

Appendix 67-- Regulations Governing Permission of Trade Between Taiwan Area and Mainland Area (1993)

April 26, 1993

Promulgated on April 26, 1993 by Ministry of Economic Affairs per its decree No. Ching-(82)-Mou-083651

Amended on October 2, 1996 by Ministry of Economic Affairs per its decree No. Ching-(85)-Mou-85027019

Article 1

These Regulations are promulgated pursuant to the provision of Paragraph Two, Article 35 of the Statute Governing the Relations Between Peoples of The Taiwan Area and The Mainland Area (hereinafter referred to as "the Statute").

Article 2

Individuals, juristic persons. Organizations or other institutions in Taiwan Area who/which are engaged in trading activities between Taiwan Area and Mainland Area shall comply with the provisions of these Regulations. With regard to the matters not provided for in these Regulations, other relevant laws and regulations shall govern.

Article 3

The government authority in charge of the matters governed by these Regulations shall be the Ministry Economic Affairs (hereinafter referred to as "the competent authority"), with the Board of Foreign Trade under the Ministry of Economic Affairs (hereinafter referred to as "BOFT") being designated as the executive agency under these Regulations.

Article 4

The term "trading activities between Taiwan Area and Mainland Area" as used in this Regulation means the act of exporting or importing goods/articles or intellectual property rights attached to goods/articles between Taiwan Area and Mainland Area, and related matters thereto.

Any person who engages in the trading activities as set forth in the preceding paragraph shall obtain a permit, unless otherwise exempted, in accordance with these Regulations and other relevant laws and regulations.

Article 5

Unless otherwise provided in these Regulations, trading activities between Taiwan Area and Mainland Area shall be executed in an indirect manner, whereby the buyers or the sellers shall be the traders in third territories outside the Mainland Area and permitted to do direct trade with traders in Taiwan Area, and the goods/articles involved in such transactions shall be transshipped via third territories.

Article 6

In order to implement due control or administration of the trading activities between Taiwan Area and Mainland Area, the competent authority may set up appropriate trade monitoring systems.

Article 7

Goods/articles originated from Mainland Area, except the following items, are prohibited from importing into Taiwan Area:

- 1) Items designated and announced by the competent authority may be imported on a general basis.
- 2) Antiques, cultural works relating to religions, tribal art-works, works of folk art, works of art, materials for cultural assets maintenance, and commodities for cultural or educational activities in a small quantity.
- 3) Sample products for exclusive use in research or development.
- 4) Items listed as permissible for import pursuant to the Regulations Governing Permission for Importation of Industrial Technology from Mainland Area.
- 5) Animals for use by schools, research institutes and zoos.
- 6) Raw materials, parts and components imported by the Duty-Bonded Factories for processing to export.
- 7) Raw materials, parts and components imported by the Export Processing Zone.
- 8) Chinese medicines for medical treatment.
- 9) Publications, motion pictures, video programs and broadcasting and television programs as permitted by the Government Information Office of the Executive Yuan.
- 10) Articles carried in by incoming passengers not exceeding the amount approved and announced by the Customs of the Ministry of Finance.
- 11) Articles carried in by crewmembers of vessels or aircrafts in compliance with the relevant requirements.
- 12) Harvested fishery products as compensation for settlement on fishery dispute at sea between Taiwan Area and Mainland area.
- 13) Other items permitted through special approval by the competent authority.

The conditions for importation of the goods/articles as specified in Items 2,3,6 and 13 of the preceding Paragraph shall be announced in public by the BOFT; Whereas the conditions for importation of the goods/articles as specified in Item 7 of the preceding Paragraph shall be announced in public by the administrative office of the Export Processing zone or the Science-based Industrial Park.

Importation, by mail, of goods/articles as specified in Item 9 of Paragraph One of this Article, or importation of articles specified in Item 10 through 12 of the same Paragraph shall be free from the restrictions set forth in articles 5 hereof.

Mainland Area goods other than those as specified in Item 1 and 8 of Paragraph One of this Article, export transship from the off-shore shipping center, shall not be declared to the Custom for shipment or sale to any third territory from any port, in Taiwan Area.

Items of the violation against provisions in the proceeding paragraph shall be returned to the last shipping port.

Article 8

Any Mainland Area goods as designated by the competent authority under Item 1, Paragraph One of the preceding Article is subject to the following requirements:

1. their import may not endanger the national security,
 2. their import may not have any negative impact on related domestic industries, and
- In case of any Mainland Area goods designated in Item 1, Paragraph One of the preceding Article shall conflict with any of the requirements set forth in the preceding Paragraph on account of changes in the existing circumstances, the competent authority may decide to cease the import licensing for such goods.

Exporters/importers, industrial associations, relevant agencies and organizations may submit their recommended goods/ articles of Mainland Area origin as importable items, of which procedures shall be announced in public by the competent authority.

Article 9

Import permits shall be obtained for goods/articles as specified in Item 1 through 7, 12 and 13 of Paragraph One of Article 7 hereof from the BOFT, unless otherwise provided in the following:

1. goods/articles which are announced in public by competent authority as items subject to import licensing from the licensing bank, or exemption of licensing.
2. goods/articles whose import subject to licensing requirement as specified in item 1 of Paragraph One of Article 7, or goods/articles as specified in Item 3, 4, 7 and 13 of the same Paragraph imported by the Export Processing Zone firms or the Importation of goods/articles as specified in Item 2 of the preceding Paragraph by the export Processing Zone firms or the Science-based Industrial park firms shall obtain permission from the administrative office of the Export Processing zone or the Science-based Industrial Park.

Import permits shall be obtained for goods/articles as specified in Item 8 through 11 of Paragraph One of Article 7 hereof from the appropriate authorities (institutions) in compliance with the relevant laws and regulations, or unless otherwise exempted.

Article 10

All import documents related to Legitimate importation of Mainland Area goods/articles shall bear the words "Chinese Mainland" in the column of country of origin. Any mark representing the authority of Mainland Area on such goods/articles or on any packages thereof shall be erased before custom release, unless otherwise provided in the following:

coasted or engraved marks representing the authority of Mainland Area, but of no communism propaganda. marks on the goods/articles as specified in Item 2 of Paragraph One of Article 7 hereof, or on the packages thereof, marks on the goods/articles as specified in Item 9 of Paragraph One of Article 7 hereof with the approval of the Government Information Office under the Executive Yuan, marks on the articles specified in Item 10 and 12 of Paragraph One of Article 7 hereof, or on the packages thereof.

Marks of goods/articles as specified in Item 1, 3, 6, 7 and 13 of Paragraph One of Article 7 hereof may be exempted from erasing before custom release, provided that the importer guarantee to the Customs that the marks will be duly erased after custom release.

Article 11

Any government authority which intends to import goods/articles as specified in Item 1 or Item 13, Paragraph One of Article 7 hereof shall first obtain a special permission from the competent authority.

Article 12

Export permits shall be obtained for indirect export to Mainland Area in compliance with the relevant export laws and regulations, or unless otherwise exempted.

In case that goods/articles are exported indirectly to Mainland Area for further processing, exporters shall report such purpose in export documents.

In case that the exporter prescribed in the preceding Paragraph converts his activity to investment in Mainland Area, the exporter shall obtain permission for such investment from the competent authority in compliance with the Regulation Governing Permission of Investment and Technical Cooperation in Mainland Area.

Article 13

All export documents related to indirect exportation to Mainland Area shall bear the word "Chinese Mainland" in the column of destination.

Article 14

In case of trading activities between Taiwan Area and Mainland Area without proper permissions are initiated prior to the enforcement of the Statute and custom clearance for such import/export had not been completed, the importers/exporters shall apply for permissions in compliance with the provisions of Paragraph Three, Article 35 of the Statute and of this Regulation.

Article 15

This Regulation shall come into force from the date of promulgation