## New Rules on China's Cross Border E-commerce

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The Chinese government made a number of amendments to the regulation of Cross Border Ecommerce (hereafter CBEC) in the country recently, including a new tax policy and a list of products authorised to be imported via CBEC.

Both amendments can affect all participants in the supply chain of imported products through CBEC into China, from suppliers and traders in the EU, to online platforms registered to trade with imported products via CBEC. The amendments have created some confusion, however it takes longer time to evaluate the impact as the new rules are carried out.

Despite the existence in the past of some kind of loopholes that apparently allowed certain product categories to access the Chinese market via CBEC with less restrictions than through normal commercial imports, we always recommend European SMEs to strictly adhere to China's normative, even if loopholes exist. Those loopholes, by its nature, tend to be temporary, and a sound long term strategy to sell to the Chinese consumers cannot be trusted to a fleeting or fuzzy normative.

The EU SME Centre has translated the list of products authorised to be imported via CBEC in English. Download it here.

For the original list in Chinese, find it <u>here</u>, which is sorted by HS Code. Product categories not in the list are excluded from CBEC.

For the Notice on Import Tax Policies for Retail of Cross-border E-commerce, please check the posts here or here in the Centre's LinkedIn Group.

A more comprehensive document will be available once the new system is deployed, so stay tuned. At the moment, it is too early to see if the lack of some products in the list is definite.

For further information about the new rules, contact our experts.