

## 《Shanghai FTZ speeds up import inspections》

Shanghai authorities have reformed their import inspection procedures, with the goal of improving efficiency and lowering importers' costs. The hope is that the new inspection process will ultimately bring benefits to Chinese customers.

Wesley Zhu has been dealing with the after-sales service for an international large equipment manufacturer in China. His company imports a large number of machine parts every year, and has to get the China Compulsory Certificate, commonly known as a CCC mark. The procedure has always been a headache.

Wesley Zhu, Spare Parts Manager of Liebherr Machinery Service (Shanghai) Co. Ltd. said: "We have to apply for the CCC mark for every batch of machine parts. The procedure takes at least 10 days, and the longest wait was two months. Our products are usually large equipment with values over 100 million RMB. If they are out of service, the economic loss is huge every day."

The CCC mark is a compulsory safety mark for many products imported, sold or used in the Chinese market. The Shanghai authorities have tried to simplify the process for 34 companies, including 28 in the Shanghai Free Trade Zone. It allows them to extend the validity of the certificate for up to 3 years, and only go through a check every six months.

"The importing volume of those 34 companies accounts for 25% of Shanghai's total, which is the biggest port for imported goods with CCC marks in China," said Shen Weihua, Deputy Director of Shanghai Municipal Commission of Commerce.

The change could reduce logistics and storage costs, and shorten the wait from one week on average to only a few minutes - that would mean more efficiency and lower costs for the companies and their clients.

Michele Detombeur, Director of Parts, Supply & Logistics Asia Pacific Ford Motor Company said: "We will be able to save a lot of money through our broker that we pay for our CCC certification, so that will certainly help us reduce our cost bringing parts to customs, and ultimately bringing that to our customers for lower parts prices."

The value of imported goods with CCC marks through Shanghai Port was worth about US\$35 billion in 2014.

The purpose of the Shanghai Free Trade Zone is to explore new operation mechanisms and reform administration systems. Authorities hope that by simplifying import inspection procedures, China will stay competitive in the international trading and investment arenas.