



Guidance on

Exporting Cosmetics to China

April Guo, Regulatory Affairs Specialist for Cosmetics and Cosmetic Ingredient,
april.guo@cirs-reach.com

Chemical Inspection and Regulation Service (CIRS)

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CIRS China

11F Building 1, Dongguan Hi-Tech Park,
1288 Chunbo Road, Binjiang District, Hangzhou 310052, China
Tel: +86-571 8720 6555 Fax: +86-571 8720 6533
<http://www.cirs-reach.com>



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Marketing Research before Export

China's cosmetics market has become the second largest cosmetics market in Asia after Japan and the third largest in the world. The cosmetics market in China is a growing market with the annual growth rate averaging between 14% and 16% during the past decade. Before making a decision to export cosmetics into China, a company shall conduct some marketing research first to understand the trends of beauty industry in China and the preferences and habits of Chinese consumers. Meanwhile, the company should also contact local distributors to determine if your products are of interest to them. Those distributors should have good and established connections with the industry, for example with department stores, hotels & spas, and online stores in China.

Once you have predicted that there is a market in China, you can prepare for the registration of your cosmetics with in the State Food and Drug Administration (SFDA) in China. Such a registration is not expensive and difficult. However, it might be time-consuming. The step-by-step guidance on registration of cosmetics can be found below.

Pre-approval before Marketing – SFDA registration

1 Understanding Regulatory Framework in China

According to the REGULATIONS CONCERNING THE HYGIENE SUPERVISION OF COSMETICS (1989), companies who plan to place cosmetics on Chinese market must apply for and obtain a hygiene license or record-keeping certificate the State Food and Drug Administration (SFDA). Foreign companies shall appoint a Chinese responsible agent to deal with this application.

In China, cosmetics are defined as daily used industrial chemicals which can be spread on the outer surface of human body (e.g. skin, hairs, nails, lips etc) for the purpose of cleaning, deodorizing, providing skin care, beauty and make – up, by way of smearing, spraying or other similar means.

Cosmetics are further divided into two classes: special use cosmetics and ordinary use cosmetics, and they are managed in different ways. Special use cosmetics are usually deemed as cosmetics with special functions (i.e., hair growth, sun block) while ordinary use cosmetics do not have special uses. Different type of SFDA license are required for each type of cosmetics.

Type of Product	Required SFDA License
Ordinary cosmetics for hair care, nail care, skin care, perfumes and make-up	Record-keeping Certificate
Special use cosmetics products for hair growth, hair dye, hair perm, hair removal, breast shaping, fitness, deodorizing, spots removal and sun block	Hygiene License (More expensive and time-consuming)

** Note: according to Comment Letter no 263 issued on 29 May 2012, the skin care cosmetics for whiteness and anti acne will be regarded as special use cosmetics.*

If you are not sure about the type of your cosmetic product or which license is required, please consult CIRS for more help.



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2 Review Product Formula

Your products cannot be registered with SFDA if the product formula does not meet the requirements of The Hygienic Standard for Cosmetics published by the Ministry of Health in 2007. The standard has banned over 1200 chemicals in cosmetics and restricted the use of 73 chemicals, 56 preservatives, 156 colorants, 28 sun block agents and 93 dyes in cosmetics. Companies shall also check if there is any new ingredient in their product because new cosmetic ingredient also requires a license from SFDA.

CIRS can help you review your product formula to determine whether the product formula is in fact compliant with China's cosmetics regulations before registration starts.

3 Appoint a Chinese Responsible Agent

It is very important to appoint a trusted consultancy firm like CIRS to be a Chinese responsible agent to deal with SFDA registration. A good agent can not only save you a lot of time when registering cosmetics with SFDA, but also protects confidential product information (for example, manufacturing process, product formula) from distributors. A notarized power of attorney is required when appointing a Chinese responsible agent.

4 Sample Testing in SFDA Designated Labs

Testing reports provided by SFDA designated labs in China are mandatory for registration. Cosmetic samples need to be tested in China even if they have been tested abroad and assessed.

The SFDA has authorized 17 labs to perform hygiene safety tests and 6 labs to conduct human safety tests. Hygiene safety tests include physiochemical, microbiological and toxicological studies, which are mandatory for ordinary cosmetics. For special use cosmetics, human safety tests are also required. If a cosmetic product contains risk substances, i.e., components (impurities or additives) that may cause potential harm to human health resulted from raw materials or brought in during the production process, then additional tests are required.



5 Safety Assessment & Dossier Preparation

The list of documents below are required for the registration of imported ordinary cosmetics:

- (1) Application form
 - (2) Chinese product name and nomenclature (*)
 - (3) Product formula (*)
 - (4) Standards and procedures for product quality and safety control (*)
 - (5) Original packaging of products (including product label and product information sheet) (*)
 - (6) Testing report and relevant data from inspection organization certified by Ministry of Health of China;
 - (7) Safety assessment data for cosmetics containing potential high-risk substances;
 - (8) Stamped copies of power of attorney and business license of Chinese responsible agent;
 - (9) Letter of commitment stating that the cosmetic ingredients meet the restriction requirements of high-risk substances from regions with high incidence of mad cow disease (*);
 - (10) Certificate of free sale at production country (region) or country (region) of origin (*);
 - (11) Brief description and diagram of production process (*);
 - (12) Technical requirements for cosmetic products in text (*);
 - (13) Other materials which are helpful for review and product samples(*);
- Note: the marked items need to be supplied by foreign companies.

6 SFDA (State Food and Drug Administration) Review

The SFDA will conduct a format review first and then a technical review. The SFDA holds a meeting once a month to conduct technical review of the registration of special use cosmetics. However, there is no fixed time to review the registration of ordinary cosmetics.

If one application has been approved, a certificate will be issued by the SFDA. The certificate is required for customs clearance. The certificate number must appear on Chinese product label.



Duration and Cost of Registration

The duration and cost of registration depend on the type of cosmetics. In general it takes 4-6 months to register imported ordinary use cosmetics and 7-13 months to register special use cosmetics.

The registration cost consists of a testing fee and a consulting fee. Testing fee is charged by the SFDA designated labs. The SFDA does not charge any administration fee. The total fee for special use cosmetics is much higher than ordinary cosmetics because human safety tests are required in addition to hygiene safety tests. The estimated cost of registration of cosmetics is listed as follows:

Type of cosmetics	Estimate cost (RMB per type)*
Imported ordinary cosmetics	10,000~16,000
Imported special use cosmetics	19,000~80,000

** Extra tests need to be conducted if cosmetic products contain efficacy ingredients or potential risk substances.*

Custom Clearance & Labeling

After getting the SFDA license, companies should provide a copy of license to Chinese distributors and label their products correctly according to the official implementation of the national standard: Instruction for use of consumer products— general labeling for cosmetics (GB5296.3-2008). The following information, in Chinese, needs to appear on a label for cosmetics:

- Product name;
- Name and address of the manufacturer;
- Net content;
- Product ingredients;
- Shelf life;
- The code of manufacture license and product standard;
- The code of hygiene license or record-keeping certificate;
- Safety statement and guidance on uses;

In case of imported cosmetics, country of origin and the name and address of the distributor in China shall also be given on the label.

Both SFDA license and label are required for customs clearance. Before import, distributors or importers in China need to apply for an inspection from the local authorities of port entry-exit inspection and quarantine bureau (CIQ). CIQ will then check samples and product labels when goods arrive at the port of entry. CIQ will issue an entry inspection certificate if goods pass their inspection. At that time, the cosmetics are qualified to be imported and sold on Chinese market.

Distributors in China also need to pay import duties at a rate of approximately 50% for imported cosmetics. However, China has proposed to lower its tariff on imported cosmetics, which might promote more sales of imported cosmetics in China.



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We are qualified to help you comply with Chinese cosmetics regulations and clear market entry barriers to China in a timely and cost efficient way.

If you have any questions, please contact:

April Guo, april.guo@cirs-reach.com, Regulatory Affairs Specialist for Cosmetics
CIRS China 11/F., Building 1, Dongguan Hi-Tech Park, 1288 Chunbo Road,
Binjiang District, Hangzhou 310052, China
Tel: +86-571 8720 6546 | Fax: +86-571 8720 6533