



**Voluntary Report** – Voluntary - Public Distribution **Date:** May 25, 2021

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**Report Name:** Decrees 248 and 249 Status Update on Facilities Registration and Food Safety Measures

Country: China - People's Republic of

Post: Beijing

**Report Category:** Trade Policy Monitoring, WTO Notifications, Sanitary/Phytosanitary/Food Safety

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## **Report Highlights:**

China's trading partners and industry members have concerns about potential disruptions from two revised decrees that China announced in April 2021, the Regulations on the Registration and Administration of Overseas Producers of Imported Food (Degree 248) and the Administrative Measures on Import and Export Food Safety (Degree 249). Both decrees are slated to enter into force in less than 8 months, and sources conveyed this was an insufficient time for industry and foreign competent authorities to comply with the requirements. Chinese importers are unaware of how to comply, too. Furthermore, there is an almost complete lack of clarity about how the decrees will be implemented and the implications for trade, including additional risks, costs, and administrative burdens for all parties. To date, China has provided limited feedback to trading partners' comments on both decrees, while promising to publish implementing rules on Decree 248 as early as June 2021.

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Additional information and translations of the decrees are available in the USDA GAIN system at CH2021-0045 and CH2021-0051.

In April 2021, China released two revised decrees that are expected to introduce significant new barriers to food and agricultural exports from all trading partners. The first decree is the Regulations on the Registration and Administration of Overseas Producers of Imported Food (Degree 248), which will require all overseas food manufacturers, processors, and storage facilities to register with the General Administration of Customs of China (GACC). The measure covers all food products but does not apply to food additives or food-related products such as packaging materials. Depending on the product category, food producers must either register through the competent regulatory authority of their country or through a private agent. The second decree that China released in April 2021 is the Administrative Measures on Import and Export Food Safety (Degree 249), which covers a broad range of requirements on food exports to China, including overseas facilities registration, record filing by importers and exporters, quarantine and inspection, and product labeling. Both Decree 248 and Decree 249 are slated to enter into force on January 1, 2022.

Many of China's trading partners and industry suppliers have voiced concern about the potential for the decrees to disrupt trade, the lack of clarity about how the decrees will be implemented, and the short timeline for exporters and foreign competent authorities to comply with new requirements. Several countries expressed comments, questions, and concerns about the decrees to China through the World Trade Organization (WTO). Some industry representatives have submitted questions directly to GACC headquarters in Beijing.

#### Decree 248

In response to questions and comments regarding Decree 248, GACC indicated that it is reviewing the measures internally and preparing implementing rules on the decree for public release as early as June 2021. In addition, GACC provided the following limited clarifications about the regulation.

## Product scope (Article 2)

• Decree 248 applies to all food products (except food additives and food-related products), including "low-risk food," alcohol, seasonings, and casings.

## Transition period

• GACC will grant a transition period as prescribed by the basic principles of the WTO.

### Registration fees

• GACC does not charge fees for registration of overseas facilities. If on-site inspection is required, both parties shall agree on the arrangement of relevant expenses.

## Currently registered facilities

• The registrations of overseas facilities completed before the promulgation and implementation of Decree 248 will remain valid. After the expiration of the validity period of these registrations, the relevant manufacturers shall be managed in accordance with the new regulations.

## Labeling

• Decree 248 requires the facility registration number to be included on the labeling of both the inner and outer packaging. Under China's current labeling regulation, *General Standard for the Labeling of Prepackaged Foods (GB 7718)*, stick-on labels applied after import are permitted for all products except infant formula.

#### Decree 249

Regarding Decree 249, the following are GACC clarifications to date on specific questions about implementation.

# Product scope (Article 2)

- The food products governed by Decree 249 are identical to those covered by China's *Food Safety Law*—that is, all food and beverages. According to Article 150 of the *Food Safety Law of China*, food refers to all kinds of finished products and raw materials for human consumption or drinking, as well as articles that are traditionally both food and Chinese medicinal materials but does not include articles for therapeutic purposes.
- According to the *Food Safety Law of China*, food-related products (which are not governed by Decree 249) mean packaging materials, containers, detergents, and disinfectants used for food, and tools and equipment used in food production and operation.

# Imported foods without corresponding Chinese national food safety standards (Article 9)

• Transitional procedures and requirements for foods without national food safety standards are formulated in accordance with Article 93 of the *Food Safety Law of China*.

# Record filing (Article 19)

• Record filing of importers and exporters of imported food is implemented in accordance with the "Announcement on Issuing the 'Administrative Provisions on Filing of Importers and Exporters of Imported Foods' and the 'Administrative Provisions on Food Import and Sales Records'" (No.55) issued by China's former AQSIQ in 2012. Additional information and a translation of the Administrative Provisions on Filing of Importers and Exporters of Imported Foods are available in the USDA GAIN system at 12040-2012.

### Credit management (Article 64)

 Credit management applies to production facilities and operators of imported and exported food, which include overseas production, processing, and storage enterprises of food exported to China; overseas exporters or agents of food exported to China and relevant personal; as well as food importers. Note: GACC has not clarified what is meant by "credit management."

Implementation date (Article 79)
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GACC has so far offered no flexibility around the date of entry into force of Decree 249, such as a delay in implementation of the measure until concerns regarding facilities audits, food recall notices, and methodology for issuing risk management control measures are addressed.

# **Attachments:**

No Attachments.