

# DHL CHINA FACT SHEET

## COUNTRY OVERVIEW

It seems impossible to discuss or describe any aspect of China without reaching for an adjective such as largest, fastest or biggest.

It has, to take just a few examples, the world's largest population (around 1.3 billion). It has the world's fastest growing economy and is the biggest exporter. It is also the world's largest consumer of energy and is home to twenty of the thirty most polluted cities on earth. At the same time it is the world's largest generator of wind energy.

Today it seems as though everything is 'made in China'. Whilst that is not strictly true, it has certainly founded its success on being able to produce (or assemble) certain types of product - such as toys, computers, electrical items and clothing – quicker, cheaper and in larger quantities than anyone else. Many western companies, particularly those who use China as a manufacturing centre and import the finished items, have of course benefited enormously from this.

But while China's manufacturing and exporting capabilities are usually the main talking point, it should also be considered that China is the world's second largest importer. A modern, automated Chinese factory often includes shiny new machines that are European made and the increasingly affluent Chinese middle classes inevitably have a desire for western products and services. China is now the second biggest consumer of luxury goods, second only to Japan.

And even though the Chinese authorities are looking to reduce the country's reliance on exports and increase its low domestic demand – to start selling to itself, in other words - China will remain a massively attractive and important market for UK exporters and importers alike.

Sources: National Geographic, CIA, BBC



### China: Country Profile

|            |  |
|------------|--|
| Capital    | Beijing  |
| Population | 1.3 billion (Source: CIA - estimate July 2011) |
| Currency   | Renminbi Yuan (RMB or CNY)                     |
| Time Zones | 5 Zones: GMT+5.5, GMT+6, GMT+7, GMT+8, GMT+8.5 |

### DHL FACTS

Gateways into the country: 8

Number of Service Centres: 47

DHL Delivery Zone: 8

#### Delivery:

DHL Express operates in partnership with Sinotrans (China National Foreign Trade Transportation (Group) Corporation). DHL-Sinotrans has operated since 1986 and is recognised as the market leader within the Chinese Express and Logistics industry.

#### Invoicing:

Exports and Imports are billed in Pounds Sterling in the UK.

### Transit Times

The time taken to clear Customs is affected by the dutiable value of the shipment. Clearance by the Chinese Customs authorities can be a slow process and therefore additional time is allowed in the guide transit times below.

#### UK to China - Example Transit Times

|           |   |
|-----------|---|
| Beijing   | Documents: 2-3 days<br>Dutiable Shipments: 4-8 days |
| Shanghai  | Documents: 2-3 days<br>Dutiable Shipments: 4-6 days |
| Wuhan     | Documents: 3 days<br>Dutiable Shipments: 5-6 days   |
| Chengdu   | Documents: 3 days<br>Dutiable: 5-6 days             |
| Shenzhen  | Documents: 3 days<br>Dutiable Shipments: 5-6 days   |
| Guangzhou | Documents: 3 days<br>Dutiable Shipments: 5-6 days   |
| Hong Kong | Documents: 2 days<br>Dutiable Shipments: 2 days     |
| Macau     | Documents: 2 days<br>Dutiable Shipments: 2-3 days   |



## EXPORTING TO CHINA

### ESSENTIAL CUSTOMS INFORMATION

To avoid delays when sending to and from China, you should ensure that your documentation always contains the following information:

1. All Importers/Exporters in China must be registered with Customs. Make sure that your customer/supplier's Customs Registration number (CR Number) is stated on your Customs declaration forms and ideally on your Pro-Forma/Commercial Invoice.
2. All non-document shipments require a complete and full description of the contents, plus the relevant Harmonised System Code (HS Code) on the Customs declaration form and ideally on your Pro-Forma/Commercial invoice. HS Codes are standardised commodity codes that accurately and precisely describe the contents of the shipment. HS codes can be determined at [Business Link – UK Trade Tariff](#)
3. All Commercial Invoices must be typed.
4. With the exception of personal effects, all shipments must be sent to a company. The destination postcode, consignee (receiver) contact name and phone number must be stated.
5. Power of Attorney (POA) to allow DHL to act on your customer or supplier's behalf needs to be provided by the consignee (recipient/supplier) to DHL in China.

#### DUTY FREE ALLOWANCE

If the duty amount is less than CNY50.00, the shipment is deemed as deminimis (so duty will not be charged)

#### PROHIBITED ITEMS SPECIFIC TO CHINA

DHL's standard list of prohibited items also applies.

- Animal skins
- Antiques
- Asbestos
- Biological Substance Cat B, UN3373
- Dangerous goods, hazardous or combustible materials
- Firearms, parts of
- Furs
- Gambling devices
- Ivory
- Jewellery
- Military equipment
- Perishables
- Personal mail (unless sent as non-document to a foreign student, tourist or chief representative who can present a non-Chinese passport)
- Pornography
- Precious metals and stones
- Radar equipment

#### RESTRICTED ITEMS SPECIFIC TO CHINA

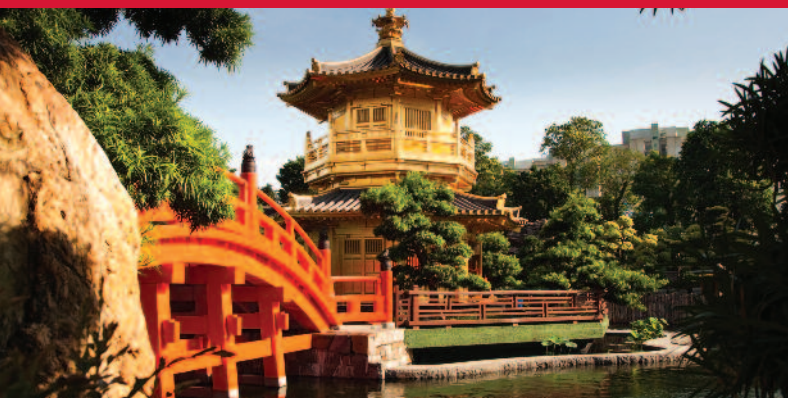
If you intend to send any of the items listed below, please contact DHL Customer Services to confirm the restriction in place by the Chinese authorities.

- Alcoholic beverages
- Communications equipment
- Compact disc
- Computer components and parts
- Cosmetics
- Diplomatic mail
- Diskettes
- Drugs: non-prescription
- Drugs: prescription
- Foodstuffs
- Grain samples
- Mobile phones, accessories and components
- Parts, machine and electronic
- Personal effects
- Plants
- Seeds
- Ship spares
- Tapes: computer
- Tapes: video cassettes
- Telecommunication equipment
- Tobacco
- Used machinery, electrical products and clothing

#### HONG KONG AND MACAU

Hong Kong and Macau are Special Administrative Regions (SAR) of China where taxes are not applied to any goods except alcohol and tobacco products, in effect giving a duty free status to the majority of goods. Different prohibited and restricted goods regulations apply; please contact DHL Customer Services for details.





## CUSTOMS CLEARANCE CLASSIFICATIONS

### Documents

Document shipments are not subject to duty and clear Customs upon arrival.

Please note that Personal Mail cannot be sent as a document, see 'Prohibited Items'.

### Personal Effects

Can be sent from individual to individual only, up to a value of CNY800.00 from Hong Kong / Taiwan / Macau and CNY1,000.00 from other destinations. Personal ID or a copy of the consignee's (recipient's) passport along with a letter of explanation should be provided. Personal Effects Declaration Form should be completed. For unaccompanied baggage, Stamped Baggage Declaration Form must be completed.

### Samples and Advertising

For samples, the word 'SAMPLE' must be stated on each individual Waybill, Commercial invoice and any other documentation. Shipments valued under CNY5,000 where the duty is under CNY50.00 are exempt from charges. For shipments valued under CNY5,000 but with a duty value above CNY50.00 licenses are not required, but duty will be charged.

### General Shipments

Import licenses are required for shipments valued over CNY5,000.00. A general trade shipment with payment terms shown on the commercial invoice may be accepted. For shipments of all values in this category, duty is applicable.

DHL or your Customs broker will complete the relevant Customs declarations based on the classification of your goods.

### Exporting – Duties and Taxes Payable

- **Import VAT:** Standard rate for importing into China is 17%. A lower rate of 13% applies to goods such as books, newspapers and other goods as decided by the State Council. Small scale taxpayers are charged a special rate of 6% for certain goods.
- **Import Duties:** The rate of duty depends on the type of goods shipped, and to a lesser extent the country of origin. The Applied Tariff database facility on the European Commission's [Market Access](#) website can be used to confirm the applicable duty, which is calculated based on the CIF value (Cost of goods + insurance + freight/shipping charges)

## ESSENTIAL PAPERWORK

### 1. DHL Waybill

#### 2. Commercial or Pro-Forma Invoice (for all non-document shipments)

- Invoice number, date and place of issue
- Name and address of the seller/consignor (shipper) with full contact details and EORI / VAT number
- Name and address of the consignee (receiver), with full contact details and Customs Registration Number (CR Number)
- Country of origin (of goods)
- Terms of delivery and payment (INCO terms)
- Exact description of goods, with reference to HS Tariff Code
- Marks, numbers and types of packages
- Quantity of goods
- Unit prices and amounts, including nett and gross weight
- Total value of goods
- Currency
- Export license number for UK regulations, if applicable, or state 'No License Required'
- Import license number, if applicable for China
- Signed – and stamped if applicable

### 3. Evidence of Value

It's good practice to include evidence of the shipment's value to help prevent a dispute over the declared value. Acceptable evidence includes:

- Manufacturer's International Price List or Internet Price List
- Purchase Order from customer
- Product literature
- Manual and Catalogue, write ups or Technical Literature for laboratory or electronic equipment

### 4. Packing List (signed)

This is mandatory for all general shipments valued over CNY5,000.00, consisting of more than 2 pieces and weighing over 100kg

### 5. Any applicable Import License/Permit

#### 6. Power of Attorney (POA) – Letter of Authority

This must be given by the consignee (recipient) to DHL in China to act on their behalf, and clear the shipment through Customs. It must be an original copy. Once on file this can be retained for future shipments.

Advice on shipping to China, license requirements and specific information can be found at:

[Business Link – Trading with China](#)  
[UK Trade and Investment – China](#)

# IMPORTING FROM CHINA

## ESSENTIAL CUSTOMS INFORMATION

To commercially import into the UK, the importer must be in possession of an Economic Operator Registration Number (EORI), issued by HM Revenue and Customs. Guidance and application forms can be found here:

[HM Revenue & Customs – EORI Scheme](#)

General guidance regarding importing into the UK, including restricted items can be found here:

[Business Link – Import and Export Procedures](#)

### Importing – Duties and Taxes Payable

The applicable duty rates can be found here: [Business Link – UK Trade Tariff](#)

Most goods being imported into the UK from China are subject to the full rate of Customs duty, and the applicable VAT rate. In addition, many products manufactured in China are subject to anti-dumping measures and so may require the payment of high additional duties.



## ESSENTIAL PAPERWORK

To Import from China, the following documentation is usually required for Customs clearance in China:

### 1. DHL Waybill

### 2. Commercial Invoice

The minimal information required is:

- Name and address of the seller including contact details
- Name and address of the consignee (receiver), including contact details, with EORI or VAT registration number wherever possible
- Name and address of the buyer / importer, if other than the consignee, with EORI or VAT registration number wherever possible
- Place and date of issue
- Invoice number
- Country of origin
- Terms of delivery and payment (INCOTERMS)
- Marks and numbers, number and type of packages,
- Exact description of goods, with reference to HS tariff Code
- Quantity of goods
- Unit prices and amounts, including net and gross weight
- Import licence number, if applicable
- Signed - and stamped if applicable

Please note that some non-hazardous chemicals may require additional certification from the Chinese authorities in order for Customs clearance to be given.

### 3. Power of Attorney (POA) - Letter of Authority

This must be given by the sender to DHL in China to act on their behalf and clear the shipment through Customs. It must be an original copy. Once on file this can be retained for future shipments.

## FOR FURTHER INFORMATION

Please contact your Account Manager

Contact Customer Services on  
**0844 248 0844**

[Go to www.dhl.co.uk](http://www.dhl.co.uk)  
[Customs Support online](#)

The UK Trade Tariff can be used to confirm commodity codes, termed Harmonised System (HS) codes. HS codes provide a standardised goods description.

[Business Link – UK Trade Tariff](#)

Business Link has information on how to confirm if your goods require an Export License, and how to obtain any relevant licenses.

[Business Link – Do You Need an Export or Import Licence?](#)

Support with shipping to China, license requirements and specific advice can be found at:

[UK Trade and Investment – China](#)

[Business Link – Getting Ready to Export to Individual Countries](#)

For applicable duty rates when importing into the UK:

[Business Link – UK Trade Tariff](#)

For information on International Commercial Terms (INCOTERMS):

[Business Link – INCOTERMS](#)