

HOW TO EXPORT TO CHINA TUTORIAL



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How this guide works and how to make the best of it

The How to Export to China Tutorial is an interactive PDF document. It is highly recommended to use the latest Adobe Acrobat Reader version available. This tutorial can also be read in several tablets (iOS and Android included) with the latest PDF reader apps. On this simple guide we will teach you how to navigate through it.

1. Flowchart

Exporting to China is a process that must follow several basic steps. These steps are described in the flowchart. By clicking on each of the elements of the flowchart, you'll be drawn to information that describes that particular step.

Whenever you are done reading that section, you can always jump back to the flowchart by clicking on the button located at the bottom of the page.

BACK TO
FLOWCHART



2. Main index and Section index

The main index on this document and all indexes that precede each section are active links, which by clicking on them will take you to the particular section you have chosen.

3. Color tabs

The document shows at the top of each page on which of the sections you are located. The following image shows the banner that you will see on top of the page that indicates the step that you are on.

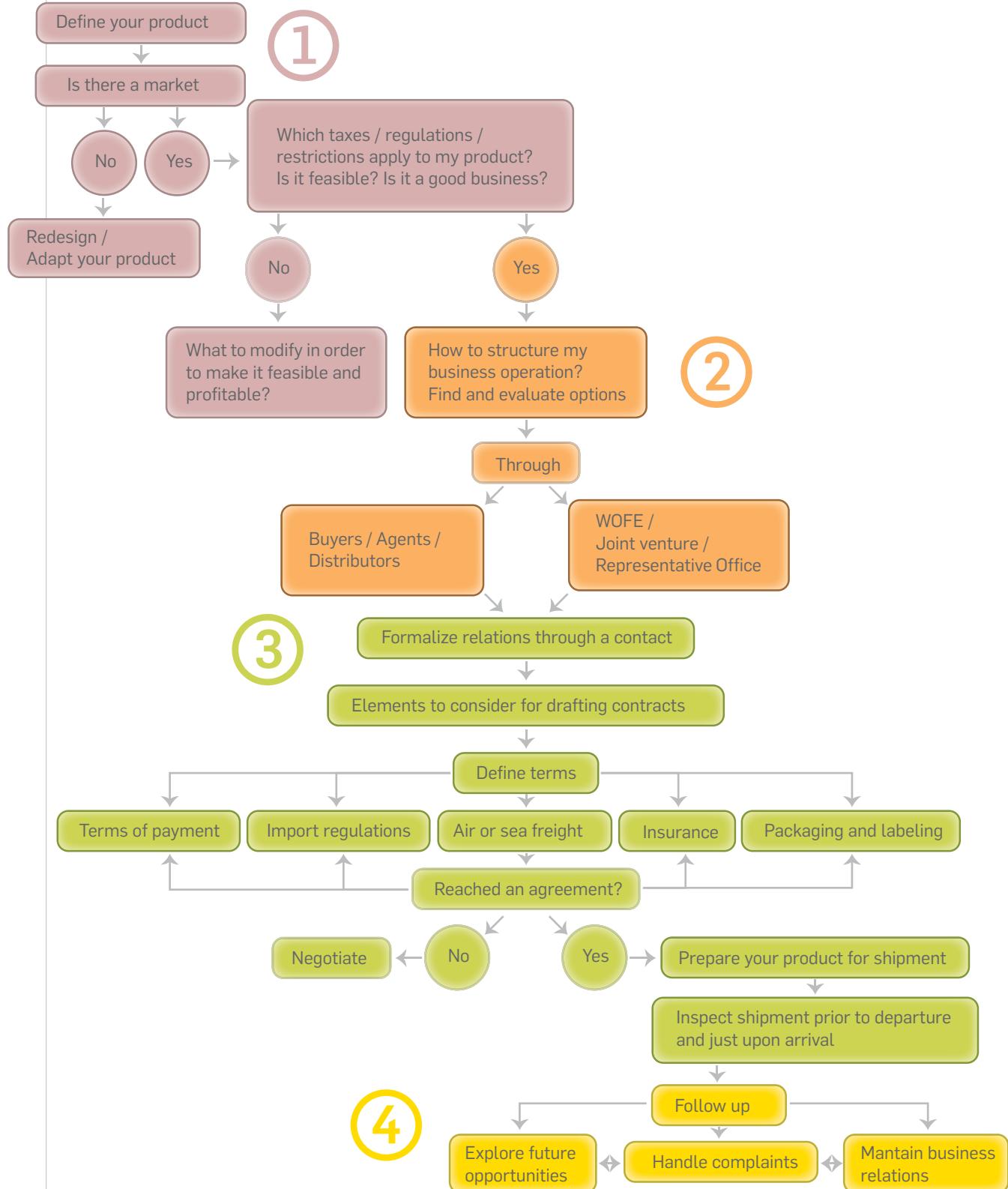
4. Profiles of different countries and their trade relations with China

Step 1 suggests you explore trade relations between country of origin and China. For this purpose this tutorial shows a chart with 50 different countries. By clicking on any of them, you'll be taken to their particular country profile.

Once you have read the profile click on the button at the end of the page like the one shown below, it will take you back to the original chart where you will see all the countries again.

BACK TO TUTORIAL







I. Exploring business opportunities

In this section:

A. Exploring trade relations between country of origin and China

1. What are trade relations like?
2. Does your country hold a Free Trade Agreement (FTA) with China?
3. How to find out about taxes and tariffs?
4. What do I need to export from my country?
5. Where can I find the information for these regulations?

B. Exploring Chinese Markets

1. Define your product by exploring the market
2. Is it wise to perform Market Research?

C. Exploring Chinese regulations on imports

1. Non-Tariff regulations
2. Tariff regulations



A. Exploring trade relations between country of origin and China

This section gives the user a general overview of the trade relations that his/her country holds with China. These trade relations are relevant for the user in terms of vital information regarding trade, such as tariffs and quotas, special taxes and other requirements that are related to the product to be exported.

Click on the specific country of origin to learn about the particular characteristics of its trade relations with China. After having read the relevant information, click on “BACK TO TUTORIAL” to come back to this page and continue with the tutorial.

| | | |
|----------------|------------------|--------------------------|
| Argentina | Greece | Panama |
| Australia | Hong Kong S.A.R. | Peru |
| Austria | Hungary | Philippines |
| Bangladesh | India | Poland |
| Belgium | Indonesia | Portugal |
| Brazil | Ireland | Russia |
| Canada | Israel | Singapore |
| Chile | Italy | South Africa |
| Colombia | Malaysia | Spain |
| Costa Rica | Mexico | Sweden |
| Czech Republic | Netherlands | Switzerland |
| Denmark | New Zealand | Thailand |
| Egypt | Nigeria | Turkey |
| Finland | Norway | United States of America |
| France | Pakistan | Venezuela |
| Germany | | Vietnam |



B. Exploring Chinese markets

The first step to take when thinking about exporting your product to China is to ask yourself several questions regarding the chances the product has to be successfully exported and sold in the Chinese market.

1. Define your product by exploring the market

The preferences and consumption habits in the Chinese market tend to be radically different from our home culture. Because of this, it is important to carefully analyze our business idea with a critical eye. The following questions will help you define the specific product or presentation you want to export your product in.

Opportunities in the market

- a) Learn about the culture (likes/dislikes)
- b) Will my product sell? Is there already demand for my product in China?

Basic but fundamental facts: Has my product or have similar products been...

- a) Produced in China? Is it already available in the market?
- b) Imported into China? In what amount? Where is it sold, in which cities, towns, provinces or regions?
- c) If the product has been imported before, what level of market openness does it have?
- d) What are common practices like? (Tariffs and taxes, distribution channels and final prices)

Finding potential markets

- a) Which are the fastest growing markets for my product?
- b) What has been the behavior of these markets throughout the past years?
- c) Which could be my product's prospective markets?
- d) Where can I find opportunity to open markets for my product?

Evaluate the markets

- a) Is there competition for my product? Who? How many?
- b) Is my product competitive? (price, design, uniqueness or exclusiveness)

The following chart shows the process that should be followed to explore the market for your product in China. This process of gathering certain information will lead you to a better definition of the product you wish to export.



2. Is it wise to perform Market Research?

Market research is a very useful tool to know the potential of your product in a certain market. It not only offers information on market preferences and practices, it also recognizes marketing opportunities and constraints in order to identify potential buyers and customers for your product. This tool will provide information that will always come in handy when you are trying to export your products to China. Always remember that China, being a different market from your own, will likely have different needs and preferences than your home market. When trying to enter your product into Chinese markets some degree of market research is an essential step.

VERY IMPORTANT

Listing your products on ExportToChina.com acts as a basic market research. We provide real exposure and provide real life buyer reactions to your given product. Pay attention to what potential buyers ask and express in regards to your product. This is a unique opportunity that our platform provides!

For these purposes, there are two kinds of market research that could be performed:

Primary market research is conducted by a company that collects information first hand from surveys, interviews, etc. It is designed according to specific needs and answers specific questions. This is an ideal step for companies planning to invest heavily in China. Nonetheless, this service requires some investment, and not all companies are willing to pay for it. If you are planning to start small, we recommend secondary market research.



Secondary market research is performed through collecting information from various data sources such as China's official statistics, trade databases and industry intelligence reports. This second option is less expensive, but is also limited in the information provided.

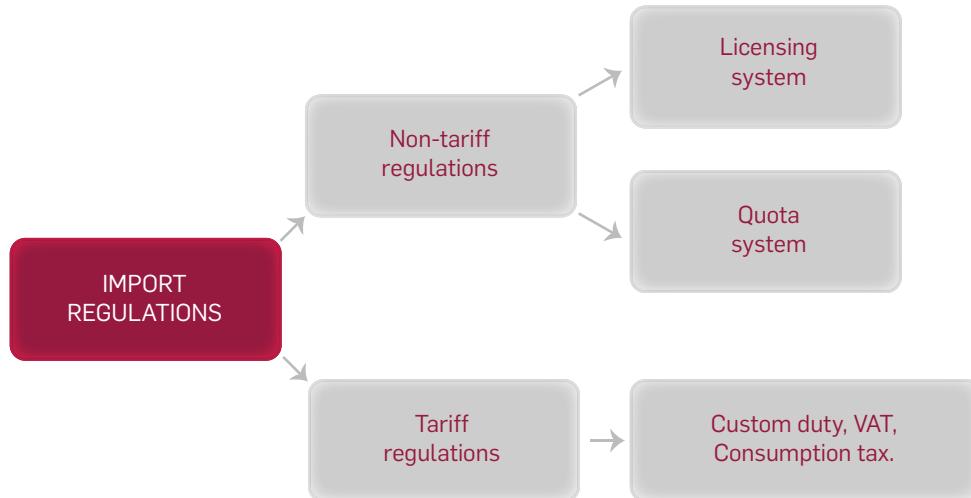
When performing secondary market research you need to keep in mind that statistics and information about your product might be subject to non related factors such as world events, or particular market circumstances. Therefore to analyze the market's behavior throughout several years is highly advisable.

C. Exploring Chinese regulations on imports

The following section includes important information on regulations, specifications and particularities that apply depending on the nature of your product. Since the amount of information might seem overwhelming, it is recommended that you strictly focus on those regulations which apply for your product.

To import products into China, there are several requirements and regulations that must be followed. Even though normal import procedures are handled by Chinese importers (agents, distributors, or business partners), it is important to be aware of these processes. Among necessary documents for importing are the bill of lading, invoice, shipping list, sales contract, an import quota certificate for general commodities (where applicable), import license (where applicable), inspection certificate issued by the State Administration for Import and Export Commodity Inspection (SACI) or its local bureau (where applicable), insurance policy, and customs declaration form. On the following pages you will learn about these required documents along with China's import regulations.

Import regulations in China can be divided in Tariff and Non-Tariff Measures. Tariff measures refer to import duties, value added tax (VAT) and consumption tax. Non-Tariff measures include import licenses (certifications, restricted products, etc) and the quota system.



1. Non-Tariff regulations

• Licensing system

Chinese non-tariff import regulations, can be grouped in two basic categories: the licensing system and the quota system.

The licensing system requires a complex inspection and certification mechanism as well as labeling and packaging requirements for imports into the country. To import a given product to China an importer (i.e. Chinese buyer) must register with China's Ministry of Commerce (MOFCOM). Then you must research regulations and licenses that apply to your product. Currently, imports of 35 product categories (374 items) are subject to import licensing control.

Chinese authorities classify imports as: permitted, restricted and prohibited. MOFCOM defines most imports as eligible according to WTO standards, but these must agree to the licenses, quotas, bans and certifications.

Not every one of these regulations is mandatory for all imports, it depends on the type of product. For example, in theory, all import and export commodities are subject to inspection but some categories of import commodities are subject to mandatory inspection by the China Commodity Inspection Bureau (CCIB) while others are subject to safety control. The following chart shows the different kinds of certificates, inspections and regulations for imports, a brief description and links where you can find specifications which apply to these certificates.



| Regulation | Description | More information |
|--|---|---|
| AQSIQ (Administration of Quality Supervision Inspection and Quarantine) | The AQSIQ works under the State Council of the People's Republic of China. It is in charge of national quality, metrology, entry-exit commodity inspection, entry-exit health quarantine, entry-exit animal and plant quarantine, import/export food safety, certification and accreditation, standardization, as well as administrative law enforcement. | http://english.aqsiq.gov.cn/ |
| CCC (China Compulsory Certificate) | <p>The CCC is a compulsory safety mark that products should have on them if they are to be sold in China.</p> <p>This includes most electrical and electronic products and components, motor vehicles and their components, health, medical, safety protection products, home chemical products and toys.</p> <p>Catalogue of products subject to the CCC: http://www.ccc-us.com/catalogue.htm</p> <p>Not all products are subjects to CCC. There is a waiver on some products, to learn more about this visit the following links: http://www.ccc-us.com/cccwaiver.htm</p> | http://www.cqc.com.cn/english/index.htm http://china-ccc-certification.com/ <p>Regulations for CCC: http://www.ccc-mark.com/regulations-for-ccc-mark.html</p> |
| CQC (China Quality Certification Centre) | CQC is a professional certification body under China Certification & Inspection Group (CCIC). In charge of the CCC, among other certifications for systems and services. | To Learn about qualification, application process charge, appeal and supervision, certification scope, factory inspection certificates and marks, technical standards and general documents, visit: http://www.cqc.com.cn/english/index.htm |
| China GB (Guobiao) Standards China National Standard | Guobiao standards are a set of mandatory and recommended standards regulated by SAC (Standardization Administration of China). These standards change year after year, so make sure you follow the latest version. | http://www.sac.gov.cn/sac_en/ |
| China RoHS Certificate (Restriction of Hazardous Substances) | Under the jurisdiction of China's Ministry of Information Industry (MII) the RoHS applies to a fair amount of electronic information products. | http://www.chinarohs.com/ http://www.rohscompliantdefinition.com/ |
| China Food Packaging Regulations | All food products imported to China need to report packaging, labeling and container to China's Inspection and Quarantine Services (CIQ). | http://en.ciqid.com/ http://www.sda.dov.cn http://www.worldpackaging.org/packaging-regulations/default.asp |
| China SFDA Regulations (State Food and Drug Administration) | The Food and Drug Administration regulates the medical registration of drug/health products, food registration, pharmaceutical packaging, etc. | http://www.sda.gov.cn |
| China MII Regulations (Ministry of Information Industry) | Regulates network access licenses for telecommunication products and SRRC licenses for radio frequency (RF) and satellite products. | http://www.gov.cn/english/2005-10/02/content_74175.htm |
| China SARFT Regulations (State Administration of Radio Film and Television) | Regulates network access licenses and CAS/SMS certificates for television and radio broadcasting products. | http://www.chinasarft.gov.cn/ |
| China CRCC Certificate (China Railways Product Certification Center) | Regulates CRCC certificates for railway and locomotive products. | http://www.ccc-cn.org/en/ChinaCRCC.html |
| China MPS and CCCF Regulations (Ministry of Public Security) | Regulates the sales permit of computer information system security hardware and software products. Also regulates fire products, like fire extinguishing agent, fire extinguisher, fire-proof door, fire hydrant, fire nozzle, fire coupling, fire emergency lamp, gas detect & alarm equipment and fire-proof materials, etc. | http://www.mps.gov.cn/n16/index.html |



In the previous chart, all links on the third column are direct references to particular information about corresponding regulations. However, most of these certifications and licenses are regulated by different government ministries and agencies. On the box below you will find these ministries and agencies, along with the links to their webpages in case you wish to research further information on import regulations and certifications.

| Ministry | Webpage |
|---|---|
| China Ministry of Commerce (MOFCOM) | http://www.mofcom.gov.cn/ |
| General Administration of Customs of the PRC | http://www.customs.gov.cn/ |
| State Import and Export Commodities Inspection Bureau | http://www.saic.gov.cn/ |
| China Council for the Promotion of International Trade | http://www.ccpit.org.cn/ |
| State Intellectual Property Office | http://www.cpo.cn.net/ |
| Regulations on Licensing System of Import Commodities of the People's Republic of China | http://www.asianlii.org/cn/legis/cen/laws/irrolsoicotproc891/ |

VERY IMPORTANT

Some of these tariff and non tariff regulations in China can vary according to the products' country of origin, therefore it's important to explore the trade relation between the country of origin and China.

For that purpose click here:



- Quota system

China non-tariff import regulations, can be basically grouped in two categories: the licensing system and the quota system. Some products are subject to both: licensing and quota control.

Import quotas are set by the State Developing Commission (in the case of products classified as general commodities), and MOFCOM (in the case of products classified as machinery and electronics). These authorities set import quotas as a protectionist trade restriction that draws a limit to the quantity of goods that can be imported into the country over a specific period of time.

China import quotas are of two kinds: absolute and tariff-rate quota.

The latter means once the absolute quota was reached, goods may enter subject to higher duties.

Subject to quotas are products like tires, cotton, wool, corn, wheat, rice and soybean oil.

To learn about import quotas on specific products, refer to the China Harmonized System or to the following links.

Rules for the implementation of the Administration of Import Quotas for Machinery and Electronic Products:

http://law.e-to-china.com/index_content-id-f629d322ab0359f573575b6eb0fa01651.html

Guidance in the fields of Harmonic System classification:

<http://cis.e-to-china.com/?tab=advantages>



2. Tariff regulations

China Customs Regulation is the source for Regulations on Import and Export Duties of the People's Republic of China. The tariff system is fixed by the Tariff Commission, a section of the Council of State under the Ministry of Finance. Among its functions are adjusting tariffs, tariff headings and duty rates on imports and exports; determine which products are subject to provisional duties and their types, determine tariff quotas and the application of antidumping, countervailing and other measures.

Taxes and import tariffs in China refer to:

- **Customs Duty.** It may be of two kinds:
The general import tariff
The preferential tariff granted to those countries that have signed trade agreements with China
- **Value Added Tax (VAT)**
- **Consumption Tax**

Custom Duties (import tariffs)

Custom duties are here referred to as import tariffs, which are generally calculated on their CIF value (all charges included, verified by customs administration) and when the value cannot be confirmed, customs authorities estimate it.

Import tariffs range from 0 to 270 % depending on the type of goods and country of origin.

Goods exempt from these duties are machinery and equipment imported by a foreign investment company, as long as they are part of the total investment and they are for the company's own use, so long as the project involves technology transfer.

Also exempt from import tariffs are equipment, parts and components to be used in projects financed by a foreign government or international financial institutions.

Formula for calculation:

$$\text{Import Tariff} = \text{CIF value of goods} * \text{tariff rate}$$



Important remark! Payment of duties

Customs duties are payable within 15 days from the issue date of the memorandum of duty payment by Customs, at the designated bank.

If payment is delayed, a penalty of .05% of the total amount must be paid.

If duties are not paid within three months, Customs may take certain measures under Article 60 of the Customs Act (such as to notify this to the importer's bank, in order to deduct the amount owed directly from the account or selling the goods subject to duties in order to collect the amount owed). Customs administration may extend the deadline for payment of the fee up to six months. (depending on each case).

Value Added Tax (VAT)

VAT is imposed on all commodities in addition to import tariffs. The basic rate is 17% and 13% on the following commodities: food and edible vegetable oil; drinking water, heating, natural gas, coal gas, liquefied petroleum gas; books, newspapers and magazines; feedstuffs, chemical fertilizer, pesticides, agricultural machinery and agricultural plastic sheeting.

In addition, 11 categories of goods are also subject to consumption tax when entering China. These include: cigarettes, liquor, cosmetics, skin and haircare products, jewelry, firecrackers and fireworks, petroleum, diesel, motor vehicle tires, motorcycles and small motor vehicles. The tax rates range between 3% and 45%.

Formula for calculation:

Import VAT = (CIF value of goods + Import tariff +
import Consumption Tax) * VAT rate



Value Added Tax rates

General Computation Method

| | |
|-----|--|
| 17% | General rate for selling and importing goods |
| 13% | Import of: 1. Food grains and edible vegetable oil 2. Tap water, heating, air conditioning, hot water, coal gas... 3. Books, newspapers, magazines 4. Animal feeds, fertilizer, agrochemicals, agricultural machinery... 5. Other |
| 0% | Export of goods |
| 17% | Supply of services related to processing, repairing and replacement. |

Simplified computation method

| | |
|----|---|
| 6% | Small scale tax payers classified as a production enterprise |
| 4% | Small scale tax payers classified as a commercial enterprise |
| 2% | Disposal of used fixed assets above cost (by both the General taxpayers and Small scale tax payers) |

Consumption tax

Imports subject to this tax are those within the following 11 categories of consumer goods (include snuff, alcohol, cosmetics, hair and skin care products, jewelry, fireworks, gasoline, diesel oil, tires, motorcycles, and automobiles).

Formula for calculation:

Import Consumption Tax = ((CIF value of goods + import tariff) * Consumption Tax rate) / (1 - Consumption Tax rate)



Further information on Tariffs are available at:

China's Custom Tariffs and Tax Schedule

<http://chinatradedata.com/?gclid=CJnf0YzWt64CFXG-tgodEyucow>

Regulations on Import and Export Duties of the People's Republic of China

General provisions, Application of Tariff Rates, Assessment of Values subject to duty, Payment, Refund or Recovery of Customs Duty, Duty reduction or exemption, Appeal Procedure, Penalties, etc.

Available at:

http://www.novexcn.com/import_export_duties.html



II. Structuring your business

In this section:

A. Different business structures

1. Buyers, distributors or agents
2. Wholly Owned Foreign Enterprise , Equity Joint Venture and Representative Office

B. Brand and Intellectual Property Considerations

1. WIPO
2. Trademark registration
3. Brand establishment



A. Different business structures

So far your business is already one step ahead in this particular process. By entering ExportToChina.com, you are already in touch with a wide network of potential business partners, giving you a unique chance to find serious and already approved enterprises. While it is common to meet them during overseas business trips or at international trade shows, ExportToChina.com offers the user a chance to find these potential partners without the stress of such business trips and meetings.

1. Buyers/Distributors and Agents

It is advisable to plan traveling abroad at some point in the development of your business in China. This will depend of course on how fast it evolves and grows. Our advice would be to visit your buyers, agents or distributors when the sales volume starts to increase and more investment is needed on your behalf to keep growing. This is the right time to meet your counterparts and invest in good relations before further increasing your business. Also, if your business suddenly faces a potentially big sale, it would be advisable to secure the deal in person.

| | |
|--|---|
| Agents | Normally referred to as "Representatives", agents do not take ownership of goods, they act solely as a representative of the supplier since they cannot make any commitments on their behalf. Normally they get paid by the exporter based on a commission of sales. They can help provide input on local market conditions to help the exporter decide on pricing. IMPORTANT: Agents are different from a representative office (explained here below). In a representative office your company has established a legal presence in China. Thus, there is liability, rights and obligations linked directly to your legal entity in China. Agents, on the other hand, officially represent your company but cannot hold you responsible for any action they may take. That is, they are not your full-time employees. They are, solely, business facilitators with agreed rights and obligations in a business relationship. |
| Distributors / Buyers | Buyers or Distributors take legal possession of goods, but solely import the goods for resale to other companies in the distribution chain. If they are not only buyers, but rather established distributors, they are obliged under the terms of their agreement with exporters to carry stocks and to provide after sales service when necessary. |
| Established Foreign Retailers in China | A company may also want to deal directly to foreign retailers, but in these transactions, products are generally limited by consumer behavior. That is, foreign retailers in China (think of Wal-Mart or Carrefour) normally accommodate products in their shelves which they will only pay for (buy) once they've been successfully sold to the client. Therefore, in case you are interested in dealing with established foreign retailers in China, you may find it easier to do it through an agent or your own legal representations. |



Direct Sales to End Users

A business can sell its products or services directly to end users in foreign countries. These buyers may be foreign governments, institutions or businesses. It is important to note that the company is responsible for shipping, payment collection, and product servicing unless other arrangements are made.

How to choose business partners? How to make sure they are legitimate?

When choosing business partners, there are several elements that could help you better understand their background:

- Legal status (company registry) and history
 - Commercial and bank references, credit reports (from different sources)
 - The Manager's background (and staff's)
 - Working methods, business practices, etc.

China doesn't have the best image for international business. In fact, there are plenty of scam stories out there in the business world. To remember that bad publicity is faster and more pervasive than good publicity. That is, it's undeniable that there are some shady businessmen in China, but the same can be said for most countries in the world. Moreover, take into account that many Chinese businessmen selling to foreign buyers complain about their ethics too. What is important to keep in mind is:

Many, if not most, of all bad business stories can be explained by negligence on both sides (seller and buyer). Take your business step by step and be sure both parties are completely clear on the specifics in a deal. Never rush a deal, because you or your counterpart may suffer from it afterward. Communication is often the most robust way to assure successful business. Gather all possible information on your counterpart and build communication on this clear message: Our business potential is great, but the only way to reach it is by keeping both sides happy on a step by step basis.

On specific measures to protect your interests:

Do not give away your trust and money to someone you do not really know, or whose company's reputation you ignore. During business meetings always use more than one reliable translator, if necessary seek third opinions, do not be quick to rely on documents provided by your Chinese counterpart, and always work through third party documentation.



There are a few available blacklists for suppliers and business partners in China. They are constantly posted and removed from the internet, which makes them not completely reliable. But to find one of your contacts on these lists might be a sign of alert. In this case extra precaution is recommended.

2. Wholly Owned Foreign Enterprise (WOFE), Equity Joint Venture (EJV) and Representative Office (R.O.)

The ExportToChina.com tutorial is focused in guiding the user on a simple export seller-buyer trade relationship. The following subsection, however, provides more information on different business models in case the user is interested in other available options.

After successfully exporting to China it is possible that your business will face the need to establish a legal entity/structure in China to boost a more robust local operation. The main rationale behind this idea is to invest in China, assume more risks, lead your own operations in China and pursue higher goals and profits. There is a chance that your business partners might be buyers or distributors, maybe you wish to open a representative office, or to establish a joint venture to sell more of your products in China.

In the following table we offer a basic definition of future possibilities for structuring your business as a local player in China. If you wish to venture further than the export process and establish your company in China, it is highly advisable that you look for information on investment structures and get legal and professional advice. You may be interested in having a look at Company Law in the People's Republic of China.



| | | | | |
|---------------------------|-----------|--|--|--|
| Representative Office | WOFE/FICE | <p>This is a common way to access the Chinese market. It does not require a huge capital investment since it is not independent from the parent company.</p> <p>Main activities: market research, liaison with the parent company and product introduction in China.</p> <p>Regulations:</p> <p>The state council has introduced a number of restrictions upon Representative Offices</p> <ul style="list-style-type: none"> * Annual audit report (in the past this was required only upon renewal) * Documents evidencing at least 2 years in existence and a description of activities which must be submitted * Foreigners limited to 4 representatives * Stricter penalties <p>The underlying message: better to set up an LLC (here below)</p> <p>To consult complete regulations for establishing representative offices in China visit: http://english.gov.cn/laws/2005-08/24/content_25816.htm</p> | <p>No minimum registered capital requirement</p> <p>Currency controls are less restrictive</p> <p>Needs: rent an office and hire personnel</p> | <p>Not allowed to conduct actual business (liaison purpose).</p> <p>Cannot hire Chinese employees directly; employees must sign contracts with a qualified HR company (outsource).</p> <p>Must pay taxes, despite the fact they do not have an income (% of the expenses).</p> <p>Are allowed a limited number of representatives, and require annual license renewal.</p> <p>In the last few years there has been less incentive from the government for this business structure.</p> |
| | | <p>Wholly Owned Foreign Enterprise (WOFE): subject to China's minimum capitalization rules (30,000 RMB), as well as restrictive currency controls. However, it allows for 100% foreign ownership and control (beneficial for intellectual property protection)</p> <p>WOFEs require 10% of after-tax profits to be held in company reserves (until cumulative reserves reach 50% of registered capital).</p> <p>Foreign Invested Commercial Enterprise (FICE): activities include import/export, retailing, wholesaling, representative transactions, & franchising. Start-up capital: 300,000 RMB (retail) 500,000 RMB (wholesale) Limitations: cannot change the product's nature.</p> | <p>May conduct actual business in China</p> <p>May hire Chinese employees directly</p> <p>Pay taxes just like any other Chinese company</p> <p>Eliminates Double Taxation</p> <p>No Limitation on Number of Owners</p> <p>Has characteristics of a corporation and a partnership</p> | <p>The owners of the business are responsible for paying self-employment tax, which covers rising Social Security and Medicare payments.</p> <p>Although the minimum registered capital for a WOFE is 30,000 RMB, it is not enough investment to be trustworthy from the Chinese authority perspective. If you have no liability, a larger amount needs to be invested.</p> <p>FICE would need a minimum capital of 300,000 RMB</p> |
| Limited Liability Company | EJV | <p>An Equity Joint Venture (EJV) requires a Chinese partner. The structure may expose IP to a Chinese partner, but the partner may share in liabilities and costs as well as provide an easier entry to the Chinese market.</p> <p>The main body of a joint venture is the body of directors, in this structure foreign investors have a minimum participation of 25% of total capital.</p> <p>Decisions such as changing the articles of association, termination and liquidation of the Joint Ventures, increase or decrease of capital, mergers and separation, are to be undertaken unanimously by the board of directors.</p> | | |
| | | | | |



B. Brand and Intellectual Property Considerations

When exporting to China or anywhere else in the world, Intellectual Property issues are very important. China has a reputation for piracy and therefore has taken great steps to better regulate the protection of Intellectual Property as it is obligated to do so by the World Trade Organization. If your product assets lie mostly on intellectual property value, then it is advisable that you do research on all regulations that could protect your product.

Intellectual property (IP) refers to creations of the mind: inventions, literary and artistic works, and symbols, names, images, and designs used in commerce.

IP is divided into two categories: Industrial property (patents, trademarks, industrial designs and geographic indications of source) and Copyright.

The most common tools of Intellectual Property Protection are:

Trademark: to protect words, phrases and logos used in federally regulated commerce to identify the source of goods and/or services

Patent: legal protection for an invention. Property rights for inventors are intended to prevent anyone else from producing, using, or selling the patented invention

Copyright: protection to the authors of “original works of authorship”

Intellectual Property and trademark rights are protected generally under China's Civil Code and the Copyright Law.

1. WIPO

World Intellectual Property Organization (WIPO) is the United Nations agency dedicated to the use of intellectual property (patents, copyright, trademarks, designs, etc.) as a means of stimulating innovation and creativity.

The WIPO webpage lists the laws and regulations related to the protection of Intellectual Property in different countries since they differ from one another.

To visit China's Profile in the WIPO webpage, click here:
<http://www.wipo.int/wipolex/en/profile.jsp?code=CN>



Click on the links below to learn more about the IP regulations in China:

[Copyright Law of the People's Republic of China \(2010\)](#)

[Patent Law of the People's Republic of China \(2008\)](#)

[Trademark Law of the People's Republic of China \(2001\)](#)

[Law of the People's Republic of China Against Unfair Competition \(1993\)](#)

The Chinese organism that deals with IP issues is the People's Republic of China State Intellectual Property Office (SIPO) and it's in charge of all efforts to protect IP.

On their webpage you can find related information and answers to questions like;

How many types of industrial property rights exist in China?

What is the duration of a Chinese patent?

What kind of invention cannot be patented in China?

Can computer software be patented in China?

To go to SIPO, follow this link: <http://english.sipo.gov.cn>

2. Trademark registration

The decision to trademark property is one of the most important decisions that you will make in your business; since Trademarks protect your business name, product names, domain, logos and slogans. Trademarks are words, names, symbols or devices used in trade to indicate the source of goods and to distinguish them from other goods. Their purpose is to protect words, phrases and logos used in regulated commerce from being copied, imitated or reproduced since their sole purpose is to identify the goods' source.

The Trademark Law of the People's Republic of China stipulates that brands of goods, service marks, collective marks and certification marks may be registered in China and obtain exclusive rights. The markings must be visible, including words, devices, letters, digits, three-dimensional marks and color combinations, as well as combinations of any of the above.

Benefits of trademark registration:

- Trademark registration protects its use throughout a country's territory
- The registration of a mark informs other parties that it is private property
- Can be presumed that the registering party is its rightful owner and the mark is valid
- Trademark registration is a necessary condition to exercise certain legal actions, such as the action of opposition to registration of an identical or similar mark, as well as the prohi-



bition of their use

- Can be used to retrieve Internet domain names registered by third parties that are identical or similar to the trademark
- The registration of a trademark is an essential requirement in certain countries to enjoy tax and accounting benefits

How to register your Trademark

The official government organ in charge of these procedures is the People's Republic of China Trademark Office State Administration for Industry and Commerce (SAIC)

Among its key functions are:

- Taking charge of trademark registration and administration
- Protecting, in accordance with the law, the exclusive right of trademarks, investigating trademark infringements, handling trademark disputes, and recognizing and protecting well-known trademarks
- Undertake registration, filing and protection of special marks and official marks
- Conduct study and analysis on information of trademark registration, and publish such information according to law, in order to provide information services for the public and for governmental policy-making
- Implement trademark strategies

Companies wishing to register trademarks in China must go through the Trademark Office of the State Administration for Industry and Commerce (SAIC). Those with no ongoing residence in China must appoint a patent or trademark attorney designated by the State Council to act as an agent. Foreign companies with a ongoing presence in China may file directly.

China's trademark registration process is a First-to-File system. This means that the first party to file for the registration of a particular trademark will be granted the rights of that trademark. Note that failure to use a registered mark for three consecutive years in China means it will be subject to cancellation.

In China, after a trademark license contract is concluded, the licensor shall, within three months, submit a copy of the contract to the Trademark Office (TMO). The licensee shall submit another copy of the contract to the SAIC at the county level of his location for reference. In addition, in order to be able to record a license contract, TMO requires that certain elements in the contract. For example, the licensor should supervise the quality of the



licensed goods manufactured by the licensee; the licensee should indicate its name and address on the licensed goods, etc.

For a list of law firms that can assist you in this process, please visit:

<http://www.tradecommissioner.gc.ca/eng/document.jsp?did=96027&cid=512&oid=32>

For more information on China trademark law, please visit the [China Trademark Office website](#).

3. Brand establishment

Creating a brand for a product that you wish to export to China is a huge step. To introduce a brand in the Chinese market and to sell it to a society with such a strong cultural and historical baggage which is far from Western experience, represents an important challenge to foreign companies.

In China, foreign products need to work hard in brand establishment, in order to generate consumer loyalty. First and foremost, it is critical to capture the consumer's interests to ensure brand identity. Then the brand must seem unique to stand out in such a competitive market. Products must have consistent marketing strategies that constantly remind Chinese consumers of the brand name. These strategies must also be designed bearing in mind the need to appeal to local culture. Like any other business process in China, knowledge of the culture is crucial. It is difficult to achieve brand name and loyalty without understanding such cultural differences.

By establishing your brand, and registering it according to Chinese Intellectual Property protocol, you will be able to exclude others from using the name, logo, or slogan on the entire national territory without your consent, as well as guaranteeing ownership of trademarks, trade names and identical or similar signs.



III. From Negotiation to Execution

In this section:

A. What to consider in drafting contracts?

1. Main highlights
2. INCOTERMS
3. Payment (Letter of credit)
4. Logistics
 - a) Shipping products
 - b) Consider timing issues: Sea or Air?
 - c) What kind of shipping to use?
 - d) Insurance
 - e) Shipping documentation.
 - f) Packaging, labeling, tags, etc.
 - g) Inspection on departure and arrival
 - h) How to select logistics companies



A. What to consider in drafting contracts?

Once you have decided on the structure of your export business, you will have a clearer idea of the next steps for you and your business partner. In this particular section, the tutorial provides you with the details that need to be considered when writing an export contract between the selling party and the buyer. Beyond the contract's sections, negotiations on conditions are the most important point during the whole business process. Here is where you establish how much, when and how you will be paid for your product. As well as how and when you will send such goods.

1. Main highlights

Normally contracts follow the same structure regardless of the type of business. This section shows some of the key elements an export business contract should have:

Description of the business

Who are the contracting parties: names, addresses, national business registry, etc.
The contracts' validity; initiation and termination date, restrictions, etc.
Clear definition of the goods in trade; including quantity, technical specifications (size, weight, materials, etc), relevant tariff numbers and product standards.

Terms of delivery:

The terms of delivery should be specified through INCOTERMS
(it could be FOB, CIF, etc.)

Period of Delivery/Shipment

- Dates of Delivery/Shipment; specifically clarify whether the time for delivery will run from the date of the contract or from the date of receipt of the advance money by the seller or from the date of receipt of the notice of issuance of the import license by the seller
- Place of dispatch and delivery
- The contract should have specific dispatch dates from the country of origin, rather than the arrival dates in the country of import. Due to certain circumstances beyond the control of the exporter that might cause delay of the delivery of goods
- At what point does the goods' transfer of title take place?



Packing, Labeling and Marking

- Explicit description of the type of package in which the goods will be shipped; including the materials of the packing (carton, plastic, which kind?), the amount or quantity of the goods in each package (grams, liters, kilograms, etc), the array of shipping (boxes, bottles, how many units in each box, how many boxes per container, etc)
- Explicit description of the type of labels and markings on the goods; including language, color, etc
- Particular attention should be paid to the individual packaging of consumer goods required for direct sale to the consumers. In such a case labels, price tags, poly pack/skin packing etc
- Inspection of the goods if required

Taxes, Duties and Charges

- Who is responsible for paying import duties and other taxes
- You should also be aware of any tariffs and other taxes (such as GST type taxes) that apply in a foreign market if these costs are to be met by you. Tariffs and other taxes are generally levied on the FOB or CIF value of the exported goods

Price

- The purchase price of the goods and the currency in question. Specify currency related issues like currency fluctuations which can affect the ultimate price. To avoid this risk, it is advisable to price in local foreign exchange, price in a major trading currency like the USD or use methods like forward exchange contracts which act as a hedge against exchange rate movements

Terms of Payment/Credit

- Description of terms settled between the parties
- Any contract performance security requirements, such as bank letters of guarantee
- Your bank should be able to assist you with managing credit risk (there are various forms of documentary credit and insurance which can reduce this risk)



Terms of trade

- Who is responsible for obtaining import or export licenses, if these are required
- What supporting documentation and/or certificates are required
- Any warranty and/or maintenance conditions associated with sales
- What will happen if either of the parties defaults or cancels
- The contract's completion date
- In an international context, there is a risk that goods will be either lost or damaged in transit. Practices also vary in different parts of the world

As a result, parties generally incorporate “INCOTERMS” into an export contract. The International Chamber of Commerce has developed 13 different “INCOTERMS” to govern the transfer of risk between buyer and seller, responsibility for such matters as organizing transport, insurance and export and import clearance.

Document requirements

- Bill of lading, consular invoice and insurance policy

2. INCOTERMS

INCOTERMS is the acronym for “International Commercial Terms”. These are internationally recognized standards used worldwide in international and domestic contracts for the sale of goods which are created and revised every 10 years by the International Chamber of Commerce with the purpose of providing a common terminology for international shipping and minimize misunderstandings over contract terms.

INCOTERMS help determine specifically the terms of delivery in the contract, along with other matters such as:

- The scope of the price
- At what time and where there is risk transfer on the merchandise from seller to buyer
- The place of delivery of goods
- Who hires and pays for transport
- Who hires and pays for insurance
- What documents are handled by each party and their cost

The following chart describes the INCOTERMS used in China. Choose according to the convenience of your negotiation as to determine the terms of delivery in the contract.



| Acronym | Meaning | Description |
|---------|--------------------------------|--|
| EXW | Ex Works | Refers to the passing of title and risk to the buyer once the goods cross the seller's door. The buyer has to also take care of transportation and insurance costs. |
| FCA | Free Carrier | Refers to the passing of title and risk to the buyer once the goods are delivered by the seller to the carrier and they are cleared for export. The seller needs to load the goods to the vehicle of the buyer. The buyer needs to bear insurance costs and receive the goods. |
| FAS | Free Alongside Ship | Refers to the passing of title and risk pass to the buyer once the goods are delivered by the seller alongside the ship. The buyer has to bear transportation and insurance costs. The seller has to look after export clearance. |
| FOB | Free On Board | Refers to the passing of title and risk pass to the buyer once the seller on board the ship delivers the goods. This is predominantly used for transportation by sea and inland waterways. |
| CFR | Cost and Freight | Refers to the passing of title, risk and insurance cost to the buyer when the goods are delivered on board the ship by seller. The seller also pays the cost of transportation to the destination port. This is predominantly used for transportation by sea and inland waterways. |
| CIF | Cost, Insurance and Freight | Refers to the passing of title and risk to the buyer when the goods are delivered on board the ship by seller. The seller also pays for the cost of transportation and insurance at destination port. This is predominantly used for transportation by sea and inland waterways. |
| CPT | Carriage Paid To | Refers to the passing of title, risk and insurance to the buyer when the goods are delivered to the carrier or else the seller pays transportation and insurance cost to destination. This is used for any mode of transportation. |
| CIP | Carriage and Insurance Paid To | Refers to the passing of title and risk to the buyer when the goods are delivered to carrier by the seller. The seller also pays for the cost of transportation and insurance to the destination. This is used for any mode of transportation. |



INCOTERMS are renewed every ten years. It is important that you double check the validity of the INCOTERMS referred by your business counterpart. Some of the INCOTERMS that were valid in 2000 but were eliminated in 2012 are:

- DAF (Delivered at Frontier)
- DES (Delivered ExShip)
- DEQ (Delivered Ex Quay i.e. Duty Paid)
- DDU (Delivered Duty Unpaid)
- DDP (Delivered Duty Paid)

3. Payment (Letter of credit)

There are three common methods of payment in international trade: Paid in advance, Telegraphic/wire transfer of funds prior to shipment and irrevocable letter of credit.

Among these three, the irrevocable letter of credit (here in after referred to as L/C) is the most common payment method in international trade transactions. This is mainly because it's the most trustworthy way to ensure that payment will be received.

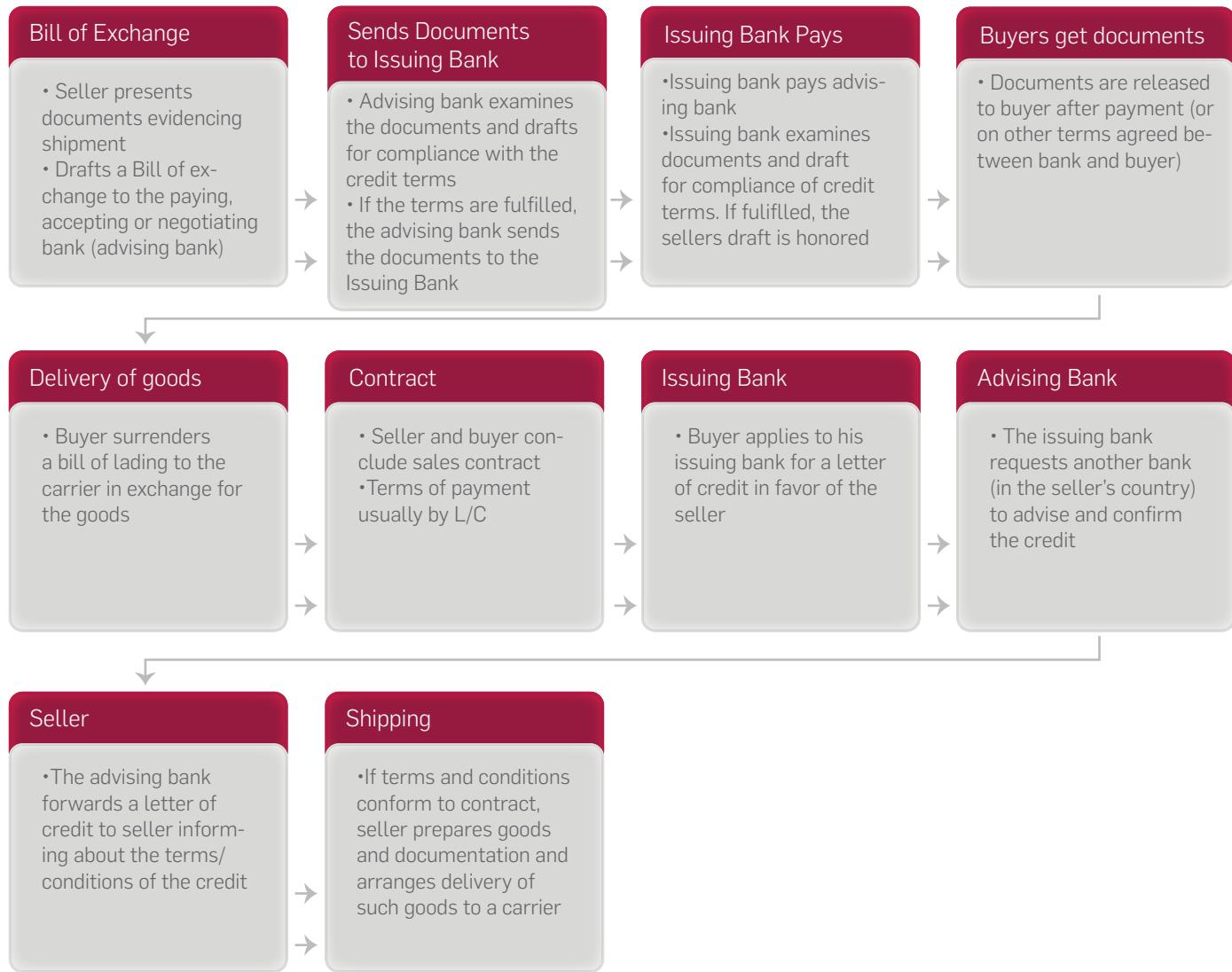
L/C is a letter from a financial institution (normally a world wide known international trading bank) issued in favor of the seller of the goods. The letter guarantees that the issuer of the letter will pay the seller for the goods delivered to a third party buyer. The issuer then seeks reimbursement from the third party buyer or from the buyer's bank.

The L/C must conform with the terms stipulated in the contract defined by INCOTERMS. When all terms are fulfilled, payment will be released to the seller.

For reference to the common procedure of an L/C please refer to the chart on the following page.



Letter of Credit procedure chart.



Benefits of using the letter of credit:

Benefits for the seller

- Guaranteed payment by submitting the documents specified on the terms of the letter of credit
- If buyer cannot complete the payment transaction, the bank is required to cover the remaining amount of the purchase
- Reduces risk of losing production, in case the buyer cancels or changes the order
- The time gap offered by a letter of credit procedure, gives seller a chance to structure the delivery schedule according to his interests
- The time gap offered by a letter of credit procedure, gives seller a chance to obtain funds for production or purchase of goods (pre-export finance)



Benefits for the buyer:

- The bank ensures buyer that the supplier will not be paid until the bank receives a confirmation that goods have been shipped

To find out more on how to issue a letter of credit click on the following link.

Bank of China:

http://www.boc.cn/en/cbservice/cb3/cb33/200807/t20080702_1314887.html

4. Logistics

To put a price on your product you must consider freight costs. This step is also a very important part of the negotiation of contracts. However, on this section, information regarding logistics operations has been separated from the “negotiation of contract” section, since it deals more in depth with details of the logistics process.

The chart on the next page offers a visual structure of the common steps taken in the logistics process.

An important aspect to competing in international markets is the correct choice and use of means of transport to facilitate delivery of goods to their destination. To choose the method that best suits your business needs, it is important to analyze factors such as: cost of shipment (price), delivery schedule (time), safe delivery, volume and weight of goods. When these aspects are properly considered, you avoid higher costs that could affect price competitiveness of your product.

Most exporters find it useful to rely on an international freight forwarder to determine the method of international shipping, due to the amount of requirements, considerations and logistics involved.



Choosing shipping methods

Research on different options of transportation (routes, methods) with different freight forwarders on the cost of transportation

Choosing a freight forwarding company

Research on the cost of freight with different freight forwarders. Assess quality and services they provide

Analyze your best option under cost-benefit analysis and choose one of the schemes offered by a logistics company

Get services offered by the freight forwarder which is most suitable for shipping your merchandise.

- Advising on packing method, packing service, etc.

Find out about insurance details

- What is it covering? Which events are left out? What is the insurance amount? What are the restrictions?, etc.

Make sure the freight forwarder fills and gets all required documentation for your shipment

- Bill of lading, Consular invoice, Insurance policy, etc.

Inspection prior to shipment.

- Visually confirm that merchandise has been packed and arranged in container(s) as determined on the contract.
- Recollect evidence (photos) of inspection, in case it is needed

Confirm delivery of merchandise as established by contract. Have inspection performed upon arrival

- Visually confirm that merchandise has been packed and arranged in container(s) as determined on the contract. Recollect evidence (photos) of inspection, in case it is needed



An international freight forwarder can assist you:

1. Preparing price quotations
2. Informing you on the costs of logistics operations
 - Freight costs
 - Port charges
 - Consular fees
 - Costs of special documentation
 - Insurance costs
 - Freight forwarder handling fees
3. Advising on packing methods, packing merchandise and placing it inside containers
4. Offering “booking contracts” to reserve necessary space on a vessel, aircraft, train, or truck for your product
5. Preparing the required export documentation such as the bill of lading

When choosing shipping methods you must keep in mind cost-benefit as your price must remain competitive. The cost of shipment shouldn't be so high that it increases the cost of your product considerably, nor should it be so cheap that you risk the security of your goods, or your delivery schedule.

Never overlook the safety of your merchandise. Choose an international freight forwarder that is reliable, one that can assist you with packing methods, that offers good insurance, etc.

Keep in mind that merchandise should be accessible to the foreign buyer at its destination, so make sure to have the right information.

a) Where to ship your product from? Where to ship your product to?

To choose the most suitable shipping method, you need to consider your merchandise's location as well as its destination. Consider the following matters:

Which port is the closest?

Which port has the best ratio of being largest and closer to your merchandise's location?
How will merchandise be transported to port?

According to the nature of your product, is time of the essence? Could you sacrifice time over cost?



b) Consider timing issues: Sea or Air?

Sea Transport

Maritime transport is distinguished from others by being currently the most widely used for export of goods and international trade, covering 90% of the value of international exchange. The main advantages of this method are its low cost and capacity. However, it has a major drawback, which is the length of time taken for delivery.

Air Transport

Air carriers, on the other hand, can be more expensive. The cost of air freight is justified whenever timing is critical. This method is the fastest and safest, ideal for long distances and perishable goods.

Even if it is the costliest method, these costs may be offset by lower domestic shipping costs (for example, using local airports instead of coastal seaports) and quicker delivery times.

Multimodal Transport

International shipments are increasingly made through multimodal transport. This is the combination of two or more of the above mentioned transport means, mainly alternating sea and air transport to carry goods from one country or continent to another. Normally multimodal transit operators (frequently one of the transporters) take charge and responsibility of merchandise for the entire movement from factory to final destination.

c) What kind of shipping to use?

Along all the considerations regarding the shipping of your goods to China, you must take into account the container in which you will ship your goods.

How many and what kind of containers do you need?

Do you need a full container?

When asking yourself these questions you must consider factors such as the type of goods you are exporting (whether they are perishable or nonperishable), the weight and volume of the cargo, the product's value, departure and destination, etc.



Different kinds of containers

Although containers have internationally standardized dimensions, there are different kinds of containers. There are containers for air, sea or land cargo. Besides, different kinds of containers satisfy different needs. Breakage, weight, moisture and pilferage, are the most important matters to be considered when identifying your container needs.

It is likely that the freight forwarder will assist you on the kind of container that best fulfills your needs once you have detailed your cargo's characteristics. Nonetheless it is important for the exporter to know the main types of containers, so as to make sure cargo is being shipped appropriately.

The size of a container is determined by its exterior measurement. The following are the sizes of the most commonly used containers: Standard containers (also known as General purpose containers).

| | Internal | | Max. Net Weight | Cubic Capacity |
|-------------------------------------|----------|----------------|-----------------|----------------|
| Dry Freight '40 | 12.01 m | "5'39" Length | | |
| | 2.33 m | "8'7 Width | 40,000 lb | 2,376 .cuft |
| | 2.38 m | "10'7 " Height | | |
| Dry Freight '20 Container | 5.90 m | "5'19" Length | | |
| | 2.35 m | "8'7 Width | 40,000 lb | 1,164 .cuft |
| | 2.39 m | "9'7 " Height | | |
| Dry Freight '40 Container (Hi-Cube) | 12.03 m | "6'39" Length | | |
| | 2.35 m | "8'7 Width | 40,000 lb | 2,678 .cuft |
| | 2.70 m | "10'8 " Height | | |



The following is a list of the different container types. The freight forwarder along with the exporter must choose from these according to the shipped goods' specifications.

| CONTAINER TYPES | USE |
|--|---|
| Standard containers (General purpose) | Standard containers are used for all types general cargo (dry cargo). |
| Hard-top containers | Used for all types general cargo (dry cargo); heavy cargo, tall cargo, loading from above or through the doors by crane or crab. |
| Open-top containers | Used for all types of general cargo (dry cargo); used for packing and unpacking from above or through the doors by crane or crab and used for tall cargo. |
| Flattracks | Used to transport heavy-lifts surpassing height or width standards. |
| Platforms (plats) | Used principally for oversized and very heavy cargo. |
| Ventilated containers | Used especially for cargoes which have to be ventilated in transit (i.e. green coffee beans). |
| Insulated and refrigerated containers | Used for goods which need to be transported at a constant temperature above or below freezing point. |
| Bulk containers | Used in particular for transporting bulk cargo (i.e. grain, feedstuffs, spices). |
| Tank containers | Used for transport of liquids (i.e. fruit juices, spirits, sweet oils, chemicals, fuels, etc.). |

The description, dimension and figures of these containers are available at the Transport Information Service from German Marine Insurers, which has developed a fully detailed report on the specifications for the different kinds of containers .

To access this source click on the following link:
http://www.tis-gdv.de/tis_e/containe/inhalt2.htm



Full container or Consolidated shipment

In case your cargo isn't big enough to complete the load of a full container, a consolidated shipment is recommended. This is when a freight forwarder at the port of origin combines several cargoes from different exporters, to make a full container load. This allows for reduced costs, and better security for the shipped goods. Once upon arrival at destinations, the goods are de-consolidated and delivered to their respective receiver.

d) Insurance

During transit towards its destination, it is very important that shipments be insured against any inconvenience. Export business contracts must provide insurance of the goods against damaging weather conditions, rough handling by carriers, delay in transit, destruction or damage during transportation (as it takes a long time before they are received by the buyer) and other common cargo hazards.

Before choosing freight forwarders, find out about the insurance they offer for your merchandise. Thoroughly inquire into details such as the extent of insurance risk and its incidence

These are common options of insurance offered by freight forwarders.

| | |
|-----------------------------------|--|
| Basic Liability | This coverage generally includes repair or reimbursement for a certain amount per pound, generally around \$0.60 per pound |
| Replacement Cost Protection (RCP) | This type of coverage covers repair, replacement, or reimbursement for the loss or damage of the merchandise (Depreciation is not considered). To receive this coverage, a complete list of goods contained in the shipment must be delivered to the freight forwarder in advance. |
| Depreciation Value Coverage | This coverage allows for repair, replacement, or reimbursement or loss or damage of merchandise. (Depreciation is considered). Freight forwarders often limit their liability to \$1.25 per pound of the shipment's weight. |



Who pays for insurance?

The arrangements regarding responsibility for the cost of the shipment's insurance may be negotiated between the two parties when establishing terms of sale. After reaching an agreement, it is very important the contract clearly establishes who is paying for the insurance, along with a full description of the coverage the insurance offers.

Very important!

If the contract makes the seller (exporter) responsible for insurance; then the exporter should obtain a policy or insure the cargo with the freight forwarder.

But

If the contract makes the buyer responsible for the insurance; then the exporter must buy an insurance policy anyway, since you should not trust the buyer to have obtained adequate insurance for your goods. By not doing so you could be risking the value of your merchandise.



e) Shipping documentation

When arriving to destination the merchandise should comply to all required documentation, so it can be imported into China. The documents on the following chart are mandatory for all shipments. However, other documents may be necessary depending on the restrictions set by the Harmonized System on your product.

| Documentation | Description |
|-------------------------------|--|
| Bill of Lading (B/L) | Used for sea shipments, it is a certificate of ownership of goods. It is physically a signed receipt given to the export agent by freight forwarders when they receive merchandise. If everything is in proper condition (packing, amount, paperwork, etc), the B/L is deemed as clean. From this point freight forwarder accepts full liability for the cargo. It can be of two kinds: a) Straight bill of lading which is nonnegotiable b) Negotiable bill of lading / Shipper's order bill of lading: which makes the shipment subject to sale or trade while the goods are still in transit. |
| Air Waybill | Used for air shipments, it is a certificate of the conclusion of the contract for carriage of the goods. It can work as a proof of receipt for the goods, invoice and certificate of insurance. Contrary to B/L, Air waybills are never negotiable. |
| Invoice | The bill for the goods sold to buyer. This document is commonly used to determine value of goods in order to calculate custom duties. |
| Packing List | The detailed list of the contents of your cargo; number of items in the contents of each pack, Individual weights and dimensions. Packing lists help customs authorities and inspectors to identify specific packs easily. |
| Inspection Certificate | Inspection certificates are normally issued by a third party organization, to provide the purchaser with the specifications of the goods shipped. |
| Insurance Certificate | An insurance policy taken out by the buyer or seller, which assures that insurance will cover loss or damage to cargo during transit. |



f) Packaging, labeling, tags, etc.

Packaging

In this context packaging refers to the items used to arrange the merchandise to protect it. Packaging is defined as any material which contains an article with or without container, in order to preserve and facilitate delivery to the consumer. Such items and materials are normally: carton boxes, brown paper, bubble wrap, polystyrene chips, protective inserts, etc. Proper packaging of products is essential on many different fronts: preservation, safety, regulations, etc.

The package's design must consider the interests of the distribution channel members. Normally a detailed description of the package and its shipment is included in the contract, however basic parameters for packing and shipping include the following:

- Ship in strong, full containers, sealed properly to preserve from humidity and other damaging conditions
- Make sure weight is distributed evenly in every box, unit or container
- Place fillers between packages to prevent movement during freight
- The more layers that protect your product, the better. Avoid visible labels in order to avoid theft

It is highly advisable to follow the freight forwarder's recommendations on packing since they are experts on the matter. Sometimes there are further regulations that must be taken into consideration depending on the country of origin, in that particular case see the existing regulations.

Package

In this context "package" is to be understood as the unitary container for your product; small bags, bottles, small boxes, etc. The design of the package must consider, along several other elements; giving competitiveness to the product, following sanitary regulations, consumer appeal, etc. The purpose of packaging is both to protect the product and be a promoter of the article into the channel of distribution. The package's design should be directed to the buyer. It is necessary to perform research to determine if consumers have problems opening or closing the package, how they manage, store and make use of it, etc.



Labeling and tags

All products must be labeled as they enter China from their country of origin. It is the Chinese counterpart's responsibility to send tag information as they want to have printed, so that the exporter does not have to translate into Chinese, but just print and place the label.

What tags and labels show

The labels and special markings on the packages, boxes and containers are mandatory for imports into China. This is because they provide information regarding the product's characteristics and legality. Information such as the product's name, contents, ingredients, country of origin and brand, appear on tags for each unit of the product.

Moreover, these tags must be shown to be in compliance with regulations for all applicable sources, such as: shipping regulations, environmental and health regulations, as well as safety standards (These regulations are addressed on section III C of this tutorial: Licensing System).

Chinese buyers usually specify marks which should appear on the cargo for easy identification, shipping and handling:

- Weight marking (gross and net weights, and dimensions)
- Number of packages and size of cases
- Handling marks (international pictorial symbols)
- Cautionary markings, such as "Heavy", "This Side Up" or "Use No Hooks"
- Port of entry, Port of origin and customer identification code
- Labels for hazardous materials (universal symbols)

Information on tags must:

- Be available in both English and Mandarin Chinese
- Be available on the international metric System (Mts./Kgs./Sec.) and the Imperial/US system (feet, oz., lb.) Measures and weight
- Be clear, visible and protected. The letters and markings posted onto packages and containers must be protected against weather and mishandling.
- Must be placed on several visible places on the container and boxes

**VERY IMPORTANT!**

As you have learned before from the licensing system section of the tutorial, different regulations apply to different products. You must pay special attention to tags if your product is edible or chemical, for these categories have very special requirements for tags.

| CHEMICALS | FOOD PRODUCTS |
|---|--|
| <p>GHS label for Chemicals</p> <p>For hazardous materials, offers information and precautionary statements of a chemical</p> <p>Appears as a combination of text, symbols, pictograms, code, etc to make it legible for everyone.</p> <p>Also known as the precautionary label or safety label under China's Global Harmonized System of Classification and Labeling of Chemicals (China GHS).</p> <p>*For more information on the regulations refer to section III C of this tutorial "Licensing System"</p> | <p>Must comply to the "General Standard for Labeling of Pre-Packaged Foods for Special Dietary Use" and the "General Standard for the Labeling of Pre-Packaged Foods"</p> <p>All packaged food products (except bulk) must have labels in Mandarin Chinese showing:</p> <p>Trademark Food name Ingredients Net content Distributor and address Production and expiration date Country of origin</p> <p>*For more information on the regulations refer to section III C of this tutorial "Licensing System"</p> |

It is very important that the labels and tags comply to requirements for their proper and timely entry to China. Fortunately, most freight forwarders can provide you with the necessary information regarding all these specifications.

g) Inspection upon departure and arrival

Once you have arranged with a freight forwarder to carry out the whole shipping process, you must be sure that all the export procedures are taken care of; packaging, documentation, inspections, etc. However you can never be too cautious. Many experts recommend that in addition to the freight forwarder services you carry out your own inspection of the goods as they are being shipped on the harbor.

- Randomly pick a few boxes from the merchandise to make sure it is in perfect condition
- Double check that the packaging has been proper so that the goods don't get damaged during freight



- Inspect the containers quality; Is it dry enough? Cold enough? Big enough? Strong enough?
- As you verify that your product has been shipped in the exact manner stipulated by the contract with the freight forwarder, take pictures of the shipment, of the packaging, etc.

Once the product has arrived to its destination, it's a good idea to have your own inspector there to recollect information as to the status of the merchandise upon its arrival to China. This is mainly because, it has happened before, that the merchandise could be, stolen, damaged or replaced. It is also possible that the importer would lie on the state of the merchandise to get some sort of profit. In this case, repeat the departure inspection procedure and use your physical evidence (photos).

h) How to select a logistics company?

One of the most important decisions you will have to make during the export process to China, is whom to put your trust in? Who will you trust with your goods? As we have explored on other sections of the tutorial, freight forwarders or logistics companies allegedly have the capacity of solving almost every problem that might arise during a common export-import process. The experience they have accumulated through years offering their services to a diverse list of clients, has given them the knowledge to offer you advice as to how to transport your goods successfully to China. But can they all offer this wonderful service?

The choice of logistics company will directly reflect on the success of your business. It's important for every business to have reliable logistics management, you must be sure they are able to meet your transportation needs. To make a good choice, here are some aspects you must assess.



"Choosing the best logistics company" Checklist

| | |
|--|--------------------------|
| Has good transportation support, equipment and inventory control | <input type="checkbox"/> |
| Offers proper customer management (provides information and opportune answer to inquiries) | <input type="checkbox"/> |
| Has expertise in de-consolidation | <input type="checkbox"/> |
| Is accountable to their customers | <input type="checkbox"/> |
| Has online tracking | <input type="checkbox"/> |
| Offers affordable solutions | <input type="checkbox"/> |
| Runs trucks all year round to solve any problem you might find | <input type="checkbox"/> |
| Has the latest technology | <input type="checkbox"/> |
| Has management expertise | <input type="checkbox"/> |
| Is a company in expansion (vs. contraction/has been) | <input type="checkbox"/> |



IV. Follow-up

In this section:

- A. Maintaining the business relation
- B. Handling complaints
- C. Future orders and opportunities



Business follow-up is intimately linked to human relations, in this case, your relation with a client, distributor or partner. This is why it is a real asset to understand Chinese culture as much as possible. We have included a full section on Chinese culture in this tutorial for that specific purpose. Therefore, this “Follow-up” section will only provide main guidelines to keep in mind while managing a business relation and it will constantly refer to the section on Culture not to repeat the topics discussed.

A. Maintaining the business relation

To manage a healthy, prosperous business relation with Chinese businessmen, one should always keep in mind the concept of “Face” and “Guanxi”. Both concepts will be explained below or [click here](#) to go directly.

Constant communication is fundamental to avoid misunderstandings. We can divide communication in two kinds. Written communication should always be used for any business agreement, decision or change. That is, if anything is agreed orally, then, a follow-up email should come at the earliest convenience. This would keep things clear and avoid language misunderstanding. The second kind of communication is verbal or oral, and it should always aim at establishing and keeping a good rapport. This communication is important for deepening the person-to-person relationship. Again, business in China will always have more chances of long-term success if one keeps a friendly and genuine relation with one’s Chinese counterpart. See our section on written communication below or just [click here](#).

Gifts should be presented at opening meetings and when achieving milestones or when meeting after a long time. [Click here](#) to find more information on gifts.

B. Handling complaints

If you receive a complaint you will be entering the domain of “Face”. A complaint is both, a problem and an opportunity. It is a problem because different perspectives usually attribute any given problem to different reasons (or parties). But it is also an opportunity because many complaints can help build social capital, by proving or collecting favors from the counterpart. In all cases, always deal with the problem with great awareness of the interpersonal implications of every decision. Analyze and identify how easy would it be for you to solve the problem, this, regardless of who’s fault can explain the complaint. If it is rather easy to solve it, play that situation to your own benefit by claiming that you would only help solving it, even despite the necessary extra costs and resources. Justify such statement and don’t hesitate to elaborate in the reason, explain you will do so mainly because you cherish your business relation and see a great future for both parties in it. This works in your advantage as a favor that you could collect in the future.



In China, collecting favors is a way of gaining social capital. The more favors are owed to you, the stronger position you have in society. If, on the other hand, solving the problem (complaint) means an important loss for you. It's advisable to figure out if your counterpart would have a lesser loss. If so, then, the best solution might be to gently guide your counterpart to do this favor for the sake of the relationship. Don't forget that this will mean you will owe your counterpart until the favor is collected.

C. Future orders and opportunities

Receiving a second business order from your counterpart is always good, congratulations! Remember that the first order always sets the precedent for the second order and so on. That is, price, volume, time and any other of the deal's characteristics will be negotiated from the day 1 to infinity. That is why, when making concessions, you should be very carefully to explain how exceptional they are, or else, they will be used to become the norm.

If a completely different business opportunity arises and it involves your current business counterpart (partner, buyer, distributor) remember that business relations are personal. That is, you might bring a new business idea, from a separate venture, but if you bring it up, such new opportunity will be added to your personal relation and thus, any past and current business. Expressed in a different way, don't expect your business counterpart to separate one sort of business from a new one. That will not happen. This can get you future complications as both direct business and new business (direct or indirect) will mix in one single relationship. Almost in any case, it is preferable to first achieve a well-established business with your counterpart before bringing any new business to the table. This strategy will set the precedent of a strong ongoing business that shouldn't change nor give problems therefore giving new business a good possibility to be explored and agreed upon.

After reading "Face" and "Guanxi" remember that a good business contact (with past successful deals) can also be used as a platform for new businesses. That is, if your business counterpart already trusts you, you can use that relation to explore new ventures. That counterpart will be part of your guanxi now, so it's all right to explore new contacts where that specific connection can take you.



V. Immerse yourself into China: Acknowledge the culture.

In this section:

- A. General characteristics of Chinese history, culture and society
- B. Culture
 - 1. Perspectives of time
 - 2. Society
 - 3. Taboo topics
- C. Geographical settings and climate
- D. Contemporary China
- E. Business Culture
 - 1. Guanxi and Face
 - a) Guanxi
 - b) Face
 - 2. Hongbao
 - 3. Negotiation tactics (with Chinese counterparts)
 - a) Preparing for business checklist (online or face to face)
 - b) Business Meeting Step-by-Step
 - c) What to do and what not to do
 - 4. Communicating with Chinese
 - a) Written Communication
 - b) Internet Communication



A. General characteristics of Chinese history, culture and society

The Chinese consider the difficulty in understanding their culture lays in the four “Big”: Big Territory, Big History, Big Cultural Background and Big Population. To begin with Territory, we have to mention that China (9,596,961 km²) is the third largest country in the world just after Russia (17,075,200 km²) and Canada (9,984,670 km²) a little bit larger than the United States (9,522,045 km²). However, some databases list the United States as the third largest country and China as the fourth. Why is this? Well, China’s area includes disputed territories which are not always considered to be part of China’s total area. If we include bodies of water, China is larger than the US, but if taking into account only the territory that is undisputed, the US becomes larger than China.

Regarding history, we have to remember that China is one of the four ancient civilizations on Earth. Mesopotamia is considered to be the most ancient civilization, followed closely by ancient Egypt, then the Indus Valley civilization and finally came the Chinese civilization which dates from around 2,200 B.C. Even though Chinese civilization is not the most ancient one, it has been the longest surviving civilization in history. The Chinese are still around today, along with their religions, philosophies and writings. In Mesopotamia, they used to write a language which is now dead and believed in a religion that is no longer practiced. Both ancient Egyptian and Mesopotamian cultures disappeared and in their place we find Muslim countries using Arabic as a common language. As for the Indus Valley civilization, like the ones in Mohenjo-Daro and Harappa, experts are still unsure about what language they used.

Chinese culture is very large and broad, and actually consists of an enriching mixture from several other cultures. Currently, the Chinese government officially recognizes 56 different cultures in China: from the northern ones like the Manchu and the Mongol, to the Hui, the Tibetan and some others in the south. Every one of these cultures have their own language, own cuisine and own traditions, some of which are very ancient. Actually, we could say that Chinese culture is a mosaic of different ancient cultures and traditions. However, Han people are the majority in the country, representing more than 80% of the total population. From our Western point of view, we can appreciate the uniqueness of Chinese culture through several dimensions: cuisine, martial arts, music, literature, medicine, tea, paintings, etc.

Finally, China’s population surpassed 1,336,718,015 million people in 2012, and represents almost 20% of world’s population, which is now around 7 billion. China’s population increases each year by approximately 12-13 million people, and some Chinese provinces have a comparable population to large countries such as Mexico, Argentina, Algeria or Congo. For example, the populations of Sichuan and Chongqing are more than 115 million people, which is larger than the whole population of Mexico (112 millions) and very close to the



population in Nigeria (155 million), the most populated country in Africa. Shandong has more than 84 million people, which is more than Germany (82 million), the most populous country in Europe.

China's demographic history shows that in the very early years, as far back as the Han Dynasty, China had a population of some 60 million. According to some experts, at that time this represented around one-fourth of the world's population. Despite wars and the territory's complexity, among other factors, China's population grew 50 to 90 million in a span of 1,000 years. By the time of the Ming Dynasty (1368-1644 A.D.), China's population began to grow in a dramatic way, surpassing the 100 million mark. During the Qing Dynasty (1644-1911 A.D.) the country's population doubled from 177,495,000 to 358,610,000. By 1851, the population reached perhaps 431,896,000, making it the most populous country in the world.



B. Culture

1. Society

In the Western hemisphere education has been based upon Westernern values according to a specific geophilosophical point of view. This mindset often dates back to Ancient Greece, to some of the most famous western philosophers such as Socrates (469-399 B.C.), Plato (427-347 B.C.) and Aristotle (384-322 B.C.). Christianity later became the predominant religion in Europe, based on what is now Rome and the Vatican City. From this region, Christian values spread around Europe and America. Therefore we recognize that Christianity and Roman Catholicism formed a foundation for America, Canada and Latin America, and established themselves as the base for values and creeds in the hemisphere.

Very few children that are educated in America learn about Asian countries, their values and religions. In China and East Asian countries, Confucianism has been the vertebral column of education and in other countries, like India, still other religions and beliefs have formed a basis for education. Understanding this point is crucial for any person who wants do business with China because these different values and religions represent ways in which we see the world. The West and the East may meet each other without being aware of the oceans that exist between each other, or the different perspectives they often have on the same issues.

To understand China in a more serious and deeper way, a foreigner needs to learn about Confucius, who is considered the founding father of East Asian society and political regimes. Confucius was born in what is now the province of Shandong in the year 551 B.C. He belonged to a poor but noble family during the Zhou Dynasty. Confucian philosophy emphasizes personal and governmental morality, correctness of social relationships, justice and sincerity. Confucianism was not the only school of thought in ancient China; there were others such as Daoism and Legalism, however, after the Han Dynasty (206 B.C.-220 A.D.) Confucianism became the official mindset in society as well as government.

Confucianism is not so much a religion as it is a philosophy that stresses ethics. His moral teachings emphasized self-cultivation, emulation of moral exemplars, and the attainment of skilled judgment rather than knowledge of rules. Confucius' teachings may be considered as a Chinese equivalent of humanism. Many of his teachings became rules; social rules that go hand in hand with social punishment. A crucial part of his teachings involves the ritual, protocol, or proper manners that one must follow as a subject living in a civilized society. These teachings were passed on from generation to generation, and nowadays there are etiquette rules in every aspect of a negotiation process. They range from the correct way to give one's business card, to receiving and giving presents, among others.



Because Confucius' teachings were based upon virtues like benevolence, righteousness and manners, Chinese society and government developed meritocratic aspects. This meant that one could ascend in society or government not for divine right or hereditary nobility based on clans or lineage, but rather through exams. In modern societies we call this social mobility. Particularly for those who wanted to work for the government, it was very difficult to pass the exams to obtain a position or become an official. Once in such a position, Confucius thought that the official would look just to serve others without considering economic or social rewards.

The people selected through exams became the bureaucracy that not only ruled the Empire during its different dynasties, but also made up the most important social class, just after the Emperor and the Emperor heirs. Actually, for Confucius the "great man" or "the noble man" is the one that does not look for his own profit, but rather seeks to serve others. Those who sought profit were considered to be a lower sort, which is why merchants in China were at the bottom of the social pyramid. After the arrival of the communist regime, merchants and entrepreneurs were still forbidden, and in some moments during the 1960's they were persecuted and declared enemies of the State and society.

History lines comparison

CHINA

2000 BC

2000 A.C

Many Other Countries

2520 A.C



2. Perspectives on time

Often when a foreigner is amazed by Shanghai, its modernity, its skyscrapers and its magnificent “old” architecture, an educated Chinese person may get confused because they do not understand why someone would consider Shanghai’s history so impressive or important since in their eyes, Shanghai has no history. Shanghai does have a history however, and it is a very interesting one for many reasons. Shanghai showed worldwide importance beginning in the 19th century; neighboring cities like Hangzhou, Suzhou and Nanjing were much more important many centuries before.

Also, when we learn that the history of China is divided into dynasties, some might imagine that during more than 2,000 years things did not change much in the country. After all, everything and everybody looked the same. Needless to say, a lot of changes have occurred in China, and actually we could say that China has transformed itself several times within these 2,000 years.

Every time someone has the opportunity to visit a museum in which Chinese treasures or objects are on display, almost always the first objects seen are bronze vessels, bells, or some other artifacts. The Chinese developed such great techniques in crafting processes that no other civilization at the time could imagine accomplishing. China developed a great culture and civilization that spread throughout the region and was assimilated by neighboring countries.

The famous products that China exported to the world like silk, porcelain, medicine, and tea, among others, dominated trade routes. Since the very early years of the Christian era, those products were in high demand in the Middle East and Europe. Roman women, for example, used to wear Chinese silk. Large caravans departed from the most important ancient Chinese cities and traversed the Middle and South East using land and sea routes to reach the rest of the world. Even though merchants did not enjoy an important rank in society, trade, particularly during the Tang and Song dynasties, was booming.

3. Taboo topics

Just like every other culture in the world, Chinese culture has its share of taboos. According to anthropologists, a taboo is a strong social prohibition or ban relating to any area of human activity or social custom that is sacred. It is typically forbidden based on moral judgment, religious beliefs or scientific consensus. Considering China’s long and ancient history and great culture, there are a lot of taboos. In ancient China, for example, a commoner was forbidden to even pronounce the name of the emperor. As in other countries in which old traditions are followed, death is one the most important taboos in China. How to avoid death is one of the oldest duties and aims of humans on earth, so there are many taboos regarding



this topic. For example, certain presents or gifts must be avoided such as: clocks, umbrellas, straw sandals, cranes, handkerchiefs or anything white, blue or black.

Numerology is another topic related to taboos. For Chinese people, number four is a cursed number. In contrast to the reason number thirteen is cursed according to Western tradition, Chinese do not like number four because of the sound. When number four is pronounced in Chinese with the correct tone, it sounds like “dead” (Si in the fourth tone). Therefore, buildings in China do not have fourth floors and no one picks that number for good luck. Good luck numbers are usually eight and nine, which is why the Olympic Games in Beijing were held in the eighth month (August) of 2008 at 8:00 pm.

In connection to particular ways to eat, Chinese invented the use of chopsticks instead of using fork or knife. Of course there is a proper way of using them. It is taboo and very impolite to leave chopsticks standing straight up in a bowl of rice. This act is said to bring bad luck to the restaurant owner, since the chopsticks standing up in the rice look similar to the incense placed in urns at temples when meals are offered to ancestors.

Regarding marriage, pregnancy, name selection and some other practices related to these rites, Chinese taboos are rather strong, because these activities and practices, after all, involve the future of your beloved ones and your kin. The Chinese calendar influences this, and it is divided into 12 astrological animals, and every 12 years it starts over again. So for Feng Shui masters, the year a child is born, plus the day and hour are key in selecting the best name for the child. Today, families pay large sums of money to select a name or to change one. After the advent of the one child policy, these taboos became more important, as there is only one chance to get it right.



C. Geographical settings and climate

Even though China is one of the largest countries in terms of territory, with the third largest landmass after Russia and Canada, China has rugged land and much of it is inhospitable. Most of China consists of hills, mountains, broken river valleys and basins. Only a small portion of the land is arable. It has a single seacoast, most of the southern part is rugged and hilly, and good harbors tend to be situated from within inland regions. China is surrounded by impassable and hard-to-travel Siberia and Mongolia to the north and the inhospitable Himalayas in the south. Its borders with Myanmar and Vietnam are full of mountains and jungles. China's East Sea is the only route through which it can strengthen its naval power, nonetheless, China is still limited and contained by the sovereignty of neighboring countries (Japan, South Korea, Philippines).

Even though there are three long rivers suitable for transportation: the Yellow River (Huang He) with 5,464km, the Yangtze River (Chang Jiang) with 6,300 km and the Pearl River (Zhu Jiang) at 2,129km, there is not enough water for agriculture and human consumption. In fact, during dry season, sometimes the Yellow river has almost no water.

Just comparing the arable land per capita to some of the largest countries on earth, one can see the problem China has been facing. In Russia there is 0.86 hectares per person, in United States there is 0.61 hectares, in India more than 0.15 hectare, but China has only about 0.11 hectare per person. As you can imagine, China's large population means that there are more people with resources capable of consuming or buying more. This is why China imports a lot of its food, and is also one of the reasons it invests overseas - to secure food and natural resources including fresh water.

Regarding climate in China, generally speaking it is dominated by the southeast monsoon, with a pattern of wet summers and dry winters. In winter, there is little rain or snow all across China, coastal areas stay relatively cool, and inland basins become very hot, particularly in the "four furnaces" of Central China: Chongqing, Wuhan, Changsha and Nanjing.

China used to be a net exporter of oil and gas, but given its incredible economic growth, it is now not only a top importer of energy sources, but minerals as well. Fossils fuels are found predominantly in the north, which possesses 90% of oil and 80% of coal reserves. Sixty eight percent of the hydropower potential is in the southwest macro region. The southern coastal regions have virtually no energy resources.

A line is often drawn dividing China in two parts: coastal provinces and inland provinces. This division is not merely for economic purposes, but is also based on topography. The differences between coast and inland are growing rapidly. In the coastal provinces economic growth is more robust, as it has grown more quickly than national averages. More than



41% of the population lives in the coastal provinces, but there is still extreme poverty in this region. The far west contains only 6% of the total population. In 2005, the Chinese government began to expand its support and attention to central China.



D. Contemporary China

Discussing contemporary China is a difficult task. It would seem almost impossible to achieve a balance between the “4 Big” mentioned before (territory, population, history and culture) and the effects of profound events that occurred in China in the last 100 years. Religion would make a good example.

China has no state religion, but nonetheless, as discussed before, Chinese culture has produced many philosophical schools that are sometimes regarded as religions in the Western world. Arguably, the most important one is the school of Confucius. At present, Confucianism is gaining back its central role after having been condemned by the Communist party for many years. Also, Buddhism was deeply integrated to Chinese culture throughout millennia and Daoist priests and leaders were summoned by the Central Government in 2011 to give advice on how to build a moral backbone for the country.

Therefore, we can see contemporary China integrating all these philosophical schools and religions in different ways. To simplify, it seems that Confucianism establishes social moral rules; Daoism plays an important role for the individual and Buddhism is present in terms of the metaphysical, superstition, luck and good graces. At the same time, perhaps it is easier to argue that family is the center of society and therefore the very moral axis of Chinese culture.

When trying to grasp the psyche of contemporary China, James McGregor has summarized the central aspect of contemporary Chinese rather well: “China is schizophrenic, confident, eager to become a world-class competitor, and also paranoid and insecure about the outside world. Strong and young while old and weak. (...) China is undergoing the raw capitalism of the late 1800s; the speculative financial mania of the 1920s; the rural to urban migration of the 1930s; the emergence of the first-car, first-home, first-family vacation, middle class consumer of the 1950s, and even aspects of social upheaval of the 1960s.”

One needs to consider all contrasting elements that shape China today if one wishes to succeed in doing business there. Consider, for example, how the country is half urban and half rural. If we randomly select a Chinese person from anywhere in China it would be like flipping a coin. It could be either an urbanite or a peasant. Moreover, even if half of China is urban, there are many rural developments that have been declared cities, although they are still small and not necessarily as sophisticated as Chinese star cities like Shanghai and Beijing.

This is precisely why doing business in China requires market definition. There are many Chinas within China and ignoring this can be fatal for business. Take social stratification for example. There are more than 100 million Chinese that are considered to be rich. They



own apartments and cars, they buy diamonds and luxury brands and they travel to wherever they please. There is also what it is commonly referred to as the Chinese middle class, middle-income professional or white-collar individuals that are gaining purchasing power. Still, they do not necessarily buy diamonds, although they do intend to buy flats and cars at the right time. This is a very young age group. Apart from these two, you may also encounter the lower urban classes and then the urban base of the pyramid and migrant workers. It is important to emphasize that despite the difference in volume, all these groups consume and spend more every year since 1990. This is, of course, why ExportToChina.com began in the first place.

While it is necessary to understand some aspects of Chinese culture, it is impossible for a businessman to first become a Sinologist (China expert) and then start successful businesses. In fact, it is extremely complex for even fulltime scholars to do so. The main advice here is, however, not to underestimate China's diversity and complexity. Do just the opposite - always remember the vastness of this country and be ready to adapt every single aspect of your business in order to get it right. Below, we present some useful characteristics of the country that can help you remember how China is more a continent than a country when it comes to diversity.

There are hundreds
of millions of Chinese

- that have never visited Shanghai or Beijing
- that have never traveled outside their home-town, let alone their country. For most Chinese, their community is the world
- that have no clue where Brazil, Nigeria, Lithuania, Mexico and Costa Rica are, and know even less about what language is spoken there or what kind of food is eaten



E. Business Culture

To talk about Chinese people is to talk about business. There are very few people in the world that are as driven to business as the Chinese. This has been going on for thousands of years and thus, Chinese business culture has accumulated and gained complexity throughout the centuries. Having stated so, one should also consider that China has less than 30 years of international commercial experience in its recent history. Amongst the implications is that there is a short history of local companies and thus, references are important because there is not a long company background experience. Also, such references and relations are important because of lack of trust.

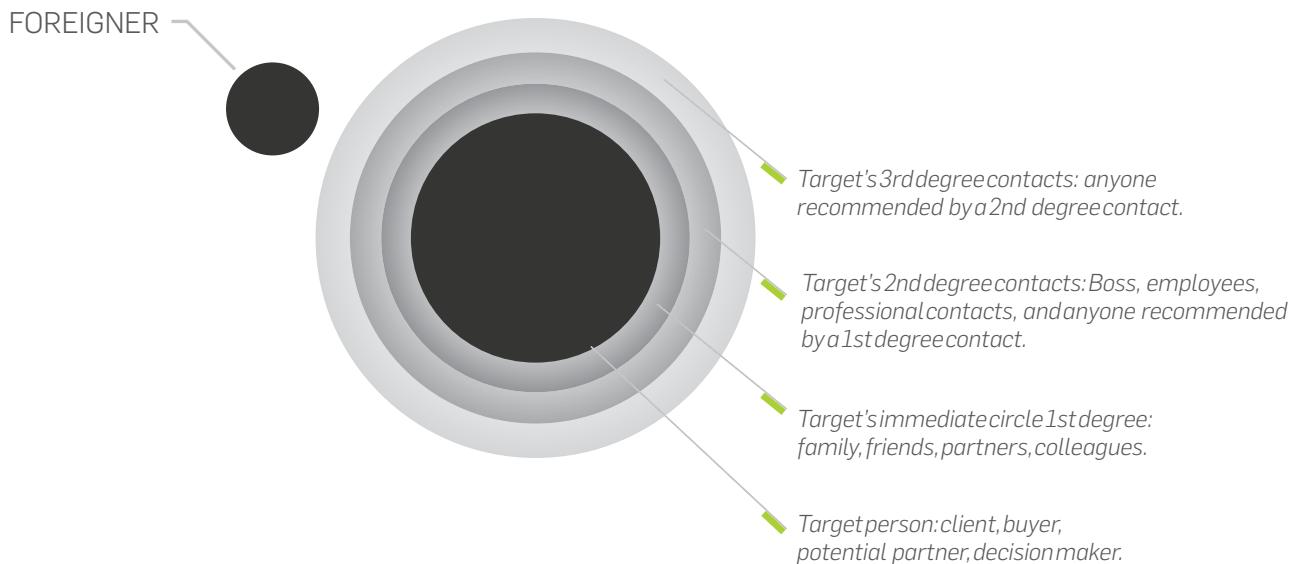
One cannot expect business in China to be as straightforward as it might be in the United States. The USA is a relatively young country that was born out of rejecting many cultural aspects from its British origin; thus business culture was stripped to its essentials. On the contrary, the Chinese have added layer upon layer of cultural norms, written and non-written rules, practices and traditions in their own business culture. Let us discuss some of the central cultural aspects of this business culture.

1. Guanxi and Face

There are two famous Chinese cultural elements that overtake any other when discussing Chinese business culture. Beware, as these two elements are sometimes blown out of proportion and are not necessarily fixed, monolithic cultural aspects. In simple terms, the following concepts are important to consider, but they will not assure a successful business if regular business elements are absent (such as business opportunities). So they are not the Holy Grail, but rather only particularities of the Chinese culture that can be found in many, if not most cultures in the world. They have become famous among foreigners doing business in China not because they are exotic, but because in China they reach a higher degree of importance than in many other cultures. Having stated this disclaimer, let us discuss Guanxi and Face.



a. Guanxi



Guanxi is literally translated as relation or connection. When used in social contexts, it means social relations or connections that a given person or entity possesses. Clearly, contacts and networks are the backbone of business anywhere in the world. As stated before, Chinese context is not different in substance but in degree. Many anthropologists agree that some societies rely more heavily on connections in order to function and achieve different objectives when their legal and structural system is less pervasive and predictable. That is, the rule of law might act and proceed differently depending on whom the subject is and what social hierarchy it belongs to. This is definitively China's case. The Chinese way of life has relied heavily on connections as a way to protect and maximize benefits for people that otherwise could be threatened by more powerful individuals. It all comes down to trust and protection. When the rule of law does not necessarily protect every citizen the same, other safeguarding methods apply. Having Guanxi maximizes a good outcome in business because it brings trust and predictability to the individual. Here is an example to illustrate the concept.



Example

Mr. Wang is a Shanghai native that wants to take his successful Shanghai restaurant to Beijing.

In Shanghai, he rents a place from a family friend and knows that his venue is safe for the coming years. It is unlikely that his landlord, who knows many family members, may cancel their agreement, so that is one thing less to worry about. Mr. Wang even started using the Shanghai venue without a contract for the first years. This was not completely necessary because landlord and tenant knew each other and there would be high social stakes and consequences had any party broken the agreement. Regarding food ingredients and materials in Shanghai, Mr. Wang was introduced to a couple of great suppliers by a close friend. Although they are second-degree contacts, they share some connections and have easily come to trust each other. When business is slow, Mr. Wang pays for supplies a couple of days late and his suppliers agree to it. When business is high, Wang even pays in advance to make supply more efficient. This happens without any written agreement.

The problems that Mr. Wang would face if he opens a restaurant in Beijing are precisely those related to achieving the level of trust he enjoys in Shanghai, his hometown. He lacks Shanghai guanxi in Beijing, although one of his suppliers has shared a contact with him. This Beijing supplier is not necessarily a relative of his Shanghai supplier, just a contact from the same industry that has been there for years. When dealing with his first and only Beijing supplier, Mr. Wang will need to negotiate the details on how business is going to operate, and he will probably face the need to be specific at some time, and even sign some agreements. Also, Mr. Wang will definitely need to sign a leasing contract once he finds a suitable venue. He will probably ask for official documentation on the venue, as he needs to be sure everything is in accordance with laws and regulations. He knows that one key aspect of a successful restaurant is location. Therefore, he needs to be confident that his leasing contract will protect him from any ambitious person that may want to kick him out and keep the restaurant's clients once it is a success. This happens not only in China, but also in many countries in the world, including the United States. The difference between countries regarding this situation is what the victim can do if this happens. In China, one cannot be completely sure of compensation if one does not possess good guanxi.



To conclude, Mr. Wang portrays both cases of having and lacking guanxi. Being from Shanghai, Mr. Wang has the right connections not only to have a successful and well-protected business, but also to act strongly against any future threat his business may encounter. On the contrary, not being a local in Beijing makes future threats more complicated to solve for Mr. Wang. This does not mean that problems cannot be solved outside one's comfort zone, it only means that there is more risk of not solving them and thus, more effort, energy and resources that may be needed to do so.

Having read Mr. Wang's case, the reader may ask, how is a foreigner to start developing guanxi if there is no single contact in China when wanting to start a business? Well, having posed the question is the best start. One must think about these terms from day one. Many foreign companies contact their embassies and chambers of commerce in order to start exploring Chinese markets. This is, in fact, a natural strategy that is often recommended. Let us say for instance, that you have a meeting with a Chinese buyer. The best approach would be if both of you met through the ExportToChina.com platform. If meeting in person, it would be very advisable to ask your government representation or your country's local chamber of commerce to provide some advice and even, some info on your buyer. The single mention of these offices provides a level of formality and seriousness to your business. That is, it sends the message that you are not alone in China, but that in fact you are advised and assisted by your country's connections that are based in China. This is probably the best way to begin. Once your business starts developing in China, then you will probably need to consider growing your own guanxi.

Finally, the fuel and source of guanxi is favors. In simple terms, if you asked for a favor, then you are indebted. The other way around, if someone asks you to provide favors or assistance and you accept, then that person becomes part of your guanxi as such favor is owed. Do not hesitate to deepen your knowledge on guanxi and other cultural concepts through the web. For instance, Wikipedia summaries that "reciprocal favors are the key factor to maintaining one's guanxi web, failure to reciprocate is considered an unforgivable offense. The more you ask of someone the more you owe them. Guanxi can perpetuate a never-ending cycle of favors." This is why favors can bring you and your business partners closer together or further apart. Ultimately, favors are intimate with the second cultural concept to be discussed, namely, the concept of face.



b. Face

The concept of face in China is attributed to social capital. Having and maintaining guanxi or connections is very important, but keeping or improving them is crucial, and ultimately a matter of face. Lin Yutang, probably the most famous translator of Chinese culture to the West wrote, “It is not a face that can be washed or shaved, but a face that can be “granted” and “lost” and “fought for” and “presented as a gift.” Here we arrive at the most curious point of Chinese social psychology. Abstract and intangible, it is yet the most delicate standard by which Chinese social intercourse is regulated”. Face is the respectability and/or deference which a person can claim for himself from others, by virtue of the relative position he occupies in his social network (guanxi). But also, face is the degree to which he is judged to have functioned adequately in such position, as well as acceptably in his general conduct. This is why public mistakes are a dangerous currency in China. Acknowledging or pointing out a mistake in public is probably the most humiliating experience one can ever endure in society. It is not surprising that the Chinese will do almost anything to avoid such situations regardless of how small or insignificant the mistakes might be.

One can lose, give, save and even want face in Chinese language.

Take Mr. Wang from our past case for example. His Shanghai supplier, the one that introduced him to a new Beijing supplier could gain face if the Beijing supplier turns out to be great. Also, he could lose face (to Mr. Wang) if the new supplier turns out to be a failure. Nonetheless, loss of face also comes down to Mr. Wang’s behavior. For instance, say that the Beijing supplier tries to cheat or steal from Mr. Wang. If Mr. Wang finds out, what should he do regarding his relation with the Shanghai supplier (the one that introduced him to the Beijing one in the first place)? If he goes to Shanghai and openly tells the story of the cheating supplier, he could embarrass his Shanghai supplier. Not saying anything is not an option because the Shanghai supplier would surely frequently ask for updates on the Beijing business. So, a middle way is probably best, as is often the case in China. That would be to very delicately brief the Shanghai supplier that both him and the Beijing supplier have different ways to do business and that they are probably going to take their own separate directions. By communicating this, the Shanghai supplier will very likely guess that there was a problem, and would surely appreciate not to be drawn to the problem itself. Actually, he might even feel he has received a favor from Mr. Wang. But there was no loss of face for anyone involved. On the contrary, Mr. Wang saved the Shanghai’s supplier face by not destroying the Beijing supplier’s face.

[Click here for a video explanation on “Face” from The University of Nottingham](#)



2. Hongbao

DEFINITIONS

Traditional way to give a present in the form of cash. It is used as a wedding gift, or Chinese New Year gift for the children (see the picture).

The hongbao is also a socially accepted method to smooth things out. For example, given that the Chinese health system has to provide service for one billion citizens, a sick person without the right connections (social status) will not necessarily get a bed in a good hospital, and sometimes will not even be diagnosed by a doctor. The hongbao would be a way to clear some restrictions and get special service and care. There are some cultures that would consider the hongbao to be bribery; nonetheless, it is not seen as such in China. This is just a social AGREEMENT that sometimes, as a Chinese person in China, it is necessary to get preferential treatment over thousands of others. When foreign businessmen realize that hongbao is offered to them, it would be best not to overreact, and just explain that it is not necessary since the special friendly treatment would be provided without it.





Hongbao in business basically means a way to sort things out when guanxi is absent or very weak. That is, when you have no connections but need to get access, permission or special service, hongbao is normally the tool used to do so.

Take Mr. Wang's case again. If in Beijing he needs to get a special business permission to open his restaurant, he will need to file his petition to the local government. Let us assume that same month, thousands of other businessmen filed petitions and thus, an official response to Mr. Wang will probably take 2 months. He will probably lose money while waiting for such permission, as he needs to have a leasing contract to file, so he is already paying rent. Of course, he knows nobody at the local office, and his Shanghai connections are worthless in such local affairs in Beijing. Well, Mr. Wang, in the case that he has enough resources, might consider giving away a couple of hongbao at the local office to receive special attention.

Regarding business gifts in China. Giving gifts to new acquaintances (specially in the professional arena) is a very ancient tradition in China. We can go back to the first foreigners in China like the Koreans, Japanese and even the first Westerners (Jesuits and some ambassadors) to see that all of them were required to bring a gift to their counterpart. This tradition still prevails in the business context. In the next page you will find when would it be a precise time to present gifts (business check list). For now, it suffices to say that good gifts are very appreciated. AVOID any taboo **mentioned before**. Chinese are more used to foreigners now, but knowledge and awareness of their culture is always very appreciated.



3. Negotiation tactics (dealing with Chinese counterparts)

Negotiations with Chinese never end. There are cases where years of supplier-buyer relationship have not deterred both sides from negotiating prices and business agreements. Nonetheless, it is safe to say that in China there is not so much brand loyalty as there is relationship loyalty. Build strong relationships and you can even take business with you out of a company and into another one (we have seen this phenomenon happen many times).

a. Have your company one-pager in both English and Chinese (ExportToChina.com covered!). Emphasize a strong growing company with international operations, especially among the largest economies. Also, have your future China market goals as well defined as possible.

b. Have all product/service technical information written in English and preferable in Chinese (ExportToChina.com covered!).

c. Be ready to answer questions on production and export capacity in the short and middle term.

d. Have clear pricing strategies taking into account what shape will your business take in China.

e. Do your homework and get to know your counterpart beforehand. Don't hesitate to call your country embassy to request intelligence. Find out who they are, what have they accomplished, where they are going and what they need/want to do.

f. Business cards: never forget to have clearly defined positions and, if you are part of a company mission, a clear group hierarchy. Help Chinese counterparts figure out who leads and who does what.

g. Assign clearly defined staff for follow-up and future communications.

h. Names and positions of everyone attending the meeting.

i. Be prepared; contact your government sector official in order to obtain intelligence. Also, should problems arise, they will already be familiar with your case.

j. Is there a need for interpreters?

k. Gifts? (Hongbao)

l. Business Etiquette: Meetings



a. Preparing for business checklist (online or face to face)

Having business meetings in China is always full of excitement. It can be as fun or as frustrating as you can possibly imagine. Your own performance will have an important impact on where the meeting goes, so do pay attention to the following information.

Meetings are full of theatrics; you can witness everything from praising remarks to pretending not to be interested in buying. Don't let such theatrics slide into substance. That is, play along but be aware that Chinese can sometimes stay at that level for as long as the meeting lasts. Do treat such elements with the utmost importance Chinese businessmen expect BUT never lose sight of your goal or bottom line. It is important to demonstrate that you know what you are doing, that you master your field and you can help China (your partner) improve.

Chinese business meetings have the goal of building lasting relationships. Business and friendship are often intertwined, so getting to know your partner on a personal basis is as important as the business deal you are looking. This is why being friendly and a bit personal is always advisable, however, don't hesitate to claim that friendship is about just terms for both parties.





b. Business Meeting Step-by-Step

1. Getting to the business meeting. Chinese buyers and suppliers often offer to pick up their foreign counterparts in order to take them to the meeting. This is most common when they come from abroad. Don't hesitate to accept the gesture. If you don't, be very cautious to arrive on time and consider traffic and rush hours in big cities like Beijing and Shanghai.
2. First encounter: Remember that your group should always have clear leadership, it should be easy to tell who is leading your side. This person should always be introduced first followed by next in order of importance.
3. When meeting with Chinese counterparts, have your business card ready. Remember to present and receive cards with both hands. When you give your own card, Chinese will appreciate if it is disposed to be read by them (so you should see your name upside down).
4. Meeting room. Despite the kind of room and table, you should mirror your Chinese counterparts. Hierarchy is always maintained in sitting places. Don't hesitate to ask them where you should sit.
5. Introductions: The first thing happening in a meeting is always introductions. This is almost like reading a cover letter on who you are and why you are here. This moment is a classical time when praising your counterparts is well in order. It normally happens in shifts. They speak, you speak, and so on.

It's IMPORTANT: Depending on the kind of meeting and industry, such introductions can be very long. Don't hesitate to use your turn to speak to start bringing business in a very subtle way down to earth.

6. Don't expect emotion, and try not to show much of your own. Also, don't be surprised if your counterpart answers the phone in the middle of the meeting. It is not unpolite to do so in China.
7. Negotiating prices: Remember you should inflate your price. And you should plan to yield some before agreeing. Do pretend to reject demands from time to time. Avoid aggressive negotiating tactics. Avoid cutting to the point. Chit-chat for some time, enjoy lunch and even dinner before starting negotiations.
8. Use roadmaps. They are useful to bring agreements into details.
9. Lastly, present gifts: Remember to bring gifts of different value. That is, a first tier gift for



the Chinese company leader, a second tier for one or various directors, or managers. And a third tier for assistance and/or interpreters.

IMPORTANT: Reread our section on culture and hongbao for some more tips on gifts.

VERY IMPORTANT

Business lunch or dinner can happen at any moment. That is, lunch or dinner could be your first encounter before even having any business meeting. It could happen in the middle of the meetings, or it could even happen at the very end. It really depends on schedule, the kind and importance of your meeting and your counterpart's agenda. In any case, eating together is a big deal in Chinese culture. Don't underestimate this opportunity. When having lunch or dinner, food and drinks will play an important social role (especially on dinners).

Regarding food: Chinese eat in a collective way. That is, many dishes will be ordered by the host and everybody will eat from those at the same time. First and probably the most important advice here. NEVER eat too much out of a single dish and never underestimate the amount of dishes that have been served. Assume there will always be more dishes to come. How to excel in this situation: Eat slowly, and only serve yourself small portions. Always keep something in your personal plate so that your host won't feel the need to serve more food. If you feel like you don't want to drink or eat anymore, use health excuses as for not eating everything and try to compensate elsewhere.

If you enjoy drinking from time to time, then do drink with your potential partners/clients. Be careful not to drink at their demand, but be polite enough to accept as many toasts as you can take without losing judgment. The whole idea of having dinner together is getting to know each other in a more relaxed setting. Nonetheless, many important negotiations happen at the end of dinner, when participants are under the influence of alcohol, relaxed, and enjoying themselves. So, again, if you are a good drinker, this is a good opportunity to score some agreements. Finally, if you are not a good drinker, or do not drink at all, our advice would be to claim health problems as a reason for not drinking. It won't be such a big deal but you will need to compensate elsewhere in the personal level with charm, great culture interest or knowledge and/or other strategies.



DISCLAIMER: although Chinese businesswomen are growing in number, men occupy most executive positions within companies. Also, male traditions prevail when having business lunch or dinner. That is, in China men are expected to drink and in many places to smoke too. Women, on the other hand, are expected not to. So, if you are a businesswoman, it is advisable to plan ahead and decide how to tackle this problem. You can either lead the meetings, play by ear and compensate elsewhere (just like non-drinkers). Or you could also appoint a male chief-negotiator to lead the meetings and behave as Chinese businessmen expect him to behave (although decisions are taken by you at the very end). That is, a businesswoman can always orchestrate from behind the scene, a path that allows for many strategies.

Here below, some important elements to remember while in China:

- Changing your own attitude is easier than trying to change your Chinese partner's attitude
- Remember guanxi and face, bring these concepts alive into the meeting
- Demonstrate respect: Show deference and recognition for China's new position on the world scene as well as for your counterparts' company development over the years. Treat your counterparts as equals or superiors
- It's okay to be rough when needed, BUT, it's disastrous to be insulting. Such fine line should never be crossed
- It's okay to joke, but don't expect many jokes from them in the first meetings. Try to warm up the relationship before cracking a joke
- Always focus on the final outcome more than on anything else, but don't push for it too hard, just never lose sight of your goals
- Remember, devil is in the details. That is, important agreements may be reached in an executive meeting, but how such agreements are implemented cannot be guaranteed unless communication is held on a permanent basis
- Be careful with the information your Chinese counterpart provides. It would normally be very attractive, but don't hesitate to do independent research or ask for samples and proof
- REMEMBER: Chinese will understand you better than you will understand them. This is a case of volume and intensity; they receive people like you any given day



c. What to do and what not to do

DO

- Show interest in their language and culture
- Stay patient
- Maintain relationships
- Show interest in the your business partner's personal background
- Play the role of dumb foreigner and practice the strategy of persistence
- Be tough but respectful "Chinese respect it."
- Adding a smile will always take you the extra mile
- Try to understand underlying messages

DON'T

- Mistake language ability with business and managerial competence
- (Never) lie, nor exaggerate. You risk losing face (credibility) and that could be fatal
- Generalize; China is big and has many cultures
- Implement your prevailing business and management styles (often Western)
- Expect China to change for your culture
- Talk about political sensitive subjects (Taiwan, Tibet, Xinjiang, or other)
- Say that you like Chinese food in your home country better than in China



4. Communicating with Chinese

When communication is about business, and it is not inter-institutional, nor bureaucratic, written communication should pursue being effective rather than any other characteristic. The prevailing business communication form between Chinese businessmen and foreigners is the written form. Do consider that a phone call does not necessarily help speed up communication, as could be expected. It often leads to further confusion. In case you make a phone call, it is very important to send an email with the meeting minute (summary) immediately after the call to ensure that both parties have understood and agreed to the same. Regarding written and spoken communication skills for the average Chinese, the following rule of thumb applies: Reading and writing skills come first; Listening skills come second (although sometimes you'll need to speak slowly); Speaking skills come last as the Chinese accent is strong.

a. Written communication (emails)

When you write your first email, keep it simple, short and clear. You don't know the English level of your Chinese counterpart and misunderstandings can start here. You can later adjust your communication upward.

DONTs

- Use passive sentences and any other grammatical complex form if it can be avoided
- Employ complex verb tenses: conditional and perfect progressive. They can be misunderstood
- Use unnecessary adjectives as you may confuse your counterpart

DOs

- Use the same word many times, despite lacking in style, it leaves no room for confusion. Synonyms will not be missed once you get better and faster replies
- Emphasize grammatical time with time-words. This yields more effective messages
- Write time-words in big caps for your reference: YESTERDAY, you told me, and TOMORROW I'm expecting to get..... Because NEXT MONDAY, we will be going to...



- Always use concise sentences. Compound sentences with more than one subordinate become difficult to read
- Always use the most common word to refer to something. This may be a little more difficult for English native speakers, but do keep in mind you are dealing with non-natives
- Repeat messages in different ways to help reinforce it. Do not fear redundancy; At least one email summary at the end helps to resolve doubts that, otherwise, would resurface in later emails
- Include graphic support as it is highly appreciated. Pictures and diagrams will always help you down the road
- Clarify definitions when using technical terminology. Sometimes, if there is an unknown technicality, your counterpart may not ask his/her colleagues nor you about it in order not to “lose face”. This happens because your Chinese counterpart is expected to know your specific business in English (within his/her own company) and failing to do so is a way to lose face. This can lead to misunderstandings that cost time at the very least

b. Internet Communication

- Communication via online chats (Messenger, Yahoo, Skype, QQ) during work and precisely to deal with job-related things is more common in China than in many other countries. Sometimes it is a good way to establish a dialogue. It can actually be more effective than a phone call or even emails. Do consider it!
- If your Chinese counterpart requests a skype appointment he probably means communicating via chat and not via voice call
- Big caps, bold or excessive exclamation marks is just a way to reaffirm the importance of something. Very often they communicate in an imperative and aggressive tone but this is completely unintentional. Chinese language influences them to communicate like this. It is important not to take it personal
- On more formal communications formats, Purdue University's “writing lab” has a couple of interesting observations. <http://owl.english.purdue.edu/owl/resource/676/01/>



Annex

Country profiles. Country of origin
and trade relations they hold with China.



ARGENTINA

Trade relations with China

Argentina holds economic and trade relations as well as economical and technological cooperation with China. Moreover, Argentina is one of China's main business partners in Latin America.

Argentina's exports mainly include traditional commodities such as wheat, rolled steel, wool, hides, vegetable oils and raw cotton.

Argentina does not hold a free trade agreement or any direct trade agreement with China, therefore commercial relations are subscribed to the conditions of the World Trade Organization. For information regarding trading conditions according to the WTO treaty visit the following link:

<http://www.wto.org/>

The Chinese-Argentinean Chamber of Commerce offers some valuable information on trade relations between these countries, along with some other important information and assistance.

<http://www.argenchina.org/>

Exporting from Argentina

In order to export from this country there are several steps you must follow
Subscribe to the Importers and Exporters Registry of the Argentinian Republic, which may be done at the Customs General Administration

Be subscribed to the Direction of General Taxation and have a CUTT (Tributary Identification Code, by its acronym in Spanish)

The following steps depend on the kind of product you will export, the shipping method etc:

Export regulations are determined by the Economy Ministry along with other agencies. To find out about specific regulations for exporting your products, go to:
<http://www.afip.gob.ar/aduana/comercioExterior.asp>

or more specific information (paperwork), click below:

<http://www.argentina.gob.ar/tramites/354-registro-de-barreras-a-las-exportaciones.php>



AUSTRALIA

Trade relations with China

Australia and China are negotiating a Free Trade agreement that will facilitate trade and investment, as well as development for the region.

For specific information on current trade relations visit the Australian Chamber of Commerce in China's webpage:

<http://www.austcham.org/>

Exporting from Australia

For information on the country's requirements for exports, the Australian government has a very detailed webpage on the steps you should follow.

<http://www.austrade.gov.au/How-to-export/default.aspx>



AUSTRIA

Trade relations with China

Being part of the European Union, Austria subscribes to the EU-China Trade Co-operation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. Particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Austria has had substantial presence in China since the 1980s and has rapidly expanded its network over the past few years. In 2014, Austria's exports to China are expected to grow significantly, accounting for 4 percent of its total export volumes from the present 2 %. China has also become Austria's most important trade partner outside the European Union.

EU's exports to China are also concentrated on industrial products: machinery & transport equipment, miscellaneous manufactured goods and chemicals.

Austria's main exports include: machinery, equipment, motor vehicles, paper and paper board, metal goods, iron, steel, textiles, foodstuffs

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details, go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China

<http://www.europeanchamber.com.cn/view/about/memberstates?sid=750>

or visit the Austrian Foreign Ministry

<http://www.bmeia.gv.at/en/foreign-ministry.html>

Exporting from Austria

For information of requirements for exports, export regulation and trade policy, the Austrian Federal Economic Chamber has a very detailed webpage on the steps you should follow.

http://portal.wko.at/wk/startseite_th.wk?dstid=0&sbid=3338

<http://www.bmeia.gv.at/en/foreign-ministry.html>



BANGLADESH

Trade relations with China

Bangladesh is currently a member of the Asia-Pacific Trade Agreement (APTA) as well as China, India, Laos, Republic of Korea and Sri Lanka. APTA is a preferential trade arrangement among developing countries.

For more details on specific trade agreements and tariffs elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/enpacific.shtml>

For more information about Bangladesh's list of concessions

<http://fta.mofcom.gov.cn/download/mjl.pdf>

Exporting from Bangladesh

Full text of Export Policy and other information

<http://www.mincom.gov.bd>

For detailed information on Export Performance / Export Data or any other Export related information please browse the website of Export Promotion Bureau:

<http://www.epb.gov.bd>

Acts and Policies for Exports, click here:

<http://www.mincom.gov.bd/acts.php>



BELGIUM

Trade relations with China

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certifications, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China
<http://www.europeanchamber.com.cn/view/about/memberstates>

Exporting from Belgium

In general, no customs duties are due on goods exported from the EU. There are, however, rules that cover place of exportation and the exporter, which have repercussions on VAT treatment for exported goods. The majority of goods exported from Belgium do not incur VAT as long as the exporter can prove that the goods have left the European Community.

For more information on rates, duties, and classifications consult the official Tarif des droits d'entrée/Tarief van invoerrechten published by Belgian customs.
http://fiscus.fgov.be/interfdanl/nl/site/customs_english.htm

Kingdom of Belgium. Foreign Affairs, Foreign Trade and Development Cooperation. http://diplomatie.belgium.be/en/services/legalisation_of_documents/



BRAZIL

Trade relations with China

Brazil is China's largest trading partner in Latin America. This alliance exists because the South American country exported large quantities of raw materials and received in return many manufactured products. Creating a joint action plan for 2010-2014 stimulated the export of poultry meat and pork and also signed a financing agreement for 10 billion dollars from the China Development Bank to Petrobras.

A total of 84% of Brazilian exports to China are commodities, while 98% of Chinese exports to Brazil are manufactured goods.

For more information visit

<http://www.mdic.gov.br//sítio/interna/interna.php?area=5&menu=283>
<http://www.brasil.gov.br/para/press/files/fact-sheet-brazil-china-trade>

Exporting from Brazil

In exporting from Brazil there are different requirements depending on the exporting entity: Individuals, Public Sector or Corporations. There are also sanitary requirements for specific products such as drugs, cosmetics, hygiene products, perfumes, pesticides, processed foods and additives.

Procedures to be followed, as well as specifications on what certification your product needs to be exported out of Brazil are available on the following link, the homepage of the Brazilian Development, Industry and Trade Ministry:

<http://www.mdic.gov.br//cotas/>



CANADA

Trade relations with China

Canada has benefited from China's rapid industrialization and its need to import commodities. Though the leading exports from Canada to China are: wood pulp, organic chemical, nickel articles, metal ores, machinery, reactors, boilers, electrical machinery and equipment, vehicles (except railway or tramway)parts, plastics, fish and seafood and fertilisers; it is commodities that account for 80% of shipments from Canada to China.

Canada does not hold a Free Trade Agreement with China, therefore commercial relations are subscribed to the conditions of the World Trade organization. For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

For detailed information and aid visit the Canadian Chamber of Commerce in China, <http://www.ccbc.com/>

Exporting from Canada

Canada Border Services agency offers a detailed step-by-step guide as to how to export from this country.

Available on this link:

<http://www.cbsa.gc.ca/sme-pme/e-guide-eng.html>



CHILE

Trade relations with China

Since 2005, Chile became the first Latin-American Country to hold a free trade agreement with China. The 14 chapters and 121 articles containing this treaty, refer basically to matters of market access, rules of origin, technical barriers to trade, animal and plant quarantine, dispute resolution mechanisms, cooperation and other legal and technical issues

To find out specifics on this agreement click on the following link:

<http://www.direcon.gob.cl/acuerdo/1457>

http://www.prochile.cl/ficha_pais/china/relaciones_internacionales.php

Exporting from Chile

The Trade Direction in the Foreign Relation Ministry within the Chilean government offers a detailed step by step guide as to how to export from this country. It is available at this link:

<http://www.direcon.gob.cl/acuerdo/1457>

For further information visit the Trade Direction in the Foreign Relation Ministry at the Chilean government homepage:

<http://www.direcon.gob.cl/>



COLOMBIA

Trade relations with China

Colombia exports to China primary source products (tuna, coffee, sugar, etc.) due to its large amount of natural resources. China is Colombia's second largest business partner.

Colombia does not hold a Free Trade Agreement with China, therefore commercial relations are subscribed to the conditions of the World Trade Organization. For information regarding conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

For detailed information on China and Colombia's trade relation enter the following link under the administration of the Economic Studies Office at the Trade, Industry and Tourism Ministry of the Colombian Republic:

<https://www.mincomercio.gov.co/descargar.php?id=24471>

For further information visit the webpage of the Colombian Embassy in China

<http://www.embcolch.org.cn/index.html>

Exporting from Colombia

The Trade, Industry and Tourism Ministry of the Colombian Republic offers a detailed step by step guide as to how to export from this country.

Available on this link:

<https://www.mincomercio.gov.co/publicaciones.php?id=16267>



COSTA RICA

Trade relations with China

Costa Rica and China hold a Free Trade Agreement. Costa Rica is China's second largest trading partner in Central America while China is Costa Rica's second largest trading partner. Over 90 percent of goods traded between China and Costa Rica will enjoy zero tariff on a stage-by-stage basis.

Costa Rica's main exports to China are coffee, beef, pork, pineapple juice, frozen orange juice, jam, fish powder, minerals and hides.

For more details on tariff elimination, rules of origin, export restrictions and more, visit the specifics on the China-Costa Rica Free Trade Agreement available on the following link:

<http://fta.mofcom.gov.cn/>

Exporting from Costa Rica

The Costa Rica Foreign Trade Agency (PROCOMER) centralizes the process of source control and certification for all free trade agreements. PROCOMER offers detailed information regarding export procedures, requirements, certificate of origin, and everything there is to know in order to export from this country.

It is available at this link:

<http://www.procomer.com/contenido/exportando.html>



CZECH REPUBLIC

Trade relations with China

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China
<http://www.europeanchamber.com.cn/view/about/memberstates>

Exporting from Czech Republic

Czech Republic export requirements such as documents, specifications to the commercial invoices, bills of lading, phytosanitary proof, Certificate of Origin, labels and authorized shipping companies are available at the Minister of Industry and Trade of Czech Republic:

<http://www.mpo.cz/en/foreign-trade/>



DENMARK

Trade relations with China

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China.
<http://www.europeanchamber.com.cn/view/about/memberstates>

Denmark pursues an assertive trade policy strategy that aims to remove restrictions on free trade as much as possible. In large account due to the shipping earnings between China and destinations throughout the world (over 15% of the merchant navy's total shipping earnings is generated from China-related trade). Potential trade relations might develop between the following industries: energy, environmental technology, fashion, furniture, design and health.

Exporting from Denmark

Exporting from Denmark requires such as; export compliance, proper documentation including permits, licenses and related certificates of origin and pre-shipment requirements from the destination country are to be considered.

For detailed information on these requirements and how to export from this country visit the Trade Council of the Ministry of Foreign Affairs of Denmark on the following links:

Export preparation:

<http://um.dk/en/tradecouncil/services/get-off-to-a-good-start/export-preparation/>

Export start:

<http://um.dk/en/tradecouncil/services/get-off-to-a-good-start/export-start/>



EGYPT

Trade relations with China

Egypt does not hold a Free Trade Agreement or any direct trade agreement with China, therefore is subscribed to the conditions of the World Trade Organization. For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

Egyptian exports to China include marble, granite, cotton, crude oil, carpets, plastic products, iron, steel, toilet appliances, linens, crystals, glass, fruits and condensed juices.

For assistance contact the Egypt State Information Service:
http://www.sis.gov.eg/En/LastPage.aspx?Category_ID=194

Exporting from Egypt

The Egyptian Ministry of Industry and Foreign Trade hosts the Egyptian International Trade Point where the user can find information about customs, packing and packaging, standard specification, shipping and freight, and everything there is to know in order to export from this country.

All this available on the following link:
<http://www.tpegypt.gov.eg/Eng/>



FINLAND

Trade relations with China

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China
<http://www.europeanchamber.com.cn/view/about/memberstates>

For specific information visit the Finland-China Trade Association
<http://www.kauppayhdistys.fi/suomi-kiina/in-english-.html>

Exporting from Finland

Finland's Ministry of Foreign Affairs in its Trade Policy section offers services and information for exporters through the Export Promotion and Internationalization Service. For further information visit:

<http://formin.finland.fi/public/default.aspx?nodeid=15276&contentlan=2&culture=en-US>

Helpful information on general export clearance information can be provided by Fedex on the following link.

http://www.fedex.com/us/international/irc/profiles/irc_fi_profile.html?gtmc-c=us#C08



FRANCE

Trade relations with China

France is China's 4th largest trade partner in Europe. China is not only France's No.1 trade partner in Asia, but its 7th largest trade partner in the world. China is also France's biggest source of trade deficit, ahead of Germany.

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade. Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China
<http://www.europeanchamber.com.cn/view/about/memberstates>

For detailed information visit the French Chamber of Commerce in China
<http://www.ccifc.org/>

Exporting from France

Exports from France require proper documentation including permits, licenses and related Certificates of origins, among other steps. To find out about this specific requirement visit the following links.

Visit the Ministry of Industry website:
<http://www.economie.gouv.fr/>

French Customs website:
<http://www.douane.gouv.fr/>

Helpful information on general export clearance information can be provided by FedEx on the following link.
http://www.fedex.com/us/international/irc/profiles/irc_fr_profile.html?gtmc-c=us#C08



GERMANY

Germany is China's largest trading partner in Europe. Germany exports to China are mainly electronic products, vehicles, ships, transportation equipment, chemicals, optical and medical equipment.

In November 2005, both sides signed a number of economic and trade agreements. To find out more about relations between China and Germany visit the following site:

http://german.china.org.cn/archive2006/txt/2006-05/19/content_2237907.htm

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China
<http://www.europeanchamber.com.cn/view/about/memberstates>

Exporting from Germany

The Legal Basis for Export Control in Germany dictates that Germany has no basic prohibition on exports. In Germany, a constitutional, legally guaranteed freedom of foreign exports exists with a legally enforceable individual claim to the issuance of an export permit.

sCenter for German Legal Information:

http://www.cgerli.org/index.php?id=50&tx_vmdocumentsearch_pi2%5Bdo-cID%5D=341

To find out about the regulations and export requirements visit the following link on Export Law and Foreign trade Laws:

<http://www.hohmann-partner.com/english/export-law.html>



GREECE

Trade relation with China

In hope of broadening bilateral trade, China and Greece have signed 20 cooperation agreements and business contracts. Greece exports to China are mainly food and beverages, real manufactured goods, petroleum products, chemicals and textiles, with great potential in Chinese markets for olive oil and wines.

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China
<http://www.europeanchamber.com.cn/view/about/memberstates>

For further details on Greece's trade relation with China visit the Ministry of Foreign Affairs:
<http://www.mfa.gr/en/>

Exporting from Greece

Exporting from Greece requires several documents such as: the shipper's export declaration, commercial invoice (specific characteristics), certificate of origin, bill of lading or air waybill, insurance certificate and an export license.

Helpful information on general export clearance information can be provided by FedEx on the following link:

http://www.fedex.com/us/international/irc/profiles/irc_gr_profile.html?gtmc-c=us#C08



HONG KONG S.A.R.

Trade relations with China

Trade relations between Mainland China and Hong Kong are regulated by the Mainland and Hong Kong Closer Economic Partnership Arrangement. For detailed information about regulations and benefits within this trade agreement go the official webpage:

<http://www.tid.gov.hk/english/cepa/>

Visit the Trade and Industry department for detailed information about the import and export licensing and control, as well as other supporting documents as may be required by the importing and/or exporting authorities, including origin certification, import and export manifest, and import and export declaration.

<http://www.tid.gov.hk/service/utf/EnqIE.do>

Exporting from Hong Kong

To export from Hong Kong there are several steps and regulations which must be followed such as: export administration, exit inspection and quarantine system tax administration, foreign control, enterprise financial and accounting systems, among others.

For detailed information go to the Hong Kong Trade Development Council:
<http://www.hktdc.com/info/mi/bgcn/en/Guide-To-Doing-Business-In-China.htm>



HUNGARY

Trade relations with China

China and Hungary have growing cooperation in several fields such as investment, infrastructure, finance, logistics and culture. Nevertheless, Hungary does not hold a specific trade agreement with China. Trade between these two countries is regulated under the framework of WTO and European Union.

To learn about trade relations between Hungary and China visit the following link from the Hungarian Government's Ministry of National Development:

<http://www.kormany.hu/hu/nemzeti-fejlesztesi-miniszterium/hirek/ketoldalu-megallapodaskal-fuztek-szorosabbra-a-magyar-kinai-kapcsolatot>

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China :

<http://www.europeanchamber.com.cn/view/about/memberstates>

Exporting from Hungary

The Hungarian government through the Hungarian Department of Licensing and the Export Control Department set the regulations for exporting. To find more about these regulations, visit the following links:

Hungarian Department Licensing

http://mkeh.gov.hu/kereskedelmi/kereskedelmi_osztaly

Export Control Department

http://mkeh.gov.hu/haditechnika/hadiipari_es_haditechnikai_kulkereskedelmi_osztaly



INDIA

Trade relations with China

China is India's largest trading partner, and a China-India Regional Trade Agreement would be mutually advantageous. However, for the time being, India is currently a member of the Asia Pacific Trade Agreement (APTA) as well as China, Bangladesh, Laos, Republic of Korea and Sri Lanka. APTA is a preferential trade arrangement among developing countries.

For more details on the specific trade agreement and the tariffs elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/enpacific.shtml>

Minister of External Affairs India:

<http://www.meia.gov.in/>

Minister of Commerce and Industry. Department of Commerce:

<http://commerce.nic.in/>

Exporting from India

Due to the increased importance of foreign trade in this country, the Indian government through the Ministry of Commerce has enforced the Export Promotion Council. Divided into several agencies according to the export product. To access the information go to:

http://commerce.gov.in/aboutus/aboutus_epc.asp

For more details about Foreign Trade Procedures:

<http://dgft.gov.in/exim/2000/procedures/ftp-hbcontents-1011.htm>



INDONESIA

Trade relations with China

Indonesia belongs to the Association of Southeast Asian Nations (ASEAN) and as such enjoys the benefits of the Agreement on Trade in Goods of the China-ASEAN FTA and the Agreement on Trade in Services.

For more details on specific trade agreements and their tariff elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/chinaasean.shtml>

Exporting from Indonesia

The Ministry of Industry and Trade sets the regulations for exporting from Indonesia. Required documents for exporting products are; sanitary certificate, shipping restrictions, among others.

For the specific regulations and requirements refer to the following official ministries.:

Minister of Trade of the Republic of Indonesia:

<http://www.kemendag.go.id/>

Indonesian Ministry of Agriculture:

<http://www.deptan.go.id>

Processed Food Registration:

<http://www.pom.go.id>

The National Export Development Board (NAFED):

<http://www.mbendi.com/orgs/dmf9.htm>



IRELAND

Trade relations with China

Ireland does not hold a free trade agreement with China. Trade relations between these two countries are regulated under the international framework of WTO and the EU-China Trade Cooperation Agreement. This last strategic partnership holds annual summits in which issues of mutual concern are addressed, particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China are an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further information on the China-Ireland relation go to the Ireland-China Association:

<http://www.irelandchina.org>

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China:

<http://www.europeanchamber.com.cn/view/about/memberstates>

Exporting from Ireland

For information on how to export from Ireland visit

<http://www.irishexporters.ie/>

To find out about Ireland Tax and Customs visit:

<http://www.revenue.ie/en/customs/businesses/importing/index.html#section2>



ISRAEL

Trade relations with China

China and Israel began their trade relations long before the actual establishment of the diplomatic relations in 1992. Diplomatic relations between the People's Republic of China and the State of Israel are complex, and have focused on cooperation in high technology, to cover more closer defense security ties, and academic exchanges.

For more details of Exports and Imports by sector - Annual Data, click here:
http://www1.cbs.gov.il/fortr/?Mlval=%2Fimpexp%2Fimpexp_bycountries_e.html&TypeOfActivity=1&SortBy=1&SortingType=1&TypeOfPresentation=1&SumOrDetail=2&MyContinent=2&MyCountry=345&FYY=2008&LYY=2010

Exporting from Israel

To export from Israel requirements and regulations can be consulted in the following official government websites:

The Israel Export & International Cooperation provides information required for exporting from this country. Follow this link to access their homepage:
<http://www.gov.il/FirstGov/TopNavEng/Engoffices/EngAuthorities/EngExportInternational/>

The Israel Tax Authority provides information for Taxes related to exports:
<http://ozar.mof.gov.il/customs/eng>

Israel's national standards body is the The Standards Institution of Israel (SII):
http://www.sii.org.il/20-en/SII_EN.aspx

Helpful information on general export clearance information can be provided by Fedex on the following link:
http://www.fedex.com/us/international/irc/profiles/irc_il_profile.html?gtmc=us



ITALY

Trade relations with China

Italy does not hold a free trade agreement with China. Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For specific information regarding trade with China, visit the Camera di Commercio Italiana webpage:

<http://www.cameraitacina.com/index.php?nav0=101>

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China:

<http://www.europeanchamber.com.cn/view/about/memberstates>

For further information on the relation with China, visit the Fondazione Italia Cina webpage:

http://www.italychina.org/web/layout/layout8.asp?categorie=1722,&ordinamenti=AR,DD&stati=N,N&elenchi=8&MEC_ID=176&MEC_IDFiglie=0

Exporting from Italy

The requirements and regulations for exports from Italy may vary according to the exported product. Some of the required documentation includes Shipper's Export Declaration (SED), Commercial Invoice, Certificate of Origin, Bill of Lading, Consular Invoice, Inspection Certification, Dock and Warehouse Receipt, Destination Control Statement, among others.

For detailed information, visit the Italian Ministry of Foreign Affairs :

<http://www.esteri.it/MAE/EN>

Helpful information on general export clearance information can be provided by FedEx on the following link:

http://www.fedex.com/us/international/iro/profiles/iro_it_profile.html?gtmc-c=us



MALAYSIA

Trade relations with China

Malaysia belongs to the Association of Southeast Asian Nations (ASEAN) and as such enjoys the benefits of the Agreement on Trade in Goods of the China-ASEAN FTA and the Agreement on Trade in Services.

For more details on the specifics of the trade agreement and the tariffs elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/chinaasean.shtml>

Exporting from Malaysia

Malaysia has a set of regulations and restrictions on exports. To learn about these and the process of exporting from this country visit the Ministry of Industry and Trade on the links below:

Ministry of International Industry and Trade:

http://www.miti.gov.my/cms/content.jsp?id=com.tms.cms.section.Section_d20268ba-c0a81573-f8e0f8e0-be38f903

http://www.miti.gov.my/cms/contentPrint.jsp?id=com.tms.cms.article.Article_fa158e13-c0a81573-78d578d5-15b14ec7&paging=0



MEXICO

Trade relations with China

Although Mexico is China's second largest business partner in Latin America and biggest depositary of China's foreign investment in the region, these two countries have not negotiated a free trade agreement. China and Mexico's trade relation is therefore subscribed to the conditions of the World Trade Organization. For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

For assistance visit the Mexican Embassy in China's website:

<http://www.sre.gob.mx/>

Exporting from Mexico

Mexico through the Economy Secretary has created PROMEXICO, a governmental organization in charge of promoting foreign trade. To access a detailed guide how to export from Mexico, created by this agency visit the following link:

<http://www.promexico.gob.mx/work/models/promexico/Resource/82/1/images/GuiaPracticaParaExportar.pdf>



NETHERLANDS

Trade relations with China

Dutch exports to China mainly include non-food crude materials and chemical and related products. Their exports to China represent only approximately 12% of China's imports to the Netherlands.

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For information regarding specification of trade between China and the Netherlands visit the Dutch Ministry for Foreign Trade within the Ministry of Economic Affairs

<http://www.minbuza.nl/en>

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China

<http://www.europeanchamber.com.cn/view/about/memberstates>

Exporting from the Netherlands

For general information on export controls in the Netherlands and other requirements and regulations visit:

<http://www.exportcontrole.ez.nl>

Information on export control regimes and export control policies can be found on the Internet site of the Dutch Ministry of Economic Affairs, Agriculture and Innovation.

Export controls and Strategic Goods:

http://english.minlnv.nl/portal/page?_pageid=116,4089799&_dad=portal&schema=PORTAL

http://ec.europa.eu/agriculture/markets/export_refunds/forms/an.pdf



NEW ZEALAND

Trade relations with China

New Zealand holds a Free Trade Agreement with China. This treaty eliminates 96% of the tariffs on NZ products exported to China.

For more information on New Zealand and China's trade relations visit this link:
<http://www.mfat.govt.nz/NZ-Inc/6-Opening-doors-to-China/1-New-Zealand-and-China/1-Bilateral-relationship.php>

To find out about the Free Trade Agreement between New Zealand and China click on the following link:

<http://chinafta.govt.nz/1-The-agreement/2-Text-of-the-agreement/0-downloads/NZ-ChinaFTA-Agreement-text.pdf>

For general information on New Zealand's trade with China, visit the The Ministry of Foreign Affairs and Trade:

<http://www.mfat.govt.nz/>

Exporting from New Zealand

New Zealand export requirements typically include: detailed specification of goods, packing requirement, conditions of carriage, dates of shipment, prices and payment arrangement among others.

For more information on how to export from New Zealand, visit the Ministry of Foreign Affairs and Trade, click here:

<http://mfat.govt.nz/Trade-and-Economic-Relations/3-Export-controls/index.php>



NIGERIA

Trade relations with China

Nigeria's exports to China are mainly classified as food, animals, raw materials, oils, chemicals, and manufactured products.

Fuel and lubricants exports are ranked first, followed by raw materials. Drinks and live animal exports in third place, followed by manufactured goods.

Nigeria does not hold a free trade agreement with China. The trade between these countries is therefore subscribed to the conditions of the World Trade Organization. For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

Exporting from Nigeria

Regulations and export requirements as well as product prohibitions and required documents for exporting are available at the following links hosted by official government agencies related to foreign trade:

Nigerian Export Promotion Council

<http://www.nepc.gov.ng/>

Ministry of Foreign Affairs of Federal Republic of Nigeria

<http://www.mfa.gov.ng/>



NORWAY

Trade relations with China

China and Norway are negotiating a free trade agreement for Norway is one of China's most important trading partners in Northern Europe as well as one of China's main suppliers of fertilizer, aquatic products and oil. Negotiations include trade in goods, trade in services, rules of origin, plants, plant hygienic standards, technical barriers to trade, trade remedy and facilitation.

To find out more about the specificities of these trade relations, access the Treaty Specifications on the Chinese Ministry of Commerce
<http://fta.mofcom.gov.cn/topic/ennorway.shtml>

Exporting from Norway

Norway has a set of products free for export such as: fish, narcotics, counterfeit items and explosive materials, as well as a set of restricted exports such as currency, artifacts, and endangered animal and vegetable products.

To find out more about these restricted products as well as export regulations, documentation requirements and more, it is important to visit the Norwegian Chinese Chamber of Commerce on the following link:

Norwegian Chinese Chamber of Commerce
<http://www.nccc.no/>



PAKISTAN

Trade relations with China

Pakistan holds a free trade agreement with China. The objective of this treaty is to encourage expansion and diversification of trade, eliminate barriers to trade, and facilitate the cross-border movement of goods between the two countries. Over 90 percent of goods trade between China and Pakistan enjoy zero tariff on a stage-by-stage basis.

For more details on specific trade agreements and the tariffs elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/enpakistan.shtml>

Exporting from Pakistan

To export from Pakistan there are certain regulations depending on the product which is to be exported, as well as some restrictions on certain products. Most of these requirements and regulations are determined by the State Bank of Pakistan. To learn more about these specifications visit:

http://www.sbp.org.pk/fe_manual/chapters/chapter12.htm



PANAMA

Trade relations with China

China and Panama do not hold diplomatic relations since Panama awards recognition to Taiwan as the Republic of China. Despite this issue Panama trades heavily with the People's Republic of China. In fact, China is the second largest user of the Panama Canal and is now the third largest export destination for Panama.

Panama does not hold a free trade agreement with China. The trade between these countries is therefore subscribed to the conditions of the World Trade Organization. For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

Exporting from Panama

The Panama Ministry of Industry and Trade has developed a very useful display of information on their webpage, where users will find everything there is to know to export from this country.

For information about taxes, documentation, regulations, laws, decrees and related institutions, click:

<http://www.mici.gob.pa/clase.php?cid=17&sid=41&clid=16>

For further assistance and export guides visit:

<http://www.mici.gob.pa/clase.php?cid=17&sid=41&clid=17>

<http://www.mici.gob.pa/clase.php?cid=17&sid=41&clid=15>



PERU

Trade relations with China

Peru and China have signed a free trade agreement, with the objective to deepen the economic and trade cooperation between the countries. The main benefits expected for Peruvian trade are to gain access to the fastest growing market and to gain preferential access for Peruvian products with export potential in the fields of agriculture, fisheries and industry. On the other hand, Peru has sought to maintain the existing trade defense mechanisms (global safeguard, anti-dumping and countervailing measures) and generate a bilateral safeguard mechanism between the parties.

For more details on the specific trade agreement and the tariffs elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/enperu.shtml>

Or visit the Peruvian Ministry Foreign Commerce and Tourism:

<http://www.mincetur.gob.pe/newweb/Default.aspx?tabid=120>

http://www.acuerdoscomerciales.gob.pe/index.php?option=com_content&view=category&layout=blog&id=41&Itemid=58

Exporting from Peru

To enjoy the preferential agreement offered by the FTA, it is necessary for the exporter to get a Certificate of Origin or Declaration of Origin, which is issued by a certification body authorized by the MINCETUR, at the request of the exporter prior to shipment. For more information on this requirement and other regulations visit the Peruvian Ministry Foreign Commerce and Tourism in charge of these procedures:

<http://www.mincetur.gob.pe/newweb/Default.aspx?tabid=3099>



PHILIPPINES

Trade relations with China

Philippines is a member of the Association of Southeast Asian Nations (ASEAN) and as such enjoys the benefits of the Agreement on Trade in Goods of the China-ASEAN FTA and the Agreement on Trade in Services.

For more details on the specifics of the trade agreement and tariffs elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/chinaasean.shtml>

Exporting from Philippines

The process of exporting from the Philippines involves: commodity clearances, certificates and certificate of origin. Often administered by the Bureau of Animal Industry (BAI); Bureau of Customs (BOC); Bureau of Fisheries and Aquatic Resources (BFAR) and the Bureau of Plant Industry (BPI).

Some of the requirements include: Foreign Agency Agreement, Certificate of Free Sale, Pro-forma Invoice, product samples & packaging labels as well as a Certificate of Origin.

For further information on these procedures and requirements visit the Department of Trade and Industry Philippines:

<http://www.dti.gov.ph/dti/index.php?p=49>



POLAND

Trade relations with China

Poland has been China's top trade partner in Central and Eastern Europe for several years. Being part of the European Union, Poland subscribes its trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. Particularly in areas of investment, market access and intellectual property rights protection, as well as other issues related to trade. The EU's exports to China are also concentrated on industrial products: machinery & transport equipment, miscellaneous manufactured goods and chemicals.

Barriers to trade from the EU to China are an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China:
<http://www.europeanchamber.com.cn/view/about/memberstates?sid=750>

Exporting from Poland

As a member of the European Union, Poland belongs to a customs union which makes it follow basically the same regulations as other European countries. However to find specifications about export procedures please visit the following official government links:

Ministerstwo Gospodarki:

<http://www.mg.gov.pl/#>

Ministry of Foreign Affairs of the Republic of Poland:

<http://www.msz.gov.pl/en>



PORTUGAL

Trade relations with China

Portugal's exports to China continue to increase, most importantly in the areas of electrical appliances and photographic products. Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

EU's exports to China are concentrated on industrial products: machinery & transport equipment, miscellaneous manufactured goods and chemicals.

To find out about specific agreements between China and Portugal that could benefit your exports visit the China-Portugal Chamber of Commerce, available on:

<http://www.ccil-c.com/>

For further details, go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China:
<http://www.europeanchamber.com.cn/view/about/memberstates?sid=750>

Exporting from Portugal

Portugal, as other European Union countries, subscribes most of its import/export procedures to European Union regulations. However, for particular requirements, documents and procedures while exporting from Portugal visit the following links:

Ministry of Foreign Affairs from the Government of Portugal:

<http://www.portugal.gov.pt/en/the-ministries/ministry-of-foreign-affairs.aspx>

Helpful information on general export clearance information can be provided by Fedex on the following link:

http://www.fedex.com/us/international/irc/profiles/irc_pt_profile.html#C08



RUSSIA

Trade relation with China

The Sino-Russian relationship has developed unprecedentedly well since the two countries signed the China-Russia Treaty of Good-Neighborliness, Friendship and Cooperation in 2001. Cooperation is focused on investment and in the sectors of new energies, energy conservation and environmental protection, as well as advanced technology, advanced equipment, bio-pharmaceuticals and information technology. In terms of trade, China is Russia's largest business partner.

In spite of all this, Russia does not hold a free trade agreement with China, therefore their commercial relations are subscribed to the conditions of the World Trade Organization.

For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

For specific information on trade relations between these countries and what benefits might be obtained from their cooperation, visit the Russian Federation Chamber of Commerce in China's homepage:

<http://ea.ruschamber.net/eng/>

Exporting from Russia

Information about export procedures as well as export regulations, documents and other requirements are available on the following links:

Russian National Trade Point

http://www.rusimpex.ru/right_e.htm

Russia prohibitions on exports on the Russia's Country Profile at Fedex:

http://www.fedex.com/us/international/irc/profiles/irc_ru_profile.html

For further information please visit:

Minister of Foreign Affairs of the Russian Federation:

http://www.mid.ru/brp_4.nsf/main_eng

Foreign Policy Concept of the Russian Federation:

<http://www.mid.ru/bdomp/ns-osndoc.nsf/1e5f0de28fe77fdc-c32575d900298676/869c9d2b87ad8014c32575d9002b1c38!OpenDocument>



SINGAPORE

Trade relations with China

China and Singapore signed the China-Singapore Free Trade Agreement in 2008. Under this Agreement, the two countries will accelerate liberalization of trade in goods on the basis of the Agreement on Trade in Goods of the China-ASEAN FTA and further liberalize the trade in services.

For more details on the specifics of the trade agreement and tariffs elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/ensingapore.shtml>

Link to the Singapore Chinese Chamber of Commerce and Industry:
<http://english.sccci.org.sg/>

Exporting from Singapore

The Singapore Government through the Singapore Customs, offers all the information needed by exporters: permits, procedures, restrictions, etc:

<http://www.customs.gov.sg/leftNav/info/Exporter.htm>

To learn about export requirements visit the Singapore Customs webpage:

<http://www.customs.gov.sg/leftNav/info/exp/Export+Requirements.htm>



SOUTH AFRICA

Trade relations with China

South Africa does not hold a Free Trade Agreement or any direct trade agreement with China, therefore their commercial relations are subscribed to the conditions of the World Trade Organization. For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

To learn about China-Africa Economic Trade Cooperation visit the website of the Chinese embassy in South Africa:

<http://za.china-embassy.org/eng/>

Helpful information and further assistance can be provided by the South Africa-China Business Association (Chamber of Commerce)

<http://www.sacba-prc.org/list.php?cid=8>

Exporting from South Africa

The Department of Trade and Industry promotes export councils based on industry type. Their function is to facilitate access to DTI support structures. To find out about export procedures, requirements and regulations visit the International Trade Administration Commission of South Africa:

<http://www.itac.org.za/>

Goods subject to export control measures:

http://www.itac.org.za/export_measures_page.asp

Further information is offered by the Department of Trade and Industry :

http://www.thedti.gov.za/trade_investment/export.jsp



SPAIN

Trade relations with China

Being part of the European Union, Spain subscribes its trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

Information on how to establish trade relations and assistance is offered by the Spanish Chamber of Commerce in China, follow this link:

<http://www.spanishchamber-ch.com/>

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China:

<http://www.europeanchamber.com.cn/view/about/memberstates?sid=750>

Exporting from Spain

The Ministry for Economy and Competitiveness through the State Secretary of Commerce offers detailed information on export procedures, regulations, and requirements. Available on the links below.

Regulations:

<http://www.comercio.mityc.es/es-ES/comercio-exterior/control-calidad-asistencia-tecnica-exportador/Paginas/normalizacion.aspx>

Quality control and technical assistance:

<http://www.comercio.mityc.es/es-ES/comercio-exterior/control-calidad-asistencia-tecnica-exportador/Paginas/inspeccion-de-calidad-comercial.aspx>



SWEDEN

Trade relations with China

Sweden was the first western country to establish diplomatic relations with China. In recent years bilateral trade relations between these two countries has expanded. China has been Sweden's largest trading partner in Asia for several years.

Countries who are members of the European Union subscribe their trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. They are held particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

Barriers to trade from the EU to China include an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China:
<http://www.europeanchamber.com.cn/view/about/memberstates?sid=750>

For more details visit the Swedish Chamber of Commerce in China:
<http://www.swedishchamber.com.cn/>

Exporting from Sweden

Exporting from Sweden; requires several documents such as export licenses and export permits, issued by different authorities depending on the exported product. All of these requirements and regulations are set by the Swedish Customs.

The Swedish Customs offers a very complete guide to exporters from Sweden available on the following link.

Swedish Customs:

<http://www.tullverket.se/download/18.6b1753cf12b3e0b008680008552/exporting+goods.pdf>

Helpful information on general export clearance information can be provided by Fedex at the following link:

http://www.fedex.com/us/international/irc/profiles/irc_se_profile.html#C08



SWITZERLAND

Trade relations with China

China and Switzerland are currently negotiating the possibility of a free trade agreement. Both countries have strong bilateral trade. China is Switzerland's largest trading partner in Asia, while Switzerland is China's ninth largest European trading partner.

Being part of the European Union, Switzerland subscribes its trade to the EU-China Trade Cooperation Agreement. This strategic partnership holds annual summits in which issues of mutual concern are addressed. Particularly in the areas of investment, market access and intellectual property rights protection, as well as other issues related to trade.

EU exports to China are concentrated on industrial products: machinery & transport equipment, miscellaneous manufactured goods and chemicals.

Barriers to trade from the EU to China are an increasing number of non-tariff barriers in the form of product certification, labeling standards, import approval requirements and customs clearance delays.

To learn more about the status of free trade agreements between Switzerland and China, visit the Chinese Ministry of Commerce:

http://fta.mofcom.gov.cn/enarticle/chinaswissen/chinaswissennews/201108/7439_1.html

For detailed information regarding trade relations with China and further assistance, visit the Swiss Chamber of Commerce in China: <http://www.swisscham.org/swisscham/>

For further details go to the European Union Chamber of Commerce in China which deals with trade related issues from any European country to China:

<http://www.europeanchamber.com.cn/view/about/memberstates?sid=750>

Exporting from Switzerland

The SNV or Swiss Standards Association, provides local manufacturers with guidance as to what requirements and regulations products must follow to be exported. Documents such as certificates of origin, bills of lading, along with inspection certifications, destination control statements and some other documents, are requirements for exporting from Switzerland. To find out about the export process from this country visit the following links:

Swiss Standards Association: <http://www.snv.ch/>

Swiss Federal Department of Foreign Affairs (FDFA): <http://www.eda.admin.ch/eda/en/home.html>

Business Network Switzerland: <http://www.osec.ch/en>

Swiss Federal Customs Administration: <http://www.ezv.admin.ch/index.html?lang=en>



THAILAND

Trade relations with China

Thailand belongs to the Association of Southeast Asian Nations (ASEAN) and as such enjoys the benefits of the Agreement on Trade in Goods of the China-ASEAN FTA and the Agreement on Trade in Services.

For more details on specific trade agreements and the tariffs elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/chinaasean.shtml>

For further information and assistance visit the Thailand Chamber of Commerce in China:

http://www.chinathaicham.org/index.php?language=en&mod=about_introduction&id=&type=

Exporting from Thailand

Export processes in Thailand require forms and documentation such as invoices, packing lists and licenses or certificates. There are also a few restrictions on exports when dealing with national security, environmental protection and cultural issues, among others. The Ministry of Commerce also sets quotas on certain products such as textiles and apparel. Furthermore, there are laws to ensure that domestic needs are met before exports can be permitted, which affects certain items, principally food staples.

To learn about the export process, regulations and requirements visit the following links

The Export-Import Bank of Thailand

<http://www.exim.go.th/en/home/index.aspx>

Minister of Foreign Affairs, Kingdom of Thailand

<http://www.mfa.go.th/main/en/home>



TURKEY

Trade relation with China

China and Turkey hold a prosperous bilateral economic and trade cooperation that has been evidenced by the signing of several agreements on the topics of infrastructure and technical consulting cooperation, cultural exchange, technical cooperation in information and communications, marine and railway cooperation.

However Turkey does not hold direct trade agreements with China, therefore their commercial relations are subscribed to the conditions of the World Trade Organization. For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

For details on the specifics of their trade relations with China visit:

Republic of Turkey Ministry of Foreign Affairs

<http://www.mfa.gov.tr/chinese.en.mfa>

Union of Chambers and Commodity Exchanges of Turkey

<http://www.tobb.org.tr/Sayfalar/AnaSayfa.aspx>

Exporting from Turkey

Export procedures are regulated by Turkish customs. Export regulations in Turkey include: standards, international certificate of origin and health for plants, and international certificate of health for animal products, among others.

To learn more about export procedures, regulations and requirements visit the following links:

Exports Regulation available on turkish only:

<http://goo.gl/IwM7W>

Republic of Turkey of Foreign Affairs

<http://www.mfa.gov.tr/default.en.mfa>



UNITED STATES

Trade relations with China

The United States does not hold a Free Trade Agreement or any direct trade agreement with China, therefore is subscribed to the conditions of the World Trade Organization.

For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

For more information see here:

<http://export.gov/china/doingbizinchna/index.asp>

Exporting from the United States

The United States government has created export.gov, which offers all necessary information to export from this country, including documents, procedures, regulations, etc. To access click on the following link:

<http://export.gov/china/>

For further reference regarding the export process, this link might also be useful.

<http://www.unzco.com/basicguide/c9.html#export>



VENEZUELA

Trade relations with China

Trade between China and Venezuela has increased 50 times in the last decade, which has transformed the Asian country into Venezuela's second largest trading partner. Nevertheless Venezuela does not hold a Free Trade Agreement or any direct trade agreement with China, therefore commercial relations are subscribed to the conditions of the World Trade Organization. For information regarding the conditions of trade according to the WTO treaty visit the following link:

<http://www.wto.org/>

In 1999, Venezuela and China signed a Memorandum of Understanding between the Venezuelan Ministry for Light Industries and Trade and the China Council for Promotion of International Trade (CCPIT) for the creation of the Venezuela-China Business Committee. For further information as to trade benefits offered by this agreement click on the following link:

<http://www.americaeconomia.com/economia-mercados/comercio/consideraciones-economicas-entre-china-y-venezuela>

For specific information on trade relations between Venezuela and China, visit the Venezuelan Government and Popular Power Ministry for Foreign Relations:
<http://www.venezuela.org.cn/comercial/consejo.html>

Exporting from Venezuela

Export regulations in Venezuela require different documentation depending on the type of product, the product's destination, and complementary documentation.

The Venezuelan Ministry of Commerce offers information regarding regulations and requirements for exports. For further information, click on the following link.

<http://www.mincomercio.gob.ve/>



VIETNAM

Trade relations with China

Vietnam and China have strong cooperation in several aspects, trade being an intense source of collaboration. China is Vietnam's second largest trading partner and fourth largest recipient of Vietnam's exported goods. Vietnam belongs to the Association of Southeast Asian Nations (ASEAN) and as such enjoys the benefits of the Agreement on Trade in Goods of the China-ASEAN FTA and the Agreement on Trade in Services.

For more details on specific trade agreements and the tariffs elimination schedule, click here:

<http://fta.mofcom.gov.cn/topic/chinaasean.shtml>

Exporting from Vietnam

Exports from Vietnam need to be authorized prior to shipment by Vietnamese authorities, especially food products. Please refer to Vietnam Trade Promotion Agency for detailed information about Vietnam Food Standards and Regulations:

http://www.vietrade.gov.vn/en/index.php?option=com_content&view=article&id=779&Itemid=174

Export promotion relieves many products from taxation, therefore taxes are only levied on certain commodities, mainly natural resources such as minerals and forest products.

For further information on taxes, export regulations and requirements visit the following links.

Ministry of Industry and Trade; Socialist Republic of Vietnam:

<http://www.moit.gov.vn/web/guest/home>

Vietnam Trade and Promotion; Rules and Regulation on Trade

http://www.vietrade.gov.vn/en/index.php?option=com_content&view=article&id=779&Itemid=174

Foreign Policy:

http://www.mofa.gov.vn/en/cs_doingoai/



Should you hire a business consultant?

When doing business in China it is very common to find outsourcing services that offer to act as intermediaries and business consultants. They provide a range of services such as performing market research, scouting for distributors or buyers or appointing them, advertising, legal procedures, etc. A business consultant can basically take care of your entire business operation in China. Finding such a service that could relieve you of many problematic situations, is however something very delicate.

In order to choose a business consultant there are several things that are important:

Experience doing business in China

The consultant must have a very good sense of commercial Chinese environments gained through several personal commercial experiences. You want to hire someone who knows systematically how to move around business environments and knows the culture in depth.

Mandarin Speaking abilities

Without speaking the language your consultant is as lost as you are. Your consultant needs this tool in order to perform research and communicate effectively with your business counterparts.

Communication skills

Your business consultant will be your representative when meeting with possible buyers, business partners, Chinese government agencies or whatever is needed. Communication should be taken very seriously in China: you must be able to understand and send the right messages, a small mistake might damage your business profoundly, perhaps unsurmountably so.

Other foreign firms they have worked for

Assess business consultants' capacities and abilities by asking references from other foreign companies they have worked for. You need to make sure they have what it takes to represent your company or product in China.



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