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Standards for Feed and Feed Additive Inspection

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Report Highlights: On May 15, 2008, the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ) notified the World Trade Organization of an administrative measure for the inspection, quarantine and supervision of import and export of feed and feed additives. This standard was notified by the WTO as G/SPS/N/CHN/109. The comment period for this notification is open until July 15, 2008. This report contains and UNOFFICIAL TRANSLATION that should be used as reference only.

Includes PSD Changes: No
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Executive Summary: On May 15, 2008, the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ) notified the World Trade Organization of an administrative measure for the inspection, quarantine and supervision on import and export of feed and feed additives. This standard was notified by the WTO as G/SPS/N/CHN/109. The comment period for this notification is open until July 15, 2008. The proposed date of adoption has not been specified.

According to the WTO notification by AQSIQ, "the purpose of this administrative measure is to wholly intensify the supervision on the safety of feed for import and export based on risk management. Owing to the safety of import products mainly depend on the control by the enterprises and competent authorities of the exporting countries or regions, it will establish a risk analysis system to conduct risk analysis for the feed and feed additives to be imported for the first time and also to review the traditional trade. In order to improve the traceability system, the overseas manufacturers and domestic enterprises which manufacture, process or store products for export are requested to be registered, and Chinese importers and exporters are also requested to be registered and to establish business records; It will, through risk analysis, establish an export safety supervision system for the feed and feed additives which is based on the own test and control by the manufacturers, and takes the official monitoring program as the main approach and the risk targeted random inspection before export as the assistant approach. It will improve transparency of the managements to satisfy the demands of the domestic and foreign traders; it will enhance the pertinence and effectiveness of inspection and quarantine work by allocating limited resources of inspection and quarantine mainly to the supervision and management of the enterprises and products with high risks. It will facilitate trade while ensuring the safety of feed and feed additives by classifying manufacturers and simplifying the inspection procedures at the port for the manufacturers who have a good reputation, stable quality and whose products have not been tested with negative results for years."

This measure is expected to have trade impact. Interested parties are recommended to submit comments to the Chinese SPS Enquiry Point.

Translation of this WTO notification was done jointly by the Embassy of Canada and Embassy of the United States in the Peoples' Republic of China.

Begin Unofficial Translation

MEASURES FOR INSPECTION, QUARANTINE, SUPERVISION AND ADMINISTRATION OF ENTRY AND EXIT FEEDS AND FEED ADDITIVES (Draft for Solicitation of Opinions)

Chapter I General Provisions

Article 1 These Measures are formulated in accordance with the provisions of the relevant laws and regulations, such as the *Law of the People's Republic of China on the Entry and Exit Animal and Plant Quarantine* and the regulations on its implementation, the *Law of the People's Republic of China on Import and Export Commodity Inspection* and the regulations on its implementation, as well as the *Special Regulations of the State Council Concerning Strengthening Supervision and Control over Safety of Products Such as Foodstuff*, in order to

standardize the inspection, quarantine, supervision and administration and improve the safety, hygiene and quality of entry and exit feeds and feed additives, and protect animal and human health.

Article 2 These Measures shall apply to the inspection, quarantine, supervision and administration of entry and exit (including transit) feeds and feed additives.

Article 3 General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (hereinafter "AQSIQ") exercises the inspection, quarantine, supervision and administration of entry and exit feeds and feed additives in a unified manner throughout the Country.

The local entry and exit inspection and quarantine authorities (hereinafter the "inspection and quarantine authorities") set up by AQSIQ shall be responsible for the inspection, quarantine, supervision and administration of entry and exit feeds and feed additives within the areas under their respective jurisdictions.

Article 4 AQSIQ practices a registration system over the enterprises engaged in production, processing and storage of exit feeds and feed additives and enterprises exporting feeds and feed additives to China from abroad.

Chapter II Risk Control

Article 5 AQSIQ shall, in the light of the category properties and risks of feeds and feed additives, exert a stratified and classified administration for inspection and quarantine of entry and exit feeds and feed additives.

Article 6 AQSIQ shall, in the light of risk levels of quarantine, classify the entry and exit feeds and feed additives into three risk levels, i.e. Q1, Q2 and Q3, and make a dynamic alignment of the same.

Q1: A quarantine license shall be obtained upon entry and a quarantine certificate must be checked upon entry and exit (including transit);

Q2: No quarantine license is required for entry and yet a quarantine certificate must be checked upon entry and exit (including transit); and

Q3: No quarantine license is required for entry. Unless specially required by importing countries or regions or otherwise stipulated in a bilateral agreement, no quarantine certificate needs to be checked in general upon entry and exit (including transit).

Article 7 Inspection and quarantine authorities shall, in the light of safety and hygiene risks of entry and exit feeds and feed additives, exercise a classified administration of registered manufacturing enterprises outside the territory and registered domestic manufacturing, processing and storing enterprises, separately practicing different models of selective examination by dividing them into four types of enterprises: S1, S2, S3 and S4. The regulations regarding classified administration shall be separately formulated by AQSIQ.

Article 8 AQSIQ shall make a risk analysis of the country or region requesting for the first time to export feeds and feed additives to China, conduct a retrospective review of the country or region that has exported or is exporting feeds and feed additives to China, and formulate a list of countries and regions allowed to export feeds and feed additives, categories of feeds and feed additives as well as requirements for their entry inspection and quarantine based upon the risk analysis or result of retrospective review.

Article 9 AQSIQ shall draw up an annual monitoring plan for the safety and hygiene of entry and exit feeds and feed additives and prepare an annual monitoring report on their safety and hygiene. The inspection and quarantine authorities directly under AQSIQ shall, based

upon the monitoring plan and taking into consideration the local actual conditions, prepare the scheme for implementation of the plan and organize the implementation of the scheme, make a report each year on the monitoring results and put forward a proposal regarding monitoring work for the next year.

Chapter III Entry Inspection, Quarantine, Supervision and Administration

Section 1 Registration

Article 10 The competent authorities of the exporting country or region shall conduct a review of the manufacturing enterprises intending to export the feeds and feed additives to China. Such enterprises may be recommended to AQSIQ only after they are in compliance with the relevant provisions contained in laws and regulations of the exporting country or region and China and meeting the requirements of mandatory standards.

Recommendation materials shall include: (1) information such as the designation, address and registration number of the enterprise, product name, principal ingredients and purpose; and (2) official certification, which certifies that, with approval of the competent authorities, the recommended enterprise is allowed to manufacture, process and store feeds and feed additives and is subject to effective monitoring exercised by competent authorities all the time, with its safety and hygiene conditions in compliance with the laws and regulations of its own country or region and free distribution of its products being allowed in the exporting countries or regions.

Article 11 AQSIQ shall, upon receipt of recommendation materials and after they have passed the examination, send an expert team to the exporting country or region to conduct a selective examination of the enterprises applying for registration. No registration shall be granted to the enterprise not meeting the requirements after selective examination, and the competent authorities of the exporting country or region shall be informed of the reasons concerned; registration is to be granted to the enterprises meeting the requirements after selective examination and other recommended enterprises not subject to selective examination.

Article 12 AQSIQ shall inform the competent authorities of the exporting country or region of a list of registered enterprises and publicize it on its official website.

Article 13 The valid term of registration is 5 years. Competent authorities of the exporting country or region are to conduct examination of enterprises requesting an extension of such term according to the provisions of the latest laws, regulations and standards of the exporting country or region and China. The enterprise that meets the requirements shall, six months prior to expiration of valid term, apply to AQSIQ for an extension of such term. AQSIQ may send an expert team to the exporting country or region to conduct a retrospective and selective examination of the enterprise applying for extension. Except for the enterprise not meeting requirements after selective examination, the valid term of registration shall be extended for five more years.

Article 14 In the event of a registered enterprise's stop of production, change of business, bankruptcy, revocation of production permit or business license by competent authorities, or being ordered by competent authorities to stop production, sale or recall of products as a result of safety or hygiene accidents, competent authorities of the exporting country or region shall inform AQSIQ thereof in a timely manner.

Section 2 Inspection and Quarantine

Article 15 Inspection and quarantine authorities shall exercise inspection and quarantine according to the following requirements:

- (1) the inspection and quarantine requirements as stipulated by the laws and regulations and mandatory standards of China as well as by AQSIQ;
- (2) the bilateral agreements, protocols and memos;
- (3) the requirements as set forth in the *Entry Animal and Plant Quarantine Permit*; and
- (4) the inspection and quarantine requirements as specified in a commercial contract or letter of credit.

Article 16 Entry feeds and feed additives must be imported from the manufacturing enterprises registered with AQSIQ.

Article 17 A registered manufacturing enterprise outside the territory or its agent in China must design labels in Chinese according to *National Standard for Feed Labeling of China*. The packaging of feeds and feed additives entering China for marketing must carry feed labels in conformity with national standards of China. The feeds or feed additives imported in bulk to be directly allocated and transported to the manufacturing or processing enterprises designated by inspection and quarantine authorities for feed production shall be exempted from carrying labels; those entering China for marketing may be sold only after an importing enterprise affixes a feed label in advance in the place designated by inspection and quarantine authorities.

Article 18 AQSIQ practices a quarantine examination and approval system over the entry feeds and feed additives with the Q1 quarantine risk. The cargo owner or its agent shall go through formalities for quarantine examination and approval prior to conclusion of commercial contracts so as to obtain entry animal and plant quarantine permit.

Article 19 The cargo owner or its agent shall, prior to or upon entry of feeds and feed additives, apply to inspection and quarantine authorities at the entry ports for inspection thereof and must, in applying for inspection, fill in a form for inspection application and provide certificates of origin, commercial contracts, letters of credit, bills of lading, invoices and the like. With respect to products with Q1 and Q2 quarantine risks, the original copies of inspection and quarantine certificates issued by competent authorities of the exporting country or region must be furnished. For products with Q1 quarantine risk, the valid entry animal and plant quarantine permit must as well be produced.

Article 20 Inspection and quarantine authorities shall conduct an examination and verification of documents provided by the cargo owner or its agent in applying for inspection. The application meeting relevant requirements shall be accepted. For products with Q1 quarantine risk, inspection and quarantine authorities shall as well verify and write off the quantity (weight) approved by entry animal and plant quarantine permit and issue a *Customs Clearance Sheet for Entry Goods*. No acceptance shall be made for the application not meeting the requirements.

Article 21 Inspection and quarantine authorities shall conduct on-the-spot examination of entry feeds and feed additives according to the following provisions:

- (1) Checking goods against documents: to check whether certain documents are in compliance with the name, quantity (weight) and manufacturing date of goods, container number, exporting country or region, designation of manufacturing enterprise or registration number;
- (2) Inspection of labels: to check whether the labels meet the national standard for feed labeling;

(3) Sense Inspection: to check whether the packaging and container is kept in good condition, whether the quality guarantee time limit has expired, whether the goods are putrid or deteriorated, whether the goods carry harmful organism, whether the goods carry objects forbidden to enter China such as soil, animal carcasses or excrements.

Article 22 Upon discovery of any of the following circumstances after on-the-spot examination, such products shall be returned or destroyed:

- (1) Where the exporting country or region is not included in the list of countries or regions allowed to export;
- (2) Where such products are manufactured by an unregistered enterprise or fall within unregistered products manufactured by a registered enterprise;
- (3) Where the goods are not in compliance with documents, or the labels do not meet standards and no rectification can be made;
- (4) Where it is discovered that the quality guarantee time limit has expired, or the goods are seriously putrid or deteriorated;
- (5) Where the goods fall within soil, animal carcasses or excrements; or
- (6) Where quarantine harmful organism is discovered and no effective quarantine treatment of disinfection and de-infestation can be made.

In the event of bale-off or fracture of container, the cargo owner or its agent is required to put them in good order. In case of packing breakage and risks of spread of animal and plant epidemics, a quarantine treatment shall be conducted with respect to the contaminated sites, articles and utensils.

Article 23 Inspection and quarantine authorities shall conduct a purpose-oriented laboratory testing of safety and hygiene items on a sampling basis as stipulated in Articles 6, 7, 8 and 9:

- (1) S1 enterprises (enterprises exempted from inspection): exempted from laboratory testing and cleared after meeting requirements of on-the-spot inspection and quarantine and obtaining the *Certification for Entry Goods Inspection and Quarantine*.
- (2) S2 enterprises: 80% of batches shall be cleared after meeting the requirements of on-the-spot inspection and quarantine and obtaining the *Certification for Entry Goods Inspection and Quarantine*; 20% of batches shall be subject to sampling and provided with the *Credential for Sampling*.
- (3) S3 enterprises: 50% of batches shall be cleared after meeting the requirements of on-the-spot inspection and quarantine and obtaining the *Certification for Entry Goods Inspection and Quarantine*; 50% of batches shall be subject to sampling and provided with the *Credential for Sampling*.
- (4) S4 enterprises: they shall be subject to sampling for each batch after meeting the requirements of on-the-spot inspection and quarantine and provided with the *Credential for Sampling*.

All the goods subject to sampling for testing in laboratories must be allocated and transported to the storage place as designated by inspection and quarantine authorities awaiting results of testing. The goods meeting the requirements of inspection and quarantine are to be cleared after obtaining the *Certification for Entry Goods Inspection and Quarantine*; the goods not meeting the requirements of inspection and quarantine are to be returned, destroyed or taken measures for harmless treatment under the supervision of inspection and quarantine authorities, subject to the *Notice on Inspection and Quarantine Treatment* issued by inspection and quarantine authorities. Sale and use of goods meeting the requirements of harmless treatment may be allowed.

Article 24 Where products of entry feeds and feed additives to be unloaded separately at different ports need a unified issuance of certificates, the inspection and quarantine authority of the first unloading port shall notify the inspection and quarantine authority of the last

unloading port in writing of the inspection and quarantine results in a timely manner. The inspection and quarantine authority of the last unloading port shall issue quarantine certificates after gathering all necessary information.

Article 25 In the event of a claim to be lodged with the foreign party for compensation due to no compliance of entry feeds or feed additives with inspection and quarantine requirements, the inspection and quarantine authorities shall produce the relevant certificates.

Article 26 The relevant inspection and quarantine authorities shall conduct a retroactive investigation into the safety, hygiene and quality issues of entry feeds and feed additives informed by the domestic departments concerned after market sampling or complained about by the users, and handle the same in accordance with the relevant provisions of the State.

Article 27 AQSIQ shall, based upon the feed safety and hygiene conditions of exporting countries or regions, the feed safety and hygiene problems discovered in the course of inspection and quarantine or in the domestic market, conduct risk analysis in a timely manner, promulgate risk warning information, take measures for risk control and readjust inspection and quarantine grading and classification of the relevant products.

Article 28 Where products within the catalogue for genetically-modified agricultural organism subject to labeling management by entry countries are used for feeds and feed additives, inspection and quarantine shall be carried out according to the *Measures for Administration of Inspection and Quarantine of Entry and Exit Genetically-Modified Products*.

Section 3 Supervision and Administration

Article 29 The cargo owner or its agent shall not transfer, sell or use entry feeds or feed additives without authorization before obtaining the *Certification for Entry Goods Inspection and Quarantine*.

Article 30 Inspection and quarantine authorities shall exercise record administration of the enterprises importing feeds and feed additives (the consignees under import/export contracts). Unless the record qualification is cancelled, the record is valid for a long term. All the enterprises importing feeds and feed additives must apply to the inspection and quarantine authorities of the place where they are situated for the record and report to AQSIQ for a unified promulgation. Inspection and quarantine authorities shall not accept the application filed by the enterprise not subject to record for inspection of imported feeds and feed additives.

Article 31 Importing enterprises must establish operation archives and receive the check and verification from inspection and quarantine authorities. Such archives shall specify information on the imported feeds and feed additives such as the inspection application number, product name, quantity (weight), packaging, exporting country or region, foreign exporter, designation of manufacturing enterprises outside the territory and its registration number, the *Certification for Entry Goods Inspection and Quarantine* and direction of flow after entry. The archives shall be kept for at least two years.

Article 32 Inspection and quarantine authorities shall conduct annual examination of operation archives of importing enterprises. The enterprise not meeting the requirements of annual examination shall be ordered to make rectification within a given period. The enterprise found to be in serious violation of inspection and quarantine provisions after annual examination or failing to meet requirements upon expiration of a given period for

rectification shall be revoked of its record qualification and reported to AQSIQ and no more application shall be filed anew by it for the record within six months.

Article 33 Upon occurrence of feed safety accidents in foreign countries involving feeds and feed additives having been imported, an importing enterprise must be responsible for recalling the relevant imported products and return or destroy such goods or take other measures for harmless treatment under the supervision of inspection and quarantine authorities. Those who refuse to perform obligations to recall goods shall be revoked of their record qualifications and no more applications shall be filed anew by them for the record within three years.

Chapter IV Exit Inspection, Quarantine, Supervision and Administration

Section 1 Registration

Article 34 The enterprise for manufacturing, processing and storage of exit feeds and feed additives shall meet the following basic conditions when applying for registration:

(1) Premises, Technology, Equipment and Facilities

- 1) The enterprise shall, in determining the location of its premises, get around industrial pollution sources and keep the premises far from cultural sites, slaughterhouses and residents' communities;
- 2) It shall possess a rational distribution of premises and workshops with segregation of manufacturing area with living and office areas;
- 3) It shall possess rational technological designs in compliance with safety and hygiene requirements;
- 4) It shall have factory premises, equipment and storage facilities suitable for its production capacity; and
- 5) It shall possess facilities for prevention and control of harmful organisms (rodents, flies, storage pests and the like).

(2) It shall have the quality control organs and specialized technical personnel suitable for its manufacturing of products.

(3) It shall possess the necessary inspection laboratories, or execute an agency contract for inspection with the laboratory with the relevant human quality.

(4) Managerial Systems

- 1) Job responsibility system;
- 2) Personnel training system;
- 3) System for employees' health examination;
- 4) Establishment of quality control system according to the theory of Hazard Analysis and Core Controlling Point (HACCP) and conduction of self-examination and self-control on the basis of risk analysis;
- 5) Standard sanitation operating rules (SSOP);
- 6) System for appraisal and acceptance check of qualified suppliers of raw, supplementary and packing materials;
- 7) Feed labeling managerial system and product retroactive system;
- 8) Wastes and waste water treatment system;
- 9) Procedures for treatment of client complaints and recalling of unqualified products; and
- 10) Emergency management mechanism for sudden eruption of events related to quality and safety.

Article 35 The enterprise applying for registration shall as well meet certain conditions set by AQSIQ on a classified basis according to the provisions of Article 79.

Article 36 The manufacturing, processing or storage enterprise exporting feeds and feed additives shall apply to the inspection and quarantine authority directly under AQSIQ of the place where it is situated for registration and submit the following materials (in triplicate):

- (1) The *Application Form for Inspection and Quarantine Registration of Enterprises for Manufacturing, Processing and Storage of Exit Feed and Feed Additive*;
- (2) A copy of industrial and commercial business license;
- (3) Where it is required by the State feed competent authorities as to examination, production permit, product approval document number and the like, materials evidencing the obtaining of approval must be submitted;
- (4) Production process flow with the necessary technological parameters;
- (5) The managerial systems as stipulated in Paragraph (4) of Article 34; and
- (6) The layout plan and color photograph of the site (including panorama and entrance of the site, main equipment, laboratory, raw material warehouse, packing site, finished products warehouse and the like).

Article 37 The directly subordinate inspection and quarantine agency shall timely review the application materials, make a decision on accepting or rejecting an application within five days in light of the following conditions, and notify the applicant of the decision in writing:

- (1) In case there is any error in the application materials that can be corrected on the spot, the applicant shall be allowed to make correction on the spot;
- (2) If the application materials are incomplete or do not conform to statutory forms, the agency shall, on the spot or within five days, notify the applicant of all the items that shall be corrected once and for all and in writing; otherwise, an application shall be regarded as having been accepted as of the day when the application materials are received;
- (3) If the application materials are complete and conform to statutory forms, or the applicant has submitted all the corrected application materials as required, the agency shall accept the application.

Article 38 The directly subordinate inspection and quarantine agency shall establish a reviewing group within five days after accepting the application, and conduct review on the enterprise for producing, processing, and storing that has applied for registration.

Article 39 The reviewing group shall submit the review report to directly subordinate inspection and quarantine agencies within five days after the conclusion of the examination.

Article 40 The directly subordinate inspection and quarantine agency shall make the following decisions within 10 days upon receipt of a review report:

- (1) In case the application passes the review, the agency shall make registration, issue a Registration Certificate for the Inspection and Quarantine of Enterprises Producing, Processing or Storing Export Feed and Feed Additives (hereinafter referred to as the Registration Certificate);
- (2) In case the application fails to pass the review, the agency shall issue a Written Notice on Disapproving the Inspection and Quarantine Registration of Enterprises Producing, Processing or Storing Export Feed and Feed Additives.

Article 41 The AQSIQ organizes the collection and sorting of laws, regulations and criteria of importing countries or regions, and conducts training for inspection and quarantine

personnel. Relevant directly subordinate inspection and quarantine agencies are responsible for the training of relevant people from enterprises.

Article 42 In case an importing country or region has set down the requirements for registration, the directly subordinate inspection and quarantine agencies shall, after the applications have passed the review, report them to the AQSIQ, and the AQSIQ shall uniformly recommend them to the competent government organ of the importing country or region, and handle the relevant formalities. Spot-check shall be conducted if necessary. The registration qualification shall not be given until the competent government organ of the importing country or region has confirmed it.

Article 43 The Registration Certificate shall come into force on the day of its issuance, and remain valid for 5 years.

Each enterprise for production, processing or storing that has passed the registration has a registration number, and this number is only for the enterprise itself.

Production, processing or storing enterprises that belong to one company but are located in different places with their independent production lines and quality administration systems shall apply for registration independently.

Article 44 In case an outbound enterprise producing, processing or storing export feed or feed additives changes its name, legal representatives, type of products, or production capacity, it shall submit a written application to the local directly subordinate inspection and quarantine agency, fill in the Inspection and Quarantine Registration Form for Enterprises Producing, Processing or Storing Export Feed and Feed Additives, and submit materials related to the change (in triplicate).

For the enterprise that changes its type of products or production capacity, the directly subordinate inspection and quarantine agency shall review relevant materials and organize on-site evaluation. If the enterprise passes the review, the agency shall go through the modification procedure for the enterprise.

An enterprise that is relocated should apply for new registration to the inspection and quarantine agency again.

In case an enterprise is no longer engaged in the business of export feed and feed additives due to the stop of the production, shift of production to other business or bankruptcy, it should go through the registration revocation procedure in the local inspection and quarantine agency.

Article 45 In case an enterprise producing, processing or storing export feed or feed additives needs to renew the period of validity of its registration, it should submit an application according to the regulations of this Method three months before the period of validity is due.

Article 46 The directly subordinate inspection and quarantine agency shall submit relevant information to the AQSIQ for record-keeping within 30 days after completing the registration, modification, or revocation work.

Section II Inspection and Quarantine

Article 47 The inspection and quarantine agency exercises inspection and quarantine according to the following requirements:

- (1) China's laws and regulations, mandatory criteria, and requirements of the AQSIQ;
- (2) Bilateral agreements, protocols and memorandums;
- (3) Inspection and quarantine requirements of the inputting country or region;
- (4) Inspection and quarantine requirements on trade contracts or letters of credit.

Article 48 Exit feed and feed additives must come from the production, processing and storing enterprises that have registered.

Article 49 The packages and labels for export feed and feed additives must comply with national provisions and relevant requirements of importing countries or regions. The names, addresses, registrations numbers, and use of the products shall be written on the packages or labels.

Article 50 Before the goods are exported, the owner or agent of the goods shall declare to the local inspection and quarantine agency, and provide relevant documents such as trade contracts, credibility certificates, and inspection qualification certificates.

Article 51 Inspection and quarantine agencies exercise examination over the documents provided.

In addition to operating for export, the enterprises registered for the production and processing on their own submitted by these enterprises shall also be examined ("Certificate for the Supply of Outbound Feed and Feed Additives"). Only those declarations meeting the requirements shall be accepted.

Article 52 After accepting the declaration, the inspection and quarantine agency shall exercise the following inspection and quarantine on site.

- (1) Checking goods certificates: to see whether the name, weight, quantity, production date, batch number, packaging, and shipping marks of goods, name of the production enterprise, and registration number are consistent with those on the documents;
- (2) Label inspection: to see whether the labels meet relevant requirements;
- (3) Sensory inspection: to see whether the packages and containers are damaged, whether the goods are eroded and turn bad, whether any poisonous organisms are contained, and whether there are any soil, animals' carcasses or wastes.

Article 53 The inspection and quarantine agency takes samples for safety and hygiene laboratory tests pertinently according to Article 6, 7, 8, and 9, and the basis for passing the laboratory tests are as follows:

- (1) S1 enterprises (enterprises exempted from inspection): exempted from laboratory tests, and inspection qualification certificates as the basis for such treatment;
- (2) S2 enterprises: inspection qualification certificates and biannual inspection and quarantine monitoring qualification results as the basis;
- (3) S3 enterprises: inspection qualification certificates and quarterly inspection and quarantine monitoring qualification results as the basis;
- (4) S4 enterprises: inspection qualification certificates and sample inspection and quarantine monitoring qualification results as the basis;

Article 54 Judgment shall be given on the basis of the inspection and quarantine results according to Article 52 and 53. Enterprises that pass the inspection and quarantine shall be given the Outbound Goods Notice or Outbound Commodities Certificate, and inspection and quarantine certificate; and those who fail to pass the inspection and quarantine shall not be

allowed to pass the customs and given the Notice of Failure to Pass Exit Inspection & Quarantine.

Article 55 The exit port inspection and quarantine agency shall issue the Outbound Goods Notice in exchange of the Outbound Goods Notice or Outbound Commodities Certificate or Electric Note.

The exit port inspection and quarantine agency shall exercise inspection and verification according to relevant regulations on inspection and verification of electric note. In case inconsistency is found, the commodities shall not be allowed to pass the customs.

Article 56 The inspection and quarantine agency of origin should share information timely with their counterparts in the ports.

When safety and hygiene problems are identified in the process of inspection and quarantine, measures shall be taken immediately and the information shall be reported to the AQSIQ.

Section III Supervision and Administration

Article 57 The inspection and quarantine agency shall keep the record of the enterprises exporting feed and feed additives (consignors on the import and export contracts). Apart from keeping the record, the local inspection and quarantine agency shall report to the AQSIQ for unified release of relevant information. The inspection and quarantine agency shall not accept the declaration on export feed and feed additives of an enterprise whose record is not kept there.

Article 58 An exporting enterprise must establish its archives information on operation and accept the inspection of relevant inspection and quarantine agencies. The archives shall include the registration number, name of products, weight, quantity, package, importing countries or regions, name of the foreign importer, name and registration number of the supplier, and Outbound Goods Notice, which shall be kept for no less than 2 years.

Article 59 The inspection and quarantine agency shall conduct annual review on the archives of operation of an exporting enterprise. Those fail to pass the annual review shall be required for rectification within a time limit. In case serious violation of inspection and quarantine regulations are found during the annual review or the enterprise fails in the review after the rectification, its qualification for record-keeping will be revoked and such results shall be reported to the AQSIQ. In such cases, application for record-keeping shall not be accepted within 6 months.

Article 60 In case export products fail in the inspection abroad or cause feed safety accidents, the exporting enterprise should properly handle relevant products according to the contract. It shall recall these products when necessary, and take actions for harmless treatment. In case an enterprise refuses to fulfill its obligation, the record-keeping qualification shall be revoked, and its application for record-keeping shall not be accepted within 3 years.

Article 61 The inspection and quarantine agency shall conduct daily supervision and administration as well as annual inspection on the registered enterprise producing, processing or storing export feed or feed additives.

Article 62 The enterprise producing, processing or storing export feed or feed additives that has acquired registration qualification should establish, improve, and efficiently implement

self-inspection and control, and be responsible for the safety, hygiene, and quality of their export feed and feed additives.

Article 63 Daily supervision and administration by an inspection and administration agency on an enterprise producing, processing or storing export feed or feed additives registered in the area under its jurisdiction includes:

- (1) environmental sanitation;
- (2) prevention and control over harmful organisms;
- (3) self inspection and control over poisonous and harmful material;
- (4) changes of source and auxiliary material as well as the suppliers;
- (5) safety and hygiene of packages, bedding material, production equipments, tools and transporting equipments;
- (6) batches and label administration;
- (7) other aspects concerning hygiene and safety;
- (8) records in the Export Feed and Feed Additives Supervision and Administration Form.

Article 64 The enterprise producing, processing or storing export feed or feed additives that has acquired registration qualification should establish complete archives of records including the names of source and auxiliary material utilized in the process of production, weight and quantity, names of suppliers, source material checking and acceptance, self examination and control of semi-products and products, warehousing, delivery, exporting, control of harmful organisms, accident prevention and control, product recalling, etc, and the records shall be kept for no less than 2 years. The Export Feed and Feed Additives Supervision and Administration Form shall be filled in honestly to record daily supervision and administration by various levels of inspection and quarantine agencies, sample checking, review, supervision, annual inspection, inspection by foreign official agencies, suggestions and proposals put forward, and improvements made.

Article 65 The packaging, loading containers, and transport equipments should meet safety and hygiene requirements.

Article 66 The enterprise producing, processing or storing export feed or feed additives that has acquired registration qualification shall abide by China's regulations on the administration of medicine and additives, and shall not store or utilize medicine or additives that are prohibited by China or importing countries or regions.

Article 67 In case a safety or hygiene accident occurs and affects the quality of the products in an enterprise producing, processing or storing export feed or feed additives that has acquired registration qualification, the enterprise must report to the relevant inspection and quarantine agency, and at the same time, take effective measures to control and prevent the unqualified products from being sold, and take the initiative to recall relevant exported products.

Article 68 The inspection and quarantine agency shall conduct annual review on enterprises producing, processing or storing export feed or feed additives which are under its jurisdiction. For those that have passed the annual review, the inspection and quarantine agency shall add the qualification records on to the registration certificate as notes.

Article 69 The inspection and quarantine agency shall establish credibility records for the enterprises producing, processing, storing feed or feed additives, as well as transport and exporting enterprises that have acquired registration qualification, putting these enterprises into the list of enterprises with good records and that with bad records. When exercising sort administration over enterprises according to Article 7, the inspection and quarantine agency

shall take into account the enterprise' performance in terms of credibility, safety and hygiene quality administration, product features, risk, quality stability, safety and hygiene monitoring and control, daily supervision, annual examination, inspection and quarantine, and export trade.

Article 70 In case any of the following acts are committed by an enterprise producing, processing, storing or trading export feed or feed additives, the inspection and quarantine agency is entitled to require the enterprise to make rectification within a time limit, even suspend its export when necessary:

- (1) Export feed or feed additives are found containing diseases, poisonous material or other safety and quality problems by domestic or foreign inspection and quarantine agencies;
- (2) Quality administration systems including self inspection and control are not functional, and do not meet review conditions in registration;
- (3) The enterprise fails to go through registration, registration modification, or registration revocation procedures;
- (4) Serious disqualification is found in the annual review or daily supervision.

Article 71 In case any of the following acts are committed by an enterprise producing, processing, storing or trading export feed or feed additives, the inspection and quarantine agency is entitled to revoke the registration number of the enterprise, and refuse to accept its registration application within 6 months:

- (1) The period of validity of registration is due and the enterprise does not go through registration renewal procedure;
- (2) The enterprise, according to law, stops or is no longer engaged in the business of export of feed or feed additives due to the stop of production, shift of production, or bankruptcy;
- (3) The registration is repealed, taken back or the registration certificate is revoked according to the law;
- (4) The enterprise fails to pass the annual review and remains so after rectification;
- (5) No feed or feed additives are exported over the past year;
- (6) Registration cannot be done due to irresistible force;
- (7) Other circumstances when registration shall be revoked according to inspection and quarantine laws and regulations.

Chapter V Transit Inspection and Quarantine

Article 72 In the transit of feed or feed additives, carriers or deliverers are required to, with waybill and the permit from the exporting country' or region' inspection and quarantine agency in hand, declare to the entry inspection and quarantine agency, and provide transit transport routes in written form.

Article 73 There shall be no damage to the transport vehicles, packages, and containers carrying transit feed or feed additives. In case the transport vehicles, packages, and containers are found likely to be broken on route by the inspection and quarantine agency, the carriers or deliverers should take sealing-up measures according to the requirements of the agency. Those refusing to do so are not allowed to go through the customs.

Article 74 In case the exporting country or region is not included in the Name List of Countries of Regions of Permitted Products Import according to Article 8, the enterprise can only go through the pass with the special permit of the AQSIQ. As for the transit of genetically-modified feed or feed additives included in the catalogue of GM organisms for national logo administration, they must, according to the Entry-exit GM Products Inspection

and Quarantine Administration Methods, apply to the AQSIQ in advance and acquire the GM Products Transit Permit before being allowed to go through the pass.

Article 75 Transit feed or feed additives are allowed to go through the pass after the entry port inspection and quarantine agency verifies the documents and permits, and puts seal on the packages. The agency shall inform the departure port inspection and quarantine agency which shall supervise the exit of these goods.

As for the transit feed or feed additives whose packages are changed, transaction shall be done according to the requirements of entry inspection and quarantine agency.

The transit transport of international containers of the Eurasian Continental Bridge shall be handled according to the Procedures for Trial Implementation for the Control of Transit Transport of International Containers Over Eurasian Continental Bridge

Chapter VI Legal Obligations

Article 76 In case any of the following acts are committed by an enterprise producing, processing, storing, transporting or trading export feed or feed additives, the inspection and quarantine agency is entitled to impose a fine no more than 30,000 RMB yuan on the enterprise. In serious cases, the agency can revoke the enterprise's registration certificate or record-keeping qualification:

- (1) Arbitrarily unloading the entry-exit feed or feed additives from the transport vehicle or delivering them without the approval of the inspection and quarantine agency;
- (2) Arbitrarily destroying inspection and quarantine seals;
- (3) Storing prohibited medicine or additives of China or importing countries or regions;
- (4) Refusing to fulfill its recalling obligation;
- (5) Refusing to accept supervision and administration of the inspection and quarantine agency.

Article 77 In case any of the following acts are committed by an enterprise producing, processing, storing, transporting or trading export feed or feed additives, the inspection and quarantine agency is entitled to punish the enterprise according to the Special Regulation of the State Council on Strengthening Supervision Administration over Food Products Safety. In case the enterprise's violation constitutes criminal offences, it will be referred to judicial organs.

- (1) Passing off the products of an enterprise producing or processing feed or feed additives that gets illegal registration as the products of a legally registered enterprise;
- (2) Forging inspection and quarantine permits, certificates, stamps, seals or signs;
- (3) Hiding the information and continuing import and export in spite of the knowledge of the products' potential danger;
- (4) Illegal usage of additives, medicine or other inputting material;
- (5) Other behaviors to avoid inspection and quarantine and fraud.

Article 78 In case an inspection and quarantine staff abuses his/her power, deliberately creates unnecessary difficulties for an enterprise, practices grafting, forges inspection results, neglects his/her duty, or delays the issuance of the inspection certificate, he/she shall be given administrative punishment according to law. In case the violation constitutes a crime, the criminal responsibility shall be investigated and dealt with in accordance with the law.

Chapter VII Supplementary Provisions

Article 79 The following terms as mentioned in the Method mean:

feed: refers to feed for animals after processing and their material of origin, including baits for live animals, frozen animal products and aquatic products used as feed (including baits), processed animal protein and fat, pets' food and Chewing Gum, supplementary feed, forage grass, husks, processed plant protein and starch, silage, additive pre-mixed feed.

feed additives: refer to the small amount of substance added in the process of feed processing, manufacturing and utilization, including nutritious feed additives and ordinary feed additives.

Article 80 Feed grains are managed according to the Inspection and Quarantine Administration Method on Exit-entry Food and Feed. The "feed (including the by-products of food and oil-bearing plant after processing such as husks, bean cake, and soybean meal" in the Inspection and Quarantine Administration Method on Exit-entry Food and Feed shall be managed according to this Method.

Article 81 The administration concerning medicine feed additives is not based on the current Method.

Article 82 The AQSIQ is the authoritative interpreter of the present Method.

Article 83 The Method shall enter into force as of _____, 2009.