



Voluntary Report - Voluntary - Public Distribution

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Report Name: Simplified Label and Brand Registration Requirements for Wine and Spirits in Shanghai Free Trade Zone

Country: China - People's Republic of

Post: Shanghai ATO

Report Category: Wine, Beverages, Trade Policy Monitoring, Policy and Program Announcements, FAIRS Subject Report

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Report Highlights:

Under a new policy, importers of wine and distilled spirits whose domestic agents are registered within the Shanghai Free Trade Zone are no longer required to register the U.S. producer name and brand as a trademark in China prior to commercial sales. This policy was implemented by the State Council and the Shanghai Municipal Government effective October 11, 2024. Outside the free trade zone, imported products must have the U.S. producer name and brand registered as a trademark in China (both in English and Chinese), a process that can take months and delay import of new products.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY Effective October 11, 2024, wine and spirits with more than 10 percent alcohol by volume that are imported by a Chinese agent registered in the Shanghai Free Trade Zone no longer need to be marked with a Chinese translation of the trademark. As a result, these products are no longer required to register the U.S. producer name and brand as a trademark in China prior to commercial sales. These products are also no longer required to have a Chinese translation of shelf-life information. These changes were reported as key reform tasks of the State Council and the Shanghai Municipal Government. Other requirements such as facility registration are still necessary, however.

Following the introduction of this new policy, the Pudong Market Supervision Bureau assisted two wine import traders, ASC Fine Wines and Shanghai CL-Supply Chain Management Co. Ltd. (CLSC), in successfully completing a pilot clearance for the first batch of imported wines and distilled spirits. A representative from CLSC commented that the reform not only enhances the brands' market visibility, but also provides crucial support for quickly opening market channels. While certain information such as raw materials and country of origin is still subject to Chinese labeling registration requirements, elimination of the need to register the U.S. company and product name as trademarks is expected to shorten the overall time needed for label registration, allowing foreign products to enter the domestic market faster.

Shanghai Free Trade Zone

The State Council approved the establishment of the Shanghai Free Trade Zone, also known as the Yangshan Free Trade Zone, in January 2020 as the country's first special comprehensive bonded zone under special customs supervision. According to local government data, the Yangshan Free Trade Zone achieved an import and export volume of 262 billion yuan (\$36 billion) in 2023, a 25 percent increase year-on-year. In the first five months of 2024, the zone's import and export volume further increased 7.14 percent year-on-year. Yangshan Port was recognized as the most efficient port among 348 container ports worldwide in the Global Container Port Performance Index released by the World Bank Group in 2023.

Official Announcements (links to Chinese language websites)

Shanghai Customs: <u>https://www.pudong.gov.cn/023003005/20240930/790938.html</u> Pudong Government: <u>http://shanghai.customs.gov.cn/shanghai_customs/423446/423448/6153435/index.html</u>

For more information on general import requirements for agricultural products in China, please see the China <u>FAIRS Country Report 2024</u>. Please contact <u>atoshanghai@usda.gov</u> with any additional questions.

Attachments:

No Attachments.