a>		3
Certification Of Eligibility To Rice Export Business	• <a href="#">VIE_Certification of eligibility to rice export business.pdf</a>		
Customs Clearance Declaration	• <a href="#">VIE_CUSTOM CLEARANCE DECLARATION.pdf</a>		
Export Customs Declaration (E-Form HQ/2015/XX)	• <a href="#">VIE_E-Form HQ2015XX.pdf</a>	1	10
Form 27/THCT-KML/GSQL Appendix V of Circular 38/2015/TT-BTC	• <a href="#">VIE_Form 27_THCT_KML_GSQL Appendix V of Circular 38_2015_TT-BTC.pdf</a>		

**PRC:** [http://www.gmswga.org/itrade-new?itrade\\_commodity\\_group=72&itrade\\_standard\\_type=217&country=26&destination=24&countries=26%2B24](http://www.gmswga.org/itrade-new?itrade_commodity_group=72&itrade_standard_type=217&country=26&destination=24&countries=26%2B24)

## Viet Nam:

[http://www.gmswga.org/itrade-new?itrade\\_commodity\\_group=68&itrade\\_standard\\_type=217&country=24&destination=26&countries=24%2B26](http://www.gmswga.org/itrade-new?itrade_commodity_group=68&itrade_standard_type=217&country=24&destination=26&countries=24%2B26)

**Things You Need to Download, Prepare and Submit**

**Import-Export Documents**

Document Name	Link	Cost Estimate (USD)	Time Estimate (Days)	Issued By
Certificate of Origin according to Asia-Pacific Trade Agreement (Form B)	• <a href="#">PRC_Certificate of Origin according to Asia-Pacific Trade Agreement (Form B).pdf</a>		2	General Administration of Quality Supervision Inspection and Quarantine of PRC (AQSIQ), China Council for the Promotion of International Trade (CCPIT)
Certificate of Origin according to Asia-Pacific Trade Agreement (Form B)	• <a href="#">PRC_Certificate of Origin according to Asia-Pacific Trade Agreement (Form B).pdf</a>		2	General Administration of Quality Supervision Inspection and Quarantine of PRC (AQSIQ), China Council for the Promotion of International Trade (CCPIT)
Customs Clearance Declaration (PRC)				Ministry of Finance (PRC)
General Certificate of Origin (CO)	• <a href="#">PRC_General Certificate of Origin.pdf</a>		2	General Administration of Quality Supervision Inspection and Quarantine of PRC (AQSIQ), China Council for the Promotion of International Trade (CCPIT)
General Certificate of Origin (CO)	• <a href="#">PRC_General Certificate of Origin.pdf</a>		2	General Administration of Quality Supervision Inspection and Quarantine of PRC (AQSIQ), China Council for the Promotion of International Trade (CCPIT)
Generalized System of Preferences Certificate of Origin (Form A)	• <a href="#">PRC_Form A Generalized System of Preferences Certificate of Origin.pdf</a>		2	General Administration of Quality Supervision Inspection and Quarantine of PRC (AQSIQ)



# DOCUMENTARY REQUIREMENTS FOR TRADE

The majority of interviewed traders (PRC and Viet Nam) engage the forwarding agents and customs brokers for the paperwork and customs clearance in order to cross the border in a time and cost efficient manner. Only a few of them prepare and submit the paperwork and carry on the customs clearance by themselves.

More details at:

- **PRC:** [http://www.gmswga.org/itrade-new?itrade\\_commodity\\_group=72&itrade\\_standard\\_type=217&country=26&destination=24&countries=26%2B24](http://www.gmswga.org/itrade-new?itrade_commodity_group=72&itrade_standard_type=217&country=26&destination=24&countries=26%2B24)
- **Viet Nam:** [http://www.gmswga.org/itrade-new?itrade\\_commodity\\_group=68&itrade\\_standard\\_type=217&country=24&destination=26&countries=24%2B26](http://www.gmswga.org/itrade-new?itrade_commodity_group=68&itrade_standard_type=217&country=24&destination=26&countries=24%2B26)

The image displays two screenshots of the AINS website, showing the 'Service Providers' section for 'Cargo and Shipping Agents'. The website header includes the AINS logo and navigation links: Home, AINS, Events, News and Blogs, CASP 2, Strategy, Tools, and Contact Us. The 'Service Providers' section is titled 'Cargo and Shipping Agents' and contains a table with the following columns: Agent Name, Country of Operation, Services, and Website.

Agent Name	Country of Operation	Services	Website
C.S Transport Co Ltd	Cambodia People's Republic of China Lao PDR Thailand Myanmar Viet Nam	Logistics	<a href="http://www.cstransport.com">http://www.cstransport.com</a>
CNT Transport I CNL Global Co.,Ltd.	Cambodia People's Republic of China	Logistics	<a href="http://www.comesthailand.net">http://www.comesthailand.net</a>
C.S Transport Co Ltd	Cambodia People's Republic of China Lao PDR Thailand Myanmar Viet Nam	Logistics	<a href="http://www.cstransport.com">http://www.cstransport.com</a>
CNT Transport I CNL Global Co.,Ltd.	Cambodia People's Republic of China Lao PDR Thailand Myanmar Viet Nam	Logistics	<a href="http://www.comesthailand.net">http://www.comesthailand.net</a>
Comex Lao	Cambodia People's Republic of China Lao PDR Thailand Myanmar Viet Nam	Logistics	<a href="http://www.comesthailand.net">http://www.comesthailand.net</a>
ComexThailand	Cambodia People's Republic of China Lao PDR Thailand	Logistics	<a href="http://www.comesthailand.net">http://www.comesthailand.net</a>

# BUSINESS PROCESS BOTTLENECKS IN PINGXIANG – LANG SON BORDER

Type of Business Process	Procedures		Documentary Requirements		Regulations		Transport and Logistics Services		Ranking of importance	
	PRC	VIE	PRC	VIE	PRC	VIE	PRC	VIE	PRC	VIE
Obtaining information on trade-related procedures and documentary	0	2	0	2	0	2	0	0	0	6/8
Establishing a commercial sales contract	0	0	0	0	0	0	0	0	0	0
Obtaining import/export license	0	-	0	0	0	0	0	0	0	0
Obtaining documentary requirements	0	0	0	0	0	0	0	0	0	0
Customs clearance	0	0	0	0	0	0	0	0	0	0
Payment of trade taxes	0	0	0	0	0	0	0	0	0	0
Transport of goods	2	0	2	0	2	0	2	2	8/8	2/8

*Note: 0=not relevant, 1= somewhat important, 2= very important*

# BUSINESS PROCESS BOTTLENECKS IN PINGXIANG – LANG SON BORDER

## P.R. China

For the P.R. China traders and service providers points of view, the bottleneck of trade in Pingxiang – Lang Son border seems to be:

- **A transportation and transportation-related conditions:** The large volume of goods are frequently stuck at the freight yard (especially during the festival seasons) due to:
  - The limited capacity of freight yard and border facilities;
  - The Quarantine and Customs officers work on fixed hours. The import-export during the weekend needs an advance request (but not often approved);
  - The electronic equipment at border control sometimes does not work and delays transport;
  - The Customs sheet attached outside of the container sometimes loss and the customs officers sometimes refuses to release the container.
- **Problem in trade financing:** Both national and foreign partners is trading on credit, and can't gain payment in time, which results the losses of profit due to the bad integrity of trading partners;

# BUSINESS PROCESS BOTTLENECKS IN PINGXIANG – LANG SON BORDER

## Viet Nam

For the Viet Nam traders and government officers points of view, the bottleneck of trade in Pingxiang – Lang Son border seem to be:

- **Obtaining information on trade-related procedures and documentary:** PRC Trade-related regulation and documentary are unstable and changeable without notice. It delayed the customs clearance and border crossing. Sometimes the goods can't cross the border in time. Traders have to abandon their goods (frequently cases of fresh fruits and vegetable);
- **Limit capacity and facilities of the transport and logistics services:** The transport and logistics services have a limited capacity and facilities of cold chain storage for perishable products (fresh fruits and vegetable, frozen products, etc.);
- **Problem in trade financing:** Small traders have limited financial ability to comply with the PRC's trade regulations, e.g.. the high costs of paperwork that they can not afford.





# AGRICULTURE INFORMATION NETWORK SERVICE V 2.0

- Piloted mobile-ready agriculture information network services (AINS) & application of social network (WeChat for PRC & FB for other GMS)

## Agriculture Information Network Service (AINS) v2.0



- iTRADE is a digital information sharing platform under the Agriculture Information Network Services (AINS v 2.0) developed in July 2017. This is designed to be a tool for smallholder farmers and SMEs in the GMS who are interested in trade of safe and environment-friendly agriculture products (SEAP)

# AGRICULTURE INFORMATION NETWORK SERVICE V 2.0



## UNDERSTAND REGULATORY MEASURES

Repository of Laws and Regulations in  
trade in the GMS



## FIND YOUR SEAP PARTNER & NETWORK

Directory of more than 300 SEAP and  
services from the GMS



## BECOME SEAP PRODUCERS

Directory of SEAP Standards and  
certification agents in the GMS



## FIND YOUR SERVICE PROVIDERS

Directory of service providers (Food safety  
laboratory testing agents, freight forwarding  
agents, custom's broker, etc.) in the GMS

More information available at: <http://www.gmswga.org/itrade-new>

**Implementing Partners:** GMS Ministries of Agriculture





**THANK YOU !**