MEMBER ALERT

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PEOPLE'S REPUBLIC OF CHINA (PRC): PREVENTION AND CONTROL OF ENVIRONMENTAL POLLUTION ARISING FROM THE IMPORT OF RECYCLED IRON AND STEEL MATERIALS

Reference is made to the PRC's recent Notice on Matters Relating to the Regulation of the Import of Recycled Iron and Steel Raw Materials. This provides that recycled iron and steel, including scrap, are capable of being imported provided that they meet the national standards for such recycled materials as set out in the Recycling Iron-Steel Materials Standard, GB/T29733-2020.

Relevant materials are divided into seven categories and 18 codes in accordance with their physical and chemical properties with each code corresponding to the physical specifications, sources and processing methods of such materials. Detailed descriptions of the classification, processing methods, technical requirements, inspection methods and acceptance rules of recycled iron and steel can be found at the PRC's National Standard Information Public Service Platform in English and Mandarin http://std.samr.gov.cn/.

Members are reminded that the penalties for importing solid waste, and for transboundary movements of hazardous wastes, are as much as five times higher than prior penalties and may reach as much as US\$ 700,000.

Your Managers recommend that Members take note of this information and be guided accordingly. The Code does not directly correspond to the commodity code classified by component content. Therefore, it is imperative for Members to fully understand the physical and chemical properties of relevant goods before they are imported, and ensure the corresponding information is communicated truthfully.

If Members are in doubt about the description of a steel or iron cargo being carried, a certificate of cargo quality or similar document should be issued from a professional body. In addition, Members should also consult their local agent for the classification standard of the cargo to determine if it is solid waste, or whether it is a steel or iron cargo meeting the relevant standard.

Your Managers also wish to thank the Club's correspondents, Huatai Insurance Agency & Consulting Services, Ltd., for their assistance in providing the information contained above.