About CCIC & its Services

Inspection/Verification/Certification/Testing Services
Professional Solution Provider for Quality and Safety, Driving Your Success
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Opportunities and Challenges
Market Opportunities and Challenges——Opportunities

Domestic demand is expanding

Total retail sales of social consumer goods have double-digit growth for 14 consecutive years

China’s total imports of consumer goods reached ¥1.1 trillion Yuan in 2017.

‘Buying Globally, Selling Globally’

There are huge potential market opportunities
Take China’s imported beef and milk powder as examples.

**Annual growth of imported beef**

<table>
<thead>
<tr>
<th>Year</th>
<th>Thousand Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>243,180</td>
</tr>
<tr>
<td>2013</td>
<td>1,269,410</td>
</tr>
<tr>
<td>2014</td>
<td>1,289,000</td>
</tr>
<tr>
<td>2015</td>
<td>2,320,000</td>
</tr>
<tr>
<td>2016</td>
<td>2,515,760</td>
</tr>
<tr>
<td>2017</td>
<td>3,065,079</td>
</tr>
</tbody>
</table>

**Annual growth of imported milk powder**

<table>
<thead>
<tr>
<th>Year</th>
<th>Thousand Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3,977,218</td>
</tr>
<tr>
<td>2016</td>
<td>4,486,955</td>
</tr>
<tr>
<td>2017</td>
<td>6,148,428</td>
</tr>
</tbody>
</table>
FTZs & Deepening Reforms good for Sino-Australia Trade

China is following WTO rules to reform its economy; establishment of Free Trade Zones & open door policies are helpful measures for FTA implementation.

A. FTAs with more & more countries is an important step taken to be in line with WTO standards.

B. FTA implementation & structural reforms help with each other.

C. FTA is based on deepening consultation and mutual understanding.

+Free trade zones
+Easier trade arrangements
+Better collaboration to avoid risks
+Deepening reform
+Bilateral trade development
+Key trade partners
The ways to China market

Traditional Trade
- Minerals & Grains
- Foods and Agricultural products

CBEC
- Health foods
- Cosmetics products
- Infant formula & etc.

Daigou
- Health foods
- Cosmetics products
- Infant formula & etc.

Opportunities

Australia businesses

For a more reliable world
Not familiar with China's regulatory policies, how to avoid trade risks?

Lack of brand recognition, how to improve Chinese consumers' awareness and recognition of corporate brands and products?

After brand is established, how to avoid being impacted by counterfeit goods?

Facing with dazzling array of similar competitions, how to demonstrate product differentiation and avoid underestimation of product value?
[2] CCIC

Regulatory Compliance

For a more reliable world
The Chinese Government proposed a cooperative system for food safety in trade with major business partners; strengthen collaboration with each other to build a new safety network.
## Different roles of Custom and SAMR

<table>
<thead>
<tr>
<th></th>
<th>Chinese Custom</th>
<th>SAMR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Before entry</strong></td>
<td>√ Country assessment &amp; evaluation</td>
<td>√ Registration of Dietary Supplements (include checking labels &amp; product description)</td>
</tr>
<tr>
<td></td>
<td>√ Negotiate on quarantine bilateral agreement</td>
<td>infant formula registration</td>
</tr>
<tr>
<td></td>
<td>√ Registration of foreign producers</td>
<td>√ cosmetic registration</td>
</tr>
<tr>
<td></td>
<td>√ Importer registration</td>
<td>√ Drugs and medicines registration</td>
</tr>
<tr>
<td></td>
<td>√ decision making power for examination &amp; approval in quarantine</td>
<td></td>
</tr>
<tr>
<td><strong>At the time of entry</strong></td>
<td>√ implementation of inspection and quarantine</td>
<td></td>
</tr>
<tr>
<td></td>
<td>√ handling non-conformity cases</td>
<td></td>
</tr>
<tr>
<td><strong>After entry</strong></td>
<td>√ Random checks</td>
<td>√ Random checks</td>
</tr>
<tr>
<td></td>
<td>√ risk assessment &amp; precautions</td>
<td></td>
</tr>
</tbody>
</table>

**Chinese Custom: China Entry-Exit Inspection and Quarantine**

**SAMR: State Administration for Market Regulation**
## Imported Food Safety Supervision in China

<table>
<thead>
<tr>
<th>Before Importation</th>
<th>At the time of Importation</th>
<th>After Importation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importing country’s Food Safety System Review</td>
<td>Quarantine at designated ports of destination</td>
<td>Review of Foreign food safety system</td>
</tr>
<tr>
<td>Producer Registration &amp; Management</td>
<td>Quality certification system</td>
<td>Imports &amp; sales records</td>
</tr>
<tr>
<td>Exporter Registration</td>
<td>Handling applications for inspection &amp; quarantine</td>
<td>Recall system</td>
</tr>
<tr>
<td>Health Certificate Review</td>
<td>Re-inspection system</td>
<td>Importer/exporter credit rating</td>
</tr>
<tr>
<td>Market Access Audit for animal &amp; plant origin foods</td>
<td>Measures for non-qualified Products</td>
<td>Importer/agent Consultation system</td>
</tr>
<tr>
<td>Annual Review of registration</td>
<td>Safety risks monitoring system</td>
<td>Result recognition of Third party inspection</td>
</tr>
<tr>
<td>Formula registration</td>
<td>Risk Precaution &amp; reaction system</td>
<td>Management system for voluntary quality guarantee</td>
</tr>
</tbody>
</table>

For a more reliable world
AQSIQ has listed 20 categories of quality non-conformities with imported foods during 2010-2017. The 4 main problems are: Microbial contamination, bad quality, problem of food additives and labeling non-conformities. These problems account for 3/4 of defective shipments.
What products require Chinese Labels for export:

1) Under **Chinese Food Safety Law**, all imported food, food additives and food-related products shall conform to the national food safety standards of China;

2) Imported food shall be subject to inspection by the entry/exit inspection and quarantine institution. Imported pre-packed food shall have labels and instructions in Chinese.

3) The labels and instructions shall conform to this Law, other relevant laws, administrative regulations and national food safety standards of China;

**There are four basic labeling standards for all prepackaged food labels:**

- GB7718-2011 General Rules for the Labeling of Prepackaged Foods
- GB2760-2014 Standards for Food Additive
- GB23050-2011 General Rules for Pre-packed food nutrition labels
- GB14880-2012 Standards for Nutrition Supplements in Foods

**Additional requirements for different categories:**

Eg: GB13432-2013 Standards for Label on Special Dietary Prepackaged foods (Infant-formulas require full Chinese and English print on tin after 1st April 2014)
Traceability Services by CCIC
Our background: CCIC is Backed by CNCA

- **CCIC** is one of the biggest third-party inspection and certification organization in China and is the only third-party inspection and certification organization named under the “China” prefix. It is a directly-affiliated enterprise of **CNCA** (Certification and Accreditation Administration of the People's Republic of China).

- Service network has spread over 34 countries and regions, with over 400 branches, over 300 cooperative laboratories, over 20,000 employees worldwide.

- Owns **CCIC** and **CQC** brands and has extensive recognition in Chinese market.

- Business capability covers import and export commodity inspection, quality certification, product testing, and traceability services.

- **CCIC Australia** established in 1989 in Australia with offices in every state.
The CCIC Headquarters in Beijing and over 300 branches in the world.
CCIC’s Unique Advantages

◆ The most comprehensive quality service provider
  Reputation worldwide, comprehensive multi-national, better cooperate with Australian companies.

◆ The most influential local Chinese third-party organization
  Strong setup and influence in all major ports within China.
  In coordination with local authorities -- no competition over any other companies.

◆ The most familiar with China's import and export policies
  Always the first to know about new policies when it comes to China and Australia trade regulation changes.

◆ The most trusted quality service brand in China
  Familiar with both domestic and international standards in testing and quality control; providing newly released regulations, and technical standards.

◆ Localized business operation, catering to your needs
  Providing customized services
Relying on CCIC and CQC brands, CCIC has conducted independently third-party inspection, testing and certification for global commodities through its worldwide service network.

Through global traceability platform of CCIC, we have achieved real-time traceability and intelligent tracking for verified commodity information and logistics information.

Efficiency of government supervision and commodity confidence level are improved by sharing quality information of traceable commodity with government departments, partners and consumers.
CCIC Offline Services

**Services for Australian businesses:**

- Consulting (Registration & Label)
- Inspection and survey;
- Testing;
- Certification;
- Traceability services.

**Commodities:** minerals, grain, forage, cattle and sheep skin, infant formula, pasteurized milk and other dairy products, wine, seafood, honey, health products, cosmetics, daily necessities, general food, etc.
CCIC online traceability comprehensively uses results and reports which includes field verification, commodity inspection and testing, certification, factory inspection to do third-party conformity assessment activities that verifies origin, quality, and specific attributes of commodities. anti-counterfeiting, QR code and other technologies also have been used to match commodities with verification information. Furthermore, verification information could be inquired and traced through our traceability service platform conveniently.
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Thank You!