



Integration and Development of Special Customs Control Areas

Trends of Integration and Development of Special Customs Control Areas

I. Definition and Status Quo

II. Major Policies and Functions

III. Trends of Integration and Development

Definition and Status Quo of Special Customs Control Areas

- **Definition**

“ Special Customs Control Areas” refer to areas designated by the State where special policies are adopted, which are different from those for other places in the Customs territory, and where Customs takes special Customs control measures.

Several Components:

- Approved by the State Council
- Within the territory but outside the Customs territory
- An enclosed area
- Controlled by Customs

Definition and Status Quo of Special Customs Control Areas

- **Functions**

An experimental field for reforms and opening up

A new piece of fertile land for open economy

A new highland of industrial development

A new platform for job creation

A place suitable for transformation and upgradation of processing trade

Definition and Status Quo of Special Customs Control Areas

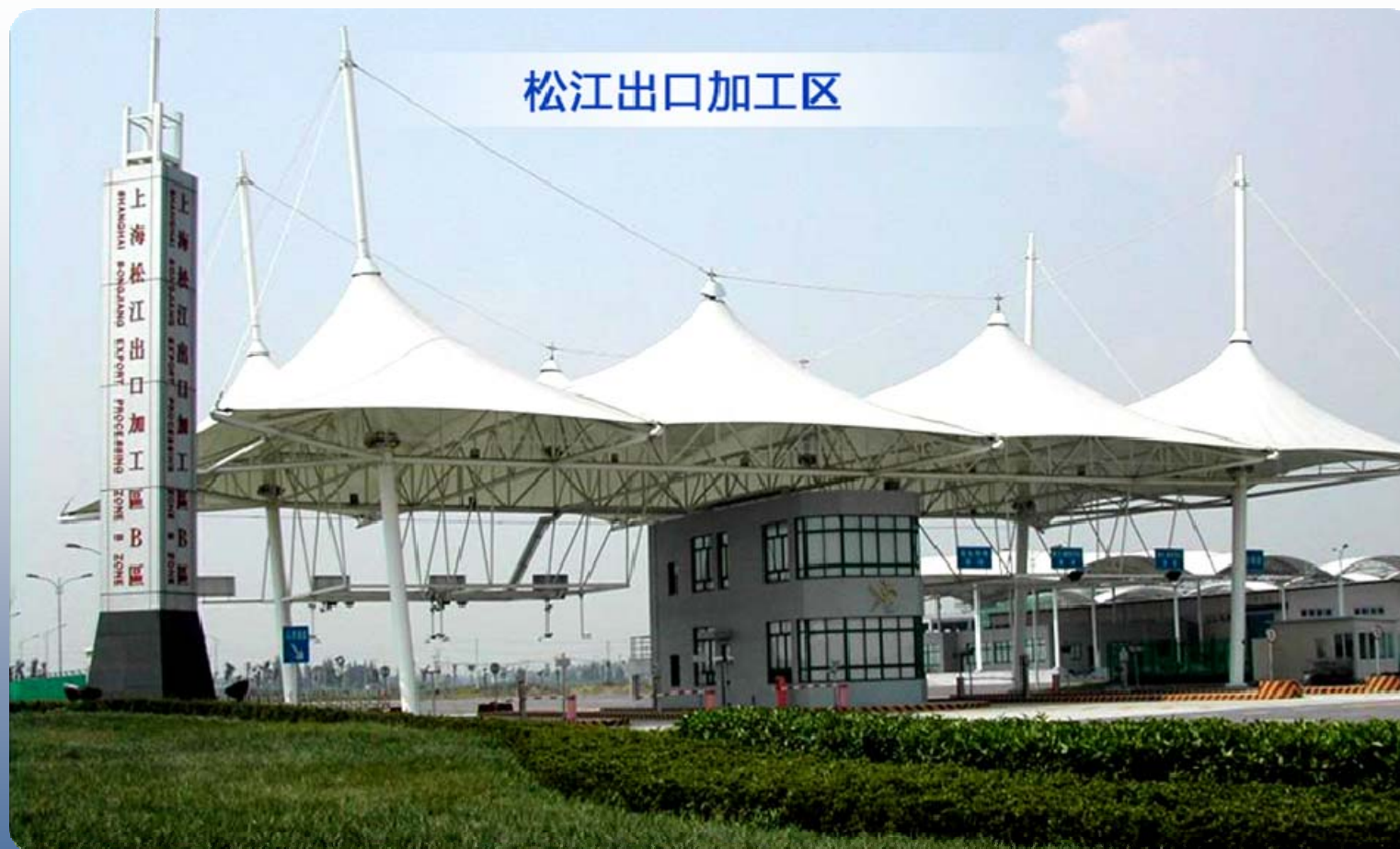
- Status Quo

Time of Establishment of the First One of Its Kind	Type	Nationwide	Shanghai
JUN 1990	Bonded Area	12	1
APR 2000	Export Processing Zone	56	6
DEC 2003	Logistics Park	6	1
JUN 2005	Bonded Port Area	13	1
2006	Integrated Bonded Area	8	1
2003	Cross-border Industrial Park	2	0
	Total	6 types 97 areas	5 types 10 areas

Waigaoqiao Bonded Area

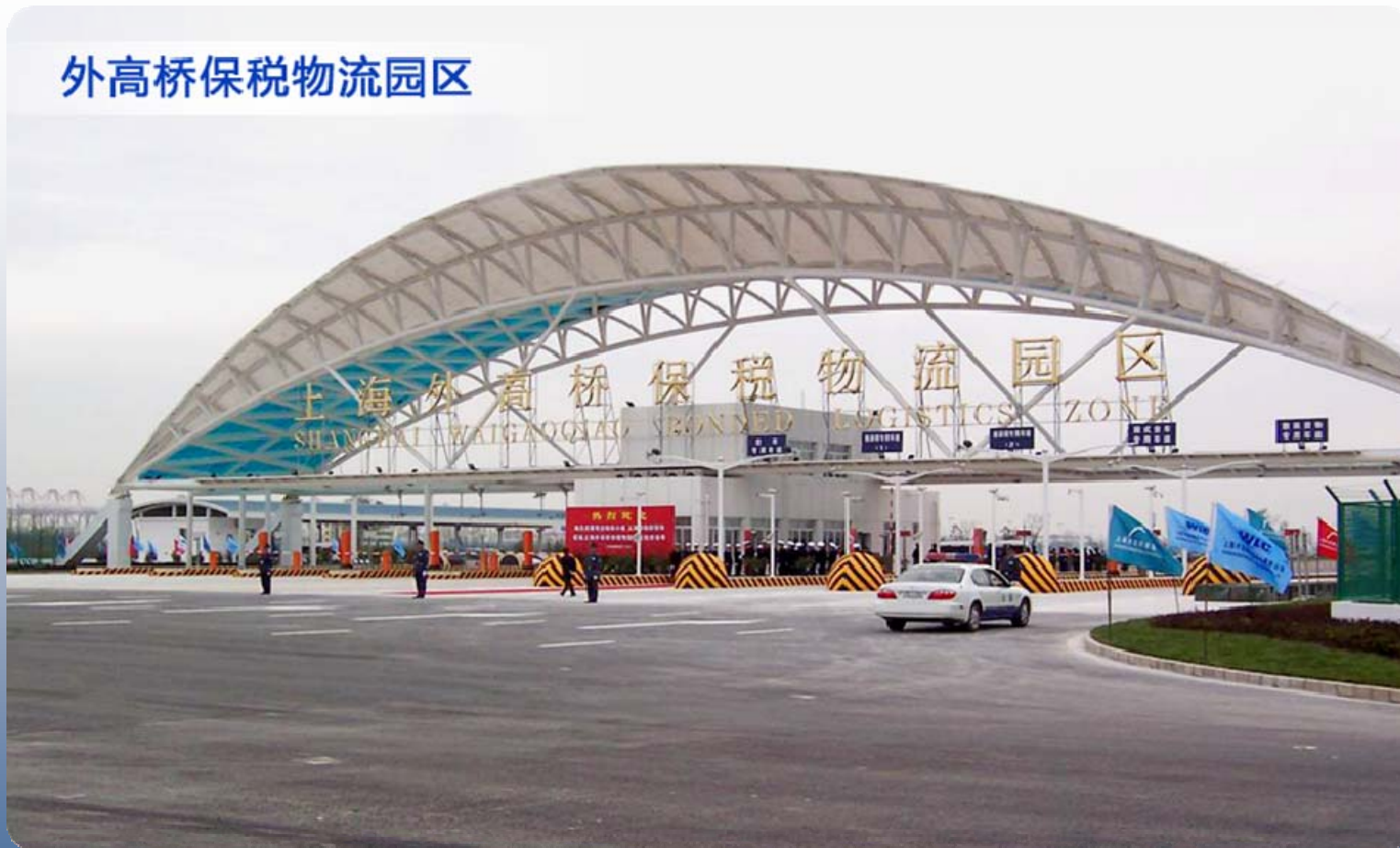


Songjiang Export Processing Zone



Waigaoqiao Bonded Logistics Park

外高桥保税物流园区



Yangshan Bonded Port Area



**Pudong Airport Free Trade
Zone (Comprehensive
Bonded Area)**



Definition and Status Quo of Special Customs Control Areas

- Data on Bonded Goods in Special Customs Control Areas within Shanghai Customs District

	2007	2008	2009
Import & export value (USD 00,000,000)	1045.5	1129.4	1048.2
import & export value of such areas as a percentage in the bonded goods of Shanghai Local Enterprises (%)	61.3	59.2	64.1
import & export value of such areas as a percentage in the bonded goods of nationwide special Customs control areas (%)	42.8	39.9	37.5
Percentage of bonded processing of such areas in Shanghai's processing trade (%)	51.5	49.0	49.4
Percentage of bonded logistics of such areas in the total bonded logistics of Shanghai (%)	84.4	82.0	85.5

Major Policies and Functions

Types	Functions	Policies	
Bonded Area	warehousing, processing, entrepot, exhibition	Overseas goods enter underbond; no VAT on products processed within the area; goods bound for overseas market moving out of the area, no export duty; goods moving out of the area need to go through import formalities.	Domestic goods entering the area, no tax rebate. Rebated after exiting the territory.
Export Processing Zone	processing (2009+logistics)		Domestic goods entering the area are deemed as exports, tax rebated.
Bonded Logistics Park	Warehousing & logistics		
Bonded Port Area	Functions above+Port		
Comprehensive Bonded Area	Same as those of Bonded Port Areas		
Cross-border Industrial Park	Same as those of Bonded Port Areas		

Trends of Integration and Development

- Goals of Integration

Pool all the preferential policies offered by the State in such areas so that all the special Customs control areas, despite their different naming, can have both functions (bonded processing and bonded logistics) and enjoy unified preferential policies and management measures, thus all becoming comprehensive bonded Customs control areas with efficient and effective control and quality services.

Trends of Integration and Development

- Principles of Integration

1. Good for promoting the transformation, upgradation and orderly shifting of processing trade ;

2. Good for boosting the development of modern logistics ;

3. Good for raising the land use effectiveness and efficiency ;

4. Good for reducing administrative costs.

Trends of Integration and Development

- Contents of Integration

1. Integration of functions
2. Integration of polices
3. Integration of control models
4. Integration of control resources

Trends of Integration and Development

- Good planning and assessment before initiation

Need for “*Planning and Layout of Nationwide Special Customs Control Areas*”

Principles in layout :

Balanced; Coordinated ;
Aggregate and incremental number
controlled;
Resources integrated;
Current areas optimized;
Concentrated development;
Efficiency raised.



Thank you for your kind
attention !