

Agreement of Co-operation on Inspection of Iron Ore
Between Export Inspection Council of the Republic of India (EIC) and
the
General Administration of Quality Supervision, Inspection and
Quarantine
of the People's Republic of China (AQSIQ)

The Export Inspection Council of the Republic of India (referred to as EIC) and the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (referred to as AQSIQ) (herein referred to as "Both Parties"):

As recognized, EIC, the official export inspection and certification agency of India, is a statutory organization established by the Government of India under the provisions of the Export (Quality Control & Inspection) Act, 1963 to undertake inspection and certification in relation to commodities intended for export (except phytosanitary and plant quarantine matters). EIC carries out export inspection and certification through five Export Inspection Agencies (EIAs), (one each at Mumbai, Kolkata, Kochi, Delhi and Chennai), established by the Government of India, under the technical and administrative control of EIC. EIC approves the inspection agencies and carries out surveillance of the activities of these inspection agencies as per the provisions of the Act and in line with requirements of ISO/IEC 17020 General Criteria for the Operation of Various Types of Bodies Performing Inspection.

As recognized, AQSIQ, a governmental agency under the direct leadership of the State Council of China is in charge of quality supervision, metrology, import and export commodity inspection and quarantine, certification and accreditation, and standardization. AQSIQ is also a law-enforcement body and the inspection and quarantine authority at all ports of entry that conducts inspection and quarantine on imported and exported commodities.

As considered, trading of iron ore has been an important component of the trade between India and China. Both parties concurred that the Agreement is to establish a working inspection mechanism which will strengthen co-operation between both parties; form an effective mechanism of communication, negotiations and settlement; protect the

economic and commercial interests of the two countries; and, to develop and promote trade in iron ore in a mutually beneficial manner between China and India.

Article I - Inspection

As agreed by both parties, iron ore shall be inspected as per the following:

- a) The inspection agencies that are recognized and designated by EIC and AQSIQ shall perform the inspection of iron ore before departure according to the relevant technical regulation or standards of China and applicable international standards.
- b) EIC shall recognize inspection agencies as per applicable international standards and the provisions of Indian laws and provide the list of accredited inspection agencies to AQSIQ.
- c) The inspection agencies shall perform the inspection of iron ore and issue the formal inspection certificate affixing their seals .
- d) The inspection authorities (referred to as CIQ) established by AQSIQ as per the laws of China shall accept the registration of iron ore imported from India upon presentation of the inspection certificate issued by inspection agencies (recognized by EIC) and affixing their seals. CIQ shall sample and inspect the iron ore according to the laws of China and issue a certificate. In case, AQSIQ has doubts about the quality of the iron ore, it shall consult the matter with EIC for a mutually acceptable solution.
- e) In case of nonstandard inspection behavior by the designated Inspection Agency, AQSIQ shall immediately inform and discuss with EIC the matter of accepting the inspection certificate presented by this agency and reach a mutually acceptable solution through consultations with EIC.

Article 2 - Obligations

EIC shall be responsible for accreditation and supervision and administration of the designated inspection agencies and inform AQSIIQ in time of any variation in the relevant legislation.

AQSIIQ shall inform EIC of the relevant laws and regulations covering inspection of iron ore and of any variation in these laws and rules.

When the inspection results in detection of sub-standard iron ore or in the case of other disputes, the EIC and AQSIIQ, both being Government Agencies, shall conduct consultations so as to ensure a mutually acceptable and effective resolution of the problem.

Article 3 - Communication

Both parties shall promptly communicate with each other on any changes in the inspection technique of iron ore.

Both parties organize verification of the inspection agencies and CIQ laboratories on inspecting iron ores through consultations.

Both parties shall develop regular channels of information exchange so as to inform each other of any new requirements under relevant laws and regulations as well as the introduction of any new measures on supervision and quality control.

Both parties will develop a system for the verification of the inspection certificates and to respond to queries.

Article 4 - Others

Any arrangement in this agreement shall be implemented on the principles of consensus and will comply with existing laws.

Both parties shall designate contact persons (appendix) to ensure implementation of this Agreement.

This agreement may be amended as mutually consented to in writing by both parties.

This agreement shall come into force on the date of its signature and shall remain valid for a period of two years. Thereafter, it shall be automatically extended for a subsequent period of two years unless a written notice is given by either side for the termination of this Agreement at least one month before the date of its expiry.

SIGNED in New Delhi on November 21st, 2006, in three original copies each, in Hindi, Chinese and English language. The three texts shall be equally authentic, in case of any divergence of interpretation, the English text shall prevail.

FOR EIC

FOR AQSIQ



Kamal Nath
Minister
Commerce and Industry
Government of India.



Li Changjiang
Minister
General Administration
of Quality Supervision,
Inspection and
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Appendix :

Ministry of Commerce & Industry, Government of India .

Export Inspection Council of India

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