

UK P&I CLUB



LP Bulletin

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Bulletin 1004 - 10/14 - Scrap Materials Shipped in Containers - China

The Association has seen an increase of scrap materials shipped from the United States to China in the past year which have been refused entry into China due to a lack of import certification. This results in accumulating demurrage costs, containers out of circulation not generating revenue, unpaid ocean freight charges, costs to return the cargo to the US and eventually the cost to dispose of the cargo.

The easy solution would be not to accept bookings for scrap materials to China but since a large number of containers are shipped empty from the United States to China, shipping lines depend on these high volume bookings to help offset empty repositioning costs. Therefore, if lines accept this cargo, they have to do so with strict internal controls in place, in order to prevent bookings which will be refused entry into China and will be eventually abandoned, leaving the line to dispose of the cargo.

The Association would like to remind all members that when accepting bookings for scrap materials, including waste paper, scrap plastic and metal to China, they must be aware of the AQSIQ "General Administration of Quality, Supervision, Inspection and Quarantine" registration procedure. AQSIQ regulates the food/beverage products and scrap materials imports in China. It also controls, directly or indirectly, thousands of products including special equipment, textiles and carpet, paper printing and packaging, household goods, furniture and furnishings, electronics, chemicals and cosmetics.

If your shipper does not have a valid AQSIQ certificate which allows them to import scrap materials to China, then the booking should not be accepted. A shipment arriving in China without a valid AQSIQ certificate will be detained by Customs and refused entry into China and must be re-exported. An AQSIQ certificate is valid for 3 years and upon expiration must be renewed.

Lines shall request the shipper at the time of booking for a valid AQSIQ certificate and should input the certificate number in the booking system. Lines can check to make sure that the certificate is valid on the below website. This process is one of the major reasons why shipments of scrap materials are rejected, costing the carriers tens of thousands of dollars.

The below website lists AQSIQ HS numbers by commodity, process for obtaining certification, cost and renewal process.

<http://www.aqsiq.net/importer-list.htm>

Source of information

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