China Supplier Risk Assessment

Seven sources, twelve checks and a three-step process to run before you send a deposit.

Prepared by Milebond · Yiwu, Zhejiang, China · Updated October 2026

> **Start from one assumption:** what a supplier tells you is a sales document, not evidence. The claims that matter most — capacity, certifications, client names, factory ownership — are also the easiest to exaggerate. The goal is not to distrust everything. It is to know which claims change your risk, and which are noise.

The three-step process

STEP 1

Quick screen

Search the company on Tianyancha, Qichacha or Aiqicha. Confirm it exists and scan its basic, judicial and operational risk. If it does not appear at all, treat it as high risk.

STEP 2

Official verification

Query the exact name or Unified Social Credit Code on gsxt.gov.cn. Status must be "in business", and the name, legal representative and address must match the quotation.

STEP 3

Credit check

Check creditchina.gov.cn for administrative penalties, the tax-violation blacklist, the tax credit rating and the dishonest-debtor list.

Sources and what each one tells you

Source	Where	What to check	Why it matters
National Enterprise Credit Information Publicity System	gsxt.gov.cn	Registration status, license, USCC, legal representative, capital, business scope, shareholders, penalties, abnormal-operations list	The official record. Mandatory final check, free to use.
Credit China	creditchina.gov.cn	Administrative penalties, major tax-violation cases, tax credit rating, dishonest joint-punishment list	Government credit and compliance record.
Aiqicha (Baidu)	aiqicha.baidu.com	Registration, shareholders, judicial risk, operational risk, IP, qualifications, tenders	Fast first screen before the official check.
Tianyancha	tianyancha.com	Company profile, shareholders, judicial and operational risk	Fast first screen; useful for ownership links.
Qichacha	qcc.com	Company profile, judicial and operational risk	Second opinion on the same company.
Qixinbao	b.qixin.com	Company profile, judicial and operational risk	Cross-check when records disagree.
Enterprise credit mini-program	WeChat / Alipay	Quick lookup of registration and credit status	Practical on the market floor or during a factory visit.

The 12-point checklist

- [ ] The company exists in the official registry under the exact name on the quotation
- [ ] The 18-character Unified Social Credit Code matches the documents you received
- [ ] Registered and paid-in capital are consistent with the size of your order
- [ ] Business scope actually covers the product you are buying
- [ ] Shareholders and key personnel show no related shell companies
- [ ] Not on the abnormal-operations list or the serious-dishonesty list
- [ ] The business license number is valid and belongs to this company
- [ ] Company name and legal representative match the contract and the bank account
- [ ] Establishment date and operating term are still valid
- [ ] Registration status is "in business" — not cancelled, revoked or moved
- [ ] No administrative penalties recorded in the last three years
- [ ] Industry classification matches the manufacturing category they claim

Red flags that should stop the order

- ! Status is cancelled, revoked or moved — walk away immediately.
- ! Business scope does not cover the product they are quoting.
- ! Registered address is residential, a virtual office or a mailbox.
- ! Legal representative or address changed several times in a short period.
- ! Registered capital is far below the value of your order.
- ! Administrative penalties or abnormal-operation records are present.
- ! No official record exists, but the English website looks polished.
- ! A trading company presents itself as the factory — it adds a layer and a markup.

What official records cannot tell you

Records confirm the company is real. They cannot confirm that the production line is running, that capacity is genuine, that the quality system works, or that your product can be made at your target cost. That requires an on-site factory audit — 27 points, photo evidence and an A–D scorecard.

Claims you will hear — and what to verify

Every sentence below is common in a supplier's first email. None of them is evidence on its own.

What they say	What actually matters	How to verify
"We are a factory, not a trading company."	Whether production is under their control, and who bears quality risk	Business scope on the license; on-site lines and equipment count; who signs the PI
"Our MOQ is 500 pieces."	Whether that MOQ holds for your material, colour and packaging	Ask for a written PI; check material purchase lead time; test a 50–100 pc trial run
"We are ISO 9001 / BSCI certified."	Certificate scope, expiry and whether it covers this site	Certificate number on the issuing body's register; original on site
"We supply [major brand]."	Whether the brand is a customer or a logo on the showroom wall	Redacted invoice or export record; a reference contact you can call
"Our capacity is 50,000 units per month."	Capacity available inside your order window	Count lines and equipment, workforce, running shifts, current order load
"Our price is the lowest."	Total landed cost and what the quote leaves out	Itemized quote: material, labour, packaging, tooling, freight, duties

Critical factors — and what you can ignore

Verify before you pay

- Legal entity, registration status and bank account name
- Factory or trading company — who actually makes the product
- Real capability for your specification and material
- Capacity against your delivery window
- QC system, staffing and defect records
- Certifications: scope, validity, site coverage
- Platform "verified" badge — what was audited, by whom, and when
- Tooling and IP ownership, in writing

Give less weight

- Showroom size, decoration and address
- Website quality and fluent English
- "20 years of experience" with no records
- Logos of famous brands on the wall
- How fast or friendly the salesperson replies
- A perfect sample, which may be hand-made
- The first price quoted, before negotiation

How Milebond separates claims from facts

CROSS-CHECK

Every material claim is checked against official records, independent sources and what buyers in the same market report.

VERIFY ON SITE

Lines running, equipment counted, warehouse checked, certificates seen in original, current order load confirmed.

JUDGE WITH EXPERIENCE

10+ years and 6,900+ suppliers tell us which gaps are fatal and which are cosmetic — so you fix the right things first.

Free supplier verification — send the link, get a verdict in 24 hours.

We tell you what is credible, what needs proof, and what to negotiate before any deposit.

milebond.com /services/supplier-verification-factory-audit