

Voluntary Report – Voluntary - Public Distribution

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Report Name: US Poultry and Poultry Products Return to China

Country: China - Peoples Republic of

Post: Beijing

Report Category: Poultry and Products, Trade Policy Monitoring

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Report Highlights:

On November 14, 2019, China lifted the nationwide ban on U.S.-origin poultry meat through a joint announcement (No. 177) from China's General Administration of Customs (GACC) and Ministry of Agriculture and Rural Affairs (MARA). This ban was set in place on February 2015 due to the detection of Highly Pathogenic Avian Influenza. With the resumption of U.S. poultry and poultry product exports to the Chinese market, this report reviews the basic requirements for U.S. poultry exporters.

Executive Summary:

China reopened its market to U.S. poultry exports on November 14, 2019 allowing access for poultry and poultry products. China rescinded the nationwide and all previous state bans with this announcement. The United States is the world's second largest poultry exporter, with global exports of poultry meat and products of \$4.3 billion last year.¹

All federally inspected establishments interested in exporting poultry and poultry products are eligible to apply through USDA's Food Safety and Inspection Service (FSIS). U.S. facilities approved by FSIS and certified to GACC must be listed on the GACC website before slaughtering poultry and processing poultry and poultry products for export to China. U.S. facilities can only export to China poultry that are slaughtered and further processed after the facility has been added to GACC's publicly available list.

Disclaimer: The purpose of this GAIN report is to provide the U.S. poultry industry with a general overview of the process of exporting to China and is not designed to be a substitute for commercial due diligence. Exporters should consult with their importers to ensure that they have a clear understanding of China's regulatory requirements and customs clearance process. As this process matures, it is likely that there will be changes and refinements to the process described below. Any references to the FSIS Export Library for China are subject to modification by FSIS and the [Export Library](#) should be consulted regularly to check for updates.

¹ [Joint USDA and USTR announcement on U.S. poultry to China](#)

Announcement:

On November 14, 2019, GACC published Announcement No. 177, a joint announcement with MARA lifting previous animal health restrictions on U.S. poultry meat.² Announcement No. 177 rescinds five prior bans on U.S. poultry meat, including Announcement No. 8 (2015) which effectively banned all U.S. poultry and poultry products due to a single detection of Highly Pathogenic Avian Influenza. With the rescinding of these restrictions, U.S. poultry and poultry products that otherwise meet all of China's import requirements, are once again eligible to be exported to China.

(Begin Unofficial Translation of Announcement)

GACC and MARA Announcement No. 177, 2019 (Lifting Import Restrictions on U.S. Poultry Meat)

According to risk assessment results, the import restrictions on U.S. poultry meat imposed by the joint announcements of former AQSIQ and the former Ministry of Agriculture, which are No. 19 (2013), No. 103 (2013), No. 58 (2014) No. 100 (2014), and No. 8 (2015), will be lifted as of the date of this announcement, and imports of U.S. poultry meat that meet the requirements of Chinese laws and regulations will be allowed.

It is hereby announced.

General Administration of Customs
Ministry of Agriculture and Rural Affairs

November 14, 2019

(End Translation)

Table of Past Bans Lifted by Announcement No. 177

Chinese Ban Announcement	Ban Effective Date	Areas Affected
No. 19 (2013)	January 28, 2013	New York
No. 103 (2013)	May 15, 2013	Arkansas
No. 58 (2014)	May 20, 2014	California
No. 100 (2014)	September 18, 2014	New Jersey
No. 8 (2015)	January 9, 2015	United States

Note: Links to announcements in Chinese

² [Link to November 14, 2019 Announcement No. 177 \(in Chinese\)](#)

Product Scope:

For the purposes of this announcement, all products poultry and poultry products subject to federal inspection provided by FSIS are eligible for export to China. Please refer to the [FSIS Export Library](#) for specific details on product scope, production, and labeling requirements.³

Feathers, heads, intestines, and poultry tails that contain the uropygial gland are not eligible for export.

In addition to meeting FSIS requirements, product exported to China must also comply with Chinese requirements, including applicable regulations and national standards. The FSIS Export library lists the relevant Chinese requirements, but exporters should work closely with their importers to confirm that all product destined for China complies with necessary Chinese laws and regulations.

Steps for Exporting U.S. Poultry to China:

Step 1 – FSIS List

Action: U.S. federally inspected poultry facilities that slaughter/process/store poultry destined for export to China must be approved by FSIS. To seek FSIS approval, or to update/modify facility information, the facility must submit FSIS Form 9080-3 through the FSIS Public Health Information System (PHIS). Establishments that are not using PHIS must submit a fully completed (not including FSIS signatures) 9080-3 Form to the FSIS Proxy for entry into PHIS. Additional information is available on the FSIS Export Library.

Check: The current [FSIS Eligible Plant List for Exporting Poultry to China](#).⁴

Step 2 – GACC Approved Facilities List

Action: FSIS will certify these facilities to GACC. When GACC receives the updated list of poultry facilities from FSIS, GACC has 20 working days to publish the updated list of poultry facilities on their website. Once GACC has posted the facility on their website, then all poultry slaughtered on or after that date are eligible to be exported to China.

Check: The GACC Approved Facilities List. To access this list and check for specific U.S. poultry establishments, please follow these instructions (note, this list is entirely in Chinese characters):

1. Navigate to the [GACC Approved Facilities List website](#).

³ Address of FSIS Export Library: <https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/exporting-products/export-library-requirements-by-country/peoples-republic-of-china>

⁴ Address of FSIS Eligible Plant List for Exporting Poultry to China: <https://www.fsis.usda.gov/wps/wcm/connect/62ef57d8-685f-4b67-82b3-be572a91e11f/eligible-plant-list-china-112219.pdf?MOD=AJPERES>

- Click on the first link, or “符合评估审查要求的国家或地区输华肉类产品名” to download the spreadsheet. GACC renames this link with each update. At the time GAIN reported was published, the most recent list was updated on November 22, 2019, so the link is named: “[符合评估审查要求的国家或地区输华肉类产品名单\(2019.11.22\).xls](#)” (as shown below).

Screen Capture of GACC Website Showing Approved Facilities List (Accessed on 11/23/19)



- Within the spreadsheet (also in Chinese), the sheet entitled “美国” displays the U.S. facilities for red meat and poultry. The facilities (listed in Column E) are sorted by product type (listed in Column C).

Step 3 – Import Permit

Action: Once an exporter is listed on the GACC website and has a contract for a shipment, the Chinese importer applies for an import permit from GACC. The process of obtaining this certificate can take up to 20 working days, but frequently takes place earlier. Although not required by Chinese or U.S. regulations, it is in the exporter's best interest to work with their importer to ensure the importer has secured an import permit before shipping product, especially if the product is chilled and transported by air shipment.

Step 4 – Shipment Pre-Notification

Action: GACC requires advance electronic notification for beef, pork, and poultry products from the United States. It is the responsibility of the exporter, or their designated agent, such as the exporting establishment, to ensure that proper notification is provided. This pre-notification system will serve as an interim measure until the PHIS export module for China is implemented. More instructions can be found on the FSIS Export Library.

Please note that GACC requires the exporting facility to indicate the “Port of Entry,” as well as the ocean/air cargo container number(s) and seal number(s) in the “Remarks” on the FSIS Form 9060-5. Additionally, the ocean/air cargo container number(s) and seal number(s) must be indicated in the blocks on the FSIS Form 9295-1. Exporters should note that only designated Chinese ports can clear

meat and poultry shipments. For a list of Chinese ports that accept meat and poultry shipments, please consult the [GACC Port List for Meat](#).⁵

While China stopped accepting replacement certificates (for all FSIS-inspected shipments) shortly after U.S. poultry was banned from China, China now accepts replacement certificates for exports in limited circumstances. Please consult the FSIS Export Library for more details.

Step 5 – Border Clearance and Testing

Action: All U.S. shipments may be inspected by GACC officials at the point of entry. GACC officials may perform a visual inspection on the container and/or laboratory testing. GACC's policies require laboratory testing to be completed within 20 days. In cases of chilled product shipped by air, industry reports that products are frequently cleared faster than the maximum timeline.

Tariffs:

Anti-dumping and countervailing duties

When China banned all U.S. poultry products in 2015, China was applying anti-dumping and countervailing duties (AD/CVD duties) on U.S. poultry products. These duties were officially rescinded in February 2018 following an announcement by China's Ministry of Commerce.⁶

Additional tariffs levied by China

China has levied additional tariffs on many U.S. products exported to China, including poultry products (even though there were no commercial shipments at the time due to the animal health bans). At the time of this report, all additional tariffs are still in place. Note: While China may levy another round of additional tariffs on U.S. products beginning December 15, 2019, poultry products are not scheduled to be affected.

China has announced two tranches of U.S. products eligible to apply for an exclusion from the additional tariffs. To date, there are no poultry products that have received tariff waivers.

Weight-based MFN Tariffs

Based on current understanding, China applies a weight-based tariff for certain chicken products, instead of the standard "Invoice Price x MFN rate calculation." For example, China applies the weight-based tariffs to chicken feet (paws), wingtips, and leg quarters in the following amounts: RMB 1,000/metric ton for chicken feet (paws), RMB 500/MT for wingtips, and RMB 600/MT for leg quarters.

⁵ Full address of GACC Port List for Meat:

<http://www.customs.gov.cn/customs/jyjj/jckspaq/xxfw63/jckrljgzyxx/1943970/index.html>

⁶ For more information on the removal of the AD CVD duties, please see GAIN Report CH2018-2307 in the [FAS GAIN system](#).

Below is the formula for how China calculates its import tariffs on certain U.S. poultry and poultry products. Please check with the importer for tariff treatment on specific products.

Without Weight Tariff

Total Tariffs = Invoice Price x (MFN + Additional Tariffs⁷)

Price with Tariffs and VAT Applied = (Invoice Price + Total Tariffs) x 9 percent

With Weight Tariff

Total Tariffs = (Invoice Price x Additional Tariffs) + Weight Tariff

Price with Tariffs and VAT Applied = (Invoice Price + Total Tariffs) x 9 percent

Disclaimer: Tariff rates frequently change. Please check with the importer for the most recent rates applicable to specific products.

Summary List of Current Additional Tariffs Levied on U.S. Poultry

HS Code (8-digit)	Product Description	MFN* Rate	232	301	Add'l tariff	Proposed add'l tariff	Total Applied Tariff
	Implementation Date	Jan 1, 2019	Apr 2, 2018	Jun 1, 2019	Sep 1, 2019	Dec 15, 2019	Dec 15, 2019
02071100	Chickens, not cut in pieces, fresh or chilled	20%		25%	10%		55%
02071200	Frozen Whole Chickens	9%		25%	10%		44%
02071311	Fresh Or Chilled Cuts Of Chicken, With Bone	20%		25%	10%		55%
02071319	Fresh or chilled cuts of chicken, other	20%		25%	10%		55%
02071321	Fresh or chilled wing of chicken (excluding wingtips	20%		25%	10%		55%
02071329	Fresh or chilled offal of chicken, other	20%		25%	10%		55%
02071411	Frozen Chicken Cuts, With Bone	4%		25%	10%		39%

⁷ See table below for the current additional tariffs levied by China.

02071419	Frozen Chicken Cuts, Nes	5%		25%	10%		40%
02071421	Frozen Midjoint Wing Of Chicken	5%		25%	10%		40%
02071422	Frozen Chicken Claw	7%		25%	10%		42%
02071429	Frozen Offal Of Chicken, Nes	3%		25%	10%		38%
02072400	Turkeys --not cut in pieces, fresh or chilled	20%		25%	10%		55%
02072500	Frozen Whole Turkeys	20%		25%	10%		55%
02072600	Fresh or chilled cuts & offal of turkey	20%		25%	10%		55%
02072700	Frozen Cuts & Offal Of Turkeys	10%		25%	10%		45%
02074100	Frozen cuts & offal of turkey	20%		25%	10%		55%
02074200	Frozen Whole Ducks	20%		25%	10%		55%
02074300	Fatty livers of duck, fresh or chilled	20%		25%	10%		55%
02074400	Fresh or chilled cuts & offal of duck	20%		25%	10%		55%
02074500	Frozen Cuts & Offal Of Ducks	20%		25%	10%		55%
02075100	Fresh or chilled whole geese	20%		25%	10%		55%
02075200	Frozen whole geese	20%		25%	10%		55%
02075300	Fatty livers of geese, fresh or chilled	20%		25%	10%		55%
02075400	Fresh or chilled cuts & offal of geese	20%		25%	10%		55%
02075500	Frozen cuts & offal of	20%		25%	10%		55%

	geese						
16023100	Preparations Of Turkey	5%		10%		5%	20%
16023210	Preparations Of Chicken, In Airtight Containers	5%			5%		10%
16023291	Other Prepared Chicken Breast Filets	5%		10%		5%	20%
16023292	Other Prepared Meat Of Chicken Legs	5%			5%		10%
16023299	Other Prepared Chicken, Chicken Offal Or Blood	5%			5%		10%
16023910	Preparations Of Duck, Geese Or Guinea Fowl, In Air	5%			5%		10%
16023991	Preparations of duck meat	5%			5%		10%
16023999	Preparations of other poultry meat or offal	5%			5%		10%

Attachments:

No Attachments.