

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## China - Peoples Republic of

**Post:** Beijing

### China's 2014 Tariff Rate Adjustments for Agricultural Commodities

**Report Categories:**

Food and Agricultural Import Regulations and  
Standards

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**Report Highlights:**

The State Council Duty Committee (SCDC) released its 2014 tariff rates for selected commodities, effective on January 1, 2014. This GAIN report contains an unofficial translation of the SCDC announcement, including tables on import duties, specific and compound duty rates, and tentative import tariffs. The attached translation only includes agricultural commodities. Please visit this website for SCDC's official announcement: [http://www.gov.cn/zwgk/2013-12/16/content\\_2548712.htm](http://www.gov.cn/zwgk/2013-12/16/content_2548712.htm)

**Executive Summary:**

Every December, the State Council Duty Committee announces its tentative import tariff adjustments on selected commodities for the following year. This GAIN report highlights the 2014 changes for agricultural commodities only. Below are the highlights of tentative import tariff reductions for selected commodities and products.

**Infant formula milk powder:** The import tariff for retail infant formula milk powder (HS code 19011010) is lowered from 15 percent to five percent. Sources attribute this reduction to China's ongoing safety concerns over local dairy products.

**Natural forage grass:** The import tariff for mixed natural forage grass (HS 12149000) is decreased from nine percent to four percent. This decline is aimed at supporting the local livestock and dairy industries.

**Cashews:** The in-shell cashew import tariff (HS 08013100) went from 20 percent (MFN rate) to 10 percent, matching the tariff for shelled cashews.

**Frozen Chicken paws:** The specific and compound duty rate for imported frozen chicken paws (HS code 02071422) is raised to RMB1.0 per kilogram (MFN rate) from RMB 0.5 per kilogram.

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Notification of the State Council Duty Committee on Duty Implementation in 2014  
No.36 (2013)

December 11, 2013

The General Administration on Customs,

The 2014 Duty Implementation Plan has been reviewed and approved by the 2<sup>nd</sup> session of the State Council Duty Committee. The Plan has been rectified by the State Council and will take effect as of January 1, 2014.

State Council Duty Committee

2014 Duty Implementation Plan

1. Adjustment on import duties
2. Most Favored Nation Tariff
  - a. Tariff Rate Quota (TRQ) management will continue to apply to eight categories covering 47 items like wheat. Items and rates will remain unchanged. A sliding tax will be levied on certain amount of out-quota import cotton and formula parameters have been adjusted accordingly. A one percent TRQ rate will apply to three fertilizers including urea, compound fertilizer, and diammonium phosphate (**see Table 1**).
  - b. Specific and compound duty will continue to apply to 47 commodities including photosensitive materials, of which the specific duty for one frozen chicken claw item and four film items will be adjusted and compound duty for five items including broadcast video tape recorders will also be adjusted (**see Table 2**).
  - c. Ten non-full tariff code IT products will continue to be managed and verified by the customs and the tariff rates remain unchanged.
  - d. Other MFN will remain unchanged.
3. Tentative duty rates:

Tentative duties will apply to 767 import commodities including fuel oil (**see Table 3**).

1. Conventional tax rates:

Based on trade or tariff agreements signed between China and certain countries or regions, conventional tax rates will apply to certain countries or regions (**see Table 4**).

- a. Conventional tax rates under Asia-Pacific Trade Agreement will apply to 1,888 commodities originated from South Korea, India, Sri Lanka, Bangladesh, and Laos;
- b. Conventional tax rates under China-ASEAN Free Trade Agreement will apply to part of the import goods originated from Brunei, Indonesia, Malaysia, Singapore, Thailand, Philippines, Vietnam, Burma, Laos, and Cambodia;
- c. Conventional tax rates under China-Chile Free Trade Agreement will apply to 7,340 commodities originated from Chile and the part of the commodities will continue to be lowered;
- d. Conventional tax rates under China-Pakistan Free Trade Agreement will apply to 6,539 commodities originated from Pakistan;
- e. Conventional tax rates under China-New Zealand Free Trade Agreement will apply to 7,351

UNOFFICIAL TRANSLATION

- commodities originated from New Zealand;
- f. Conventional tax rates under China-Singapore Free Trade Agreement will apply to 2,793 commodities originated from Singapore;
- g. Conventional tax rates under China-Peru Free Trade Agreement will apply to 7,117 commodities originated from Peru;
- h. Conventional tax rates under China-Costa Rica Free Trade Agreement will apply to 7,313 commodities originated from Costa Rica;
- i. Zero tax will apply to 1,791 commodities originated from Hong Kong, which have formulated origin standards;
- j. Zero tax will apply to 1,312 commodities originated from Macau, which have formulated origin standards;
- k. Conventional tax rates under Economic Cooperation Framework Agreement’s Early Harvest Program on Trade in Goods will apply to 621 commodities originated from Taiwan region.

1. Preferential tax rates:

According to the preferential trade or tariff agreements and bilateral exchange of notes signed between China and other countries or regions, as well as decisions made by the State Council, the preferential tax rates will apply to a total of 38 least developed countries identified by the United Nations including Ethiopia, Benin, Burundi, Eritrea, Djibouti, Congo, Guinea, Guinea Bissau, Comoros, Liberia, Madagascar, Mali, Malawi, Mauritania, Mozambique, Rwanda, Sierra Leone, Sudan, Tanzania, Togo, Uganda, Zambia, Lesotho, Chad, Central Africa, Afghanistan, Bangladesh, Nepal, East Timor, Yemen, Samoa, Angola, Senegal, Niger, Somalia, Laos, Myanmar, and Cambodia (**see Table 5**).

1. Common tax rates:

The common tax rates will remain unchanged.

- 1. Adjustments on export duties
- 2. Tariff rate under “export tariff” will remain unchanged.
- 3. Tentative duties will apply to some export commodities including raw iron (**see Table 6**).
- 4. Adjustments on tariff codes

Part of the tariff codes have been adjusted (**see Table 7**). After the adjustments, the 2014 tariff codes include a total of 8,277 commodities.

**Table 1: Import duties on TRQ commodities**

Serial No.	Commodity category	HS code	Common rate (%)	MFN rate (%)	TRQ rate (%)	TRQ rate for specific country (China-New Zealand Free Trade Area)
1	Wheat	10011100	180	65	1	
		10011900	180	65	1	
		10019100	180	65	1	
		10019900	180	65	1	
		11010000	130	65	6	
		11031100	130	65	9	
		11032010	180	65	10	
2	Corn	10051000	180	20	1	
		10059000	180	65	1	
		11022000	130	40	9	
		11031300	130	65	9	

UNOFFICIAL TRANSLATION

		11042300	180	65	10	
3	Paddy rice and milled rice	10061011	180	65	1	
		10061019	180	65	1	
		10061091	180	65	1	
		10061099	180	65	1	
		10062010	180	65	1	
		10062090	180	65	1	
		10063010	180	65	1	
		10063090	180	65	1	
		10064010	180	65	1	
		10064090	180	65	1	
		11029011	130	40	9	
		11029019	130	40	9	
		11031921	70	10	9	
		11031929	70	10	9	
4	Sugar	17011200	125	50	15	
		17011300	125	50	15	
		17011400	125	50	15	
		17019100	125	50	15	
		17019910	125	50	15	
		17019920	125	50	15	
		17019990	125	50	15	
5	Wool	51011100	50	38	1	0
		51011900	50	38	1	0
		51012100	50	38	1	0
		51012900	50	38	1	0
		51013000	50	38	1	0
		51011010	50	38	1	0
6	Wool tops	51051000	50	38	3	0
		51052100	50	38	3	0
		51052900	50	38	3	0
7	Cotton	52010000	125	40 (Note 1)	1	
		52030000	125	40	1	
8	Fertilizer	31021000	150	50	4 (Note 2)	
		31052000	150	50	4 (Note 3)	
		31053000	150	50	4 (Note 4)	

Note 1: A tentative sliding tax will apply to out-quota import cotton within certain amount. Specific formula is as follows:

1. When dutiable price of import cotton is greater than or equal to 14 RMB per kilo, the tentative duty rate will be 0.57 RMB per kilo;
2. When dutiable price of import cotton is less than 14 RMB per kilo, the tentative duty rate will be calculated based on the following formula:

$$R_i = 8.87 / (P_i + 2.908\% * P_i - 1) \quad (R_i \leq 40\%)$$

Of which,  $R_i$  refers to tentative duty rate and calculation result will be rounded to three digits after decimal point.  $P_i$  refers to dutiable price (unit: RMB/kilo).

Notes 2, 3, 4: Tentative duty is one percent.

UNOFFICIAL TRANSLATION

**Table 2: Specific and compound duty rates for imported agricultural commodities**

Serial No.	HS code	Commodity	Common duty rate	MFN rate
1	02071200	Fowl, not cut in pieces, frozen	5.6 RMB/kg	1.3 RMB/kg
2	02071411	Fowl cut, with bone (including breast, leg), frozen	4.2 RMB/kg	0.6 RMB/kg
3	02071419	Fowl cut without bone (including breast, leg), frozen	9.5 RMB/kg	0.7 RMB/kg
4	02071421	Mid-joint wing (not including wing tip), frozen	8.1RMB /kg	0.8 RMB/kg
5	<b>02071422</b>	<b>Chicken paw, frozen</b>	<b>3.2 RMB/kg</b>	<b>1.0 RMB/kg</b>
6	02071429	Other offal (including wing tip, liver), frozen	3.2 RMB/kg	0.5 RMB/kg
7	05040021	Cold, frozen gizzard	7.7 RMB/kg	1.3 RMB/kg
8	22030000	Beer made from malt	7.5 RMB/kg	0

Note: 1US\$=6.1 RMB

**Table 3: Tentative duty rates on import commodities (limited to agricultural commodities)**

Serial No.	EX	HS Code	Commodity	MFN rate (%)	Proposed 2014 tentative duty rate (%)
1		01061211	Whales, dolphins and porpoises; manatees and dugongs, pure-bred breeding	10	0
2	ex	01064190	Trichogramma	10	0
3	ex	01064990	Predatory mite	10	0
4		03033110	Frozen Greenland halibut	10	5
5		03033200	Frozen plaice, excluding livers and roes	12	2
6		03035100	Frozen herrings, excluding livers and roes	10	2
7		03036300	Frozen cod, excluding livers and roes	10	2
8		04041000	Whey and modified whey	6	2
9		05051000	Feathers of a kind used for stuffing; down	10	5
10		05119111	Fertilized fish eggs	12	0
<b>11</b>		<b>08013100</b>	<b>In shell cashews, fresh or dried</b>	<b>20</b>	<b>10</b>
12		08021100	In shell almonds, fresh or dried	24	10
13		08024190	Other in shell chestnuts, fresh or dried	25	20
14		08024290	Other shelled chestnuts, fresh or dried	25	20
15		08025100	In shell Pistachios, fresh or dried	10	5
16		08025200	Shelled pistachios, fresh or dried	10	5
17		08029020	Ginkgo nuts, fresh or dried	25	20
18		12119036	Liquorice roots	6	0
19		12122190	Other seaweeds and algae fit for human consumption	15	2
20		12122900	Other seaweeds and algae	15	2
21	ex	12149000	Other Lucerne (alfalfa), excluding meal and pellets	9	7
<b>22</b>	<b>ex</b>	<b>12149000</b>	<b>Mixed natural forage grass of gramineae and legume families, other than Lucerne (alfalfa)</b>	<b>9</b>	<b>4</b>
23		13021200	Saps and extracts of liquorice	6	0
24	ex	13021990	Matrine, saps and extracts	20	3
25		15021000	Bovine animal tallow	8	4
26		15029000	Other bovine animal tallow	8	4
27	ex	15119020	Palm stearin (melting point 50°C-56°C)	8	2
28		15200000	Glycerol, crude; glycerol waters and glycerol lyes	20	6
29		18010000	Whole or broken cocoa beans, raw or roasted	8	2
<b>30</b>		<b>19011010</b>	<b>Formula milk powder prepared for infant use, put up for</b>	<b>15</b>	<b>5</b>

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			<b>retail sale</b>		
31		19011090	Other food prepared for infant use, put up for retail sale	15	5
32		19019000	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not elsewhere specified or included	10	5
33		21031000	Soya sauce	28	15
34	ex	21069090	Special infant milk powder of partial hydrolysis formula of lactoprotein, deep hydrolysis formula of lactoprotein, amino acid formula	20	5
35		22072000	Ethyl alcohol and other spirits, denatured of any strength	20	15
36		22090000	Vinegar and substitutes for vinegar obtained from acetic acid	20	15
37		23099090	Other preparations of a kind used in animal feeding	6.5	4
38	ex	24039100	Reconstituted tobacco	57	40
39		31031010	Triple superphosphates	4	1
40		31031090	Other superphosphates	4	1
41		31039000	Other mineral or chemical fertilizer, phosphatic	4	1
42		31042090	Other potassium chloride	3	1
43		31043000	Potassium sulphate	3	1
44		31049010	Camallite, sylvite and other crude natural potassium salts	3	1
45		31049090	Other mineral or chemical fertilizers, potassic	3	1
46		31051000	Goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg	4	1
47		31054000	Ammonium dihydrogenorthophosphate and mixtures thereof with diammonium hydrogenorthophosphate	4	1
48		31055100	Fertilizers containing nitrates and phosphates	4	1
49		31055900	Other mineral or chemical fertilizers containing the two fertilizing elements phosphorus and potassium	4	1
50		31056000	Mineral or chemical fertilizers containing the two fertilizing elements phosphorus and potassium	4	1
51		31059000	Other fertilizers	4	1
52	ex	35030010	Gelatin	12	5
53		35051000	Dextrins and other modified starches	12	6
54		38231200	Oleic acid	16	8
55	ex	38231900	Plant acid oil	16	5
56		41041111	Wet-blue bovine hides and skins, full grains, unsplit or grain splits	7	3
57		41041911	Other wet-blue bovine hides and skins	6	3
58		41041920	Other wet hides and skins of equine animals	7	5
59		41044100	Bovine hides and skins in dry state (crust), full grains, unsplit or grain splits	5	3
60		41051010	Wet-blue skins of sheep or lambs	14	10
61	ex	41062100	Wet-blue skins of goats	14	10
62		41063110	Wet-blue skins of swine	14	10
63		41071210	Whole hides and skins of bovine animals, grain splits	8	6
<b>64</b>		<b>43011000</b>	<b>Whole mink fur, with or without head, tail or paws</b>	<b>15</b>	<b>10</b>
<b>65</b>		<b>43016000</b>	<b>Whole fox fur, with or without head, tail or paws</b>	<b>20</b>	<b>15</b>
66		44089012	Veneer sheets of temperate non-coniferous wood	3	1

UNOFFICIAL TRANSLATION

67	ex	44089019	Veneer sheets for furniture	3	1
68	ex	44089029	Sheets for plywood of wood, peeled	3	1
69		45011000	Natural cork, raw or simply prepared	6	1
70		48022010	Photo paper base	7.5	5
71		48064000	Glassine and other glazed transparent or translucent papers	7.5	5
72		48070000	Composite paper and paperboard, not surfacecoated or impregnated, whether or not internally reinforced, in rolls or sheets	7.5	5
73		48115110	Paper coated on both sides with plastics for color photography, weighing more than 150 g/m <sup>2</sup>	7.5	1
74	ex	49070090	Certificate of right of special permission (including software upgrade license, software user license)	7.5	0
75	ex	49119910	Papers printed with programs for automatic data processing equipment	7.5	0
76		52101100	Unbleached cotton plain weave, mixed with manmade fibers, weight ≤ 200g/m <sup>2</sup>	12	6
77		52101910	Unbleached cotton weave of 3-thread or 4-thread twill, mixed with manmade fibers, weight ≤ 200g/m <sup>2</sup>	12	6
78		52101990	Other unbleached cotton weave, mixed with manmade fibers, weight ≤ 200g/m <sup>2</sup>	12	6
79		52111100	Unbleached cotton weave, mixed with manmade fibers, weight > 200g/m <sup>2</sup>	12	6
80		52111200	Unbleached cotton weave of 3-thread or 4-thread twill, mixed with manmade fibers, weight > 200g/m <sup>2</sup>	12	6
81		52111900	Other unbleached cotton weave, mixed with manmade fibers, weight > 200g/m <sup>2</sup>	12	6
82		52121100	Other unbleached cotton cloth, mixed, weighing not more than 200g/m <sup>2</sup>	12	6
83		52122100	Other unbleached cotton cloth, mixed, weighing more than 200g/m <sup>2</sup>	12	6
84		53012100	Flax, broken or scutched	6	1
85		53013000	Flax tow and waste	6	1
86		53062000	Flax yarn, multiple (folded) or cabled	10	5
87	ex	55041029	Wooden viscose fiber with high wet modulus (wetness strength ≥ 2.0 cn/dtex, dryness strength ≥ 3.0 cn/dtex, dry elongation >14%, wet stretch > 18%, denier 0.89-2.67 dtex)	5	2
88	ex	56011300	Textile fibers spun by two or more organic polymer, cross-section is structure of skin-core or parallel or island, of a length not exceeding 5mm	10	5

Note: EX<sup>1</sup> indicates that commodities applicable to tentative duties are based on “commodity names” but others are based on HS codes.

END