

| CHEAT SHEET |
TRADE FACILITATION ROUTE-TO-MARKET CHINA

Challenge	With Ahlers Trade Facilitation you can
Are you export-ready?	Analyze your current operations, based on your domestic activities, and look at whether you're as optimized as can be. From here, dedicate resources to capability development, upskilling yourself and your business in export fundamentals. Distance, logistics performance, connectivity, and border management are major determinants of trade costs, more so than tariffs.
Have you considered an Importer of Record partner to adhere to import export regulations in China?	<p>An Importer of Record business partner ensures import compliance with the regulations in China. Moreover also taking care of the payment of taxes, duties, and other fees for the imported goods, as well as filing the correct documentation, permits, and licensing for your business. This Business partner can also help you to address a specific set of measures to streamline and simplify the technical-I and legal procedures for products entering or leaving a country, to be traded internationally.</p> <p>An alternative option is to use an intermediate who can facilitate your trade-in China, like Ahlers. Using Ahlers' Trade Facilitation services, you can focus on marketing and sales, and we take care of the rest. We make sure the goods are transported to China, we deal with Chinese customs, and we store your goods in one or more of our warehouses, from where we can take care of distribution.</p>
Do you want to depend on a local distributor or are you considering to open your own legal entity?	Working with agents and distributors in China can be a great way to grow your business locally – but there are plenty of potential pitfalls you need to look out for. Given the language- and cultural barriers for Western companies in China, agents or distributors are useful and improve efficiency when conducting business. An agent will act as your direct representative and is paid a commission. Distributors, on the other hand, will buy your products and sell them on and make a profit from the difference. However, with a Trade Facilitation partner you can control and direct your local distributors and with that, grow the business, instead of fully depend on a local distributor or setting up your own legal entity, since the Trade Facilitation partner does this on your behalf.
Cultural differences and similarities between China and the Western world?	A Trade Facilitation partner can help you to address cultural differences, a degree to which cultural norms, world views, attitudes, perceptions, and ideas differ between the Western world and China. By having local people, offices, and alliances, and leveraging inter-organizational knowledge transfer, we help with overcoming cultural differences. Using our local authority relations, we ensure your products are fully compliant with local rules and regulations.
Determining China's market access regulations, import	Consider working alongside an entry market agent or China Trade Facilitation advisor such as Ahlers on import regulations for the product lines you're wanting to test, followed by a review of your specific ingredients. It is also very

<p>requirements, and brand protection?</p>	<p>important to commence Trademark registrations for your brand to limit in-market brand risks.</p>
<p>Understanding the requirements on labeling, product claims implications, and degree 248/249 considerations?</p>	<p>Depending on what goods you want to import, there are requirements regarding the information that needs to be on the labels in Chinese. These requirements vary per product. Our specialists can help you determine the requirements, and we can take care of labeling your products according to the requirements.</p> <p>Depending on your sales channel, you will need to invest in China-specific labels, confirm whether your product claims can be used in-market, and register your brand, as well as products, with the General Administration Customs of China.</p>
<p>Have you developed your market entry- and channel optimization plan?</p>	<p>A Market Entry Plan will enable your organization to better target opportunities, prioritize activities, and frame financial budgets. You should also consider specific market channels for your products, whether it be traditional “bricks and mortar” retail, food services, eCommerce (including cross-border), or a combination. Your plan should take into consideration an appropriate engagement strategy using a mix of in-market events, promotions, and appointments with subject matter experts to maximize traction.</p>
<p>Have you reviewed Intellectual property and trademark enforcement?</p>	<p>Intellectual Property (IP) may be registered with the General Administration of Customs to prevent misuse of your brand by third parties. Administrative enforcement can be a relatively fast and inexpensive course of action to stop infringing activities. Civil litigation can also be used, particularly when seeking damages from the infringer. China also provides IP remedies through criminal enforcement for commercial-scale piracy and counterfeiting.</p>
<p>Have you checked the requirements to get your products through Chinese customs?</p>	<p>To get your products through Chinese customs, you need to make sure your goods meet all the requirements in terms of quality. Samples need to be tested, approved, and certified in China. Chinese safety and quality standards have to be met. Ahlers has the knowledge and experience to determine what products need to be tested and certified and what is required to get your goods through customs.</p>