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GAIN Report

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Procedures for Exporting U.S. Beef to China

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Report Highlights:

U.S. beef is back in China! After a nearly 14-year hiatus, Chinese consumers are again sinking their teeth into high-quality, safe, delicious U.S. beef. While there is a strong demand for U.S. beef in China, navigating the meaty regulatory requirements for both the United States and China can be daunting. This guide was prepared to assist exporters and importers generally understand the rules of the road for shipping U.S. beef to this rapidly growing market.

Executive Summary:

China reopened its market to U.S. beef exports on May 24, 2017, allowing access for chilled, frozen, bone-in, and boneless beef products, plus a broad scope of offal products. After nearly 14 years of being out of this dynamic market, U.S. exporters and their importing partners are beginning the process to resume commercial shipments.

This guide is designed to assist exporters and importers of U.S. beef understand the general “rules of the road.” However, this guide is not designed to be a substitute for commercial due diligence. Exporters should work closely 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. Post will update this guide as necessary.

Product Scope:

China allows fresh and frozen deboned and bone-in beef products derived from cattle less than 30 months of age, including heart, kidney, liver, omasum, tendons, outside skirt, inside skirt, hanging tender, oxtails, beef bones, feet, cheek meat, head meat, oxlips, backstrap, tunic tissue, ground beef (made strictly in conformance with FSIS regulations excluding weasand meat), and tongues.

All beef must be derived from cattle that were either (a) born, raised, and slaughtered in the United States, (b) imported from Canada or Mexico and then raised and slaughtered in the United States, or (c) imported from Canada or Mexico for direct slaughter in the United States. (See the “Traceability Requirements” section for more details.)

Eligible beef products may be scalded, heat-treated, or smoked but not fully cooked. In addition, no additives may be used in any of these above-mentioned processes. Further processed beef products are not eligible.

China does *not* allow mechanically separated beef, “minced meat” (which is defined as trimmings or scraps that are not in conformance with FSIS sanitary regulations), bovine products for non-human consumption (e.g., tallow), or any offal not specifically considered as eligible. Likewise, use of these products for medical devices and the like are regulated by China’s Food and Drug Administration and are *not* covered by the terms of the agreement for beef and beef products for human consumption.

Please note, on the websites of China’s General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) and the Certification and Accreditation Administration of the People’s Republic of China (CNCA), the following statement is given for product scope:

Beef refers to the deboned beef and bone-in beef including heart, kidney, liver, omasum and tendon derived from cattle less than 30 months of age at the time of slaughter, excluding tonsil, distal ileum, minced meat and mechanically separated meat.

Exporters and importers should be aware that this statement is intentionally broad and for more specific information on what is or is not allowed, please refer to the FSIS Export Library

language here:

- <https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/exporting-products/export-library-requirements-by-country/Peoples-Republic-of-China>

Because different language is used to describe product scope on the CNCA, AQSIQ, and FSIS websites, importers should rely on the more specific FSIS language to determine eligible products.

Traceability Requirements:

All beef products exported from the United States to China must be produced at facilities participating in the Agricultural Marketing Service (AMS) Export Verification Program for Bovine to China (EV Program). See program summary here:

- <https://www.ams.usda.gov/services/imports-exports/beef-ev-china>

This program requires U.S. slaughterers, fabricators, and/or processors to ensure all product produced under the EV Program are derived from cattle that are either (a) traceable to the U.S. birth farm using a program compliant tag (PCT), or (b) if imported from Canada or Mexico, traceable to the first place of residence (for imported cattle that are raised in the United States) or port of entry (for cattle imported for direct slaughter). In addition, all cattle must meet the less than 30 months requirement of the LT30 portion of the EV program.

Companies must demonstrate compliance with the requirements through an approved USDA Quality System Assessment (QSA) program or a USDA Process Verified Program (PVP). For more information on how to meet the AMS EV Program requirements, see the following links:

- [\(Overview of the China EV Program\)](#)
- [\(Point-by-point list of requirements for China EV Program eligibility\)](#)
- [\(A helpful Q&A document that discusses how to apply for the AMS service, summarizes the China EV Program requirements, and discusses how to meet the identification requirements\)](#)

In addition, there are already 20 AMS-approved third-party verifiers who can determine whether the live animals meet the traceability requirements of the program. Once the establishment has complied with all of the China EV Program requirements, it is added to the AMS list of eligible facilities here:

- <https://www.ams.usda.gov/sites/default/files/media/LSOfficialListingEVProgram.pdf>

Steps for Exporting U.S. beef to China:

Step 1

Action: Facilities seek approval of their China EV program with AMS and are listed on the

AMS website as an approved establishment (discussed immediately above).

Check: <https://www.ams.usda.gov/sites/default/files/media/LSOfficialListingEVProgram.pdf>. Please note the China-specific column of approved establishments. A date listed in the China-specific column corresponding to the establishment number indicates the date of the establishment's EV Program approval by AMS.

Estimated time: For facilities that already have in place existing LT30 EV programs, AMS requires an update to the company's existing programs to reflect changes to comply with the China EV program, and will only require a desk audit to approve the establishment. However, for establishments with no existing EV programs, it is necessary to submit the facility's EV program for AMS review and a subsequent on-site audit before approval.

Step 2

Action: After a facility is listed on the AMS website as having an approved China EV Program, the facility must then be added to CNCA's approved facility list. CNCA will NOT require its own audit before adding an AMS-approved facility to the CNCA-approved list. CNCA's updating process should happen routinely and at regular intervals.

Check: To check a facility's listing status with CNCA, follow the instructions below.

- Go to this link: <http://www.cnca.gov.cn/bsdt/ywzl/jkspjwsepqzc/>
- Scroll down to this section of the webpage:

进口肉类境外生产企业注册名单			
肉类生产、加工企业			
欧 洲			
比利时(2017年03月15日)	丹麦(2017年06月01日)	英国(2015年06月17日)	法国(2017年06月01日)
德国(2017年06月01日)	匈牙利(2017年03月14日)	意大利(2017年01月26日)	爱尔兰(2015年06月17日)
荷兰(2016年08月25日)	罗马尼亚(2015年06月17日)	波兰(2017年01月16日)	西班牙(2017年06月01日)
芬兰(2016年10月11日)	塞尔维亚(2017年05月15日)		
美 洲			
阿根廷(2016年09月09日)	巴西(2017年06月02日)	加拿大(2017年04月06日)	智利(2016年01月21日)
哥斯达黎加(2015年06月17日)	墨西哥(2015年06月17日)	乌拉圭(2016年07月07日)	美国(2017年06月21日)

- Click on the 美国 (United States) link (highlighted above). Note the adjoining date is the date that CNCA last updated the list. This will download a .pdf of the latest CNCA list.

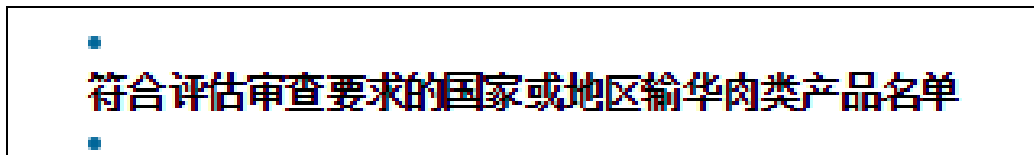
Estimated time: While CNCA checks the AMS website regularly for updates, CNCA does not check daily and as a result, a company may be listed on the AMS website, but not on the CNCA website.

Step 3

Action: Once the facility is listed on the CNCA website, it must wait for AQSIQ to update their approved facility list. Again, AQSIQ does not need to audit a facility as a condition to being added to the AQSIQ-approved list. This is also meant to be a fairly routine process.

Check: To check whether or not a facility is listed with AQSIQ, follow the instructions below:

- Go to this link: http://jckspaqi.aqsiq.gov.cn/xz/spxz/201303/t20130329_349307.htm
- Click on this link (it should be the link at the top of the list):



- A word document will be downloaded. Upon opening, the approved plants will be listed on the third row down. In the second column on the left, the cell should read: “牛肉品.” In the column furthest to the right, the AQSIQ-registered plants are listed. Note: the AQSIQ website again repeats the broad statement for product scope, similar to the CNCA website.

Estimated Time: While this process is also fairly routine, AQSIQ does not check CNCA’s website daily and it may take a few days for the lists to be synced together.

*Note for traders/brokers/exporting companies:

- Beef and beef products for export to China must be sourced from approved establishments that are listed on both AMS, CNCA, and the AQSIQ websites. (There may be delay for an approved plant that is listed on the AMS list to show up on the AQSIQ list.)
- Further, the beef and beef products sourced from AMS-approved establishments must have been produced under the EV Program for China (as most establishments do not operate their EV Programs full-time).

Step 4

Action: Once an exporter is listed on the AQSIQ website and has a contract for a shipment, the Chinese importer applies for an import permit from AQSIQ. Although not required by China for certification/pre-notification of certificates, it is in the exporter's best interest to work with their importer to ensure the importer has secured an import license before shipping product.

Estimated time: Obtaining this permit generally takes several days, and possibly more than a week, depending on AQSIQ resources.

Step 5

Action: The Chinese importer also has to apply for a MOFCOM Automatic Registration License (Chinese: 自动登记证). This appears to be a generally automatic process once the AQSIQ import permit is issued.

Timing: Immediate.

Step 6

Action: Once the shipment is finalized and staged, it undergoes final inspection by an FSIS inspector. Upon favorable inspection results, the veterinarian then signs two documents, FSIS Form 9060-5 and FSIS Form 9295-1. The exporter then scans the signed export documentation and sends them via e-mail to a dedicated email box at FSIS: ChinaExportCertificate@fsis.usda.gov. There are very detailed instructions on the [FSIS Export Library website](#). Once the exporter has these FSIS certificates, the shipment is clear to be shipped.

Note #1, because AQSIQ does not allow the use of in-lieu of certificates, it is critical that this certificate be filled out correctly the first time. Otherwise, it will most likely be turned around at the Chinese port.

Timing: The staging and final inspection can happen fairly quickly, but if there are any problems with the paperwork, the process could be delayed.

Step 7

Action: When FSIS receives the health certificate information, it enters it into an excel spreadsheet template provided by AQSIQ. This spreadsheet is then sent to AQSIQ and serves as the pre-notification for that shipment. Note, unlike pork shipments, which are pre-notified using the Electronic Trade Document Exchange System (eTDE), beef shipments are using this centralized email method to pre-notify. This is a stopgap measure until the export certification process within the FSIS Public Health Information System comes online.

Timing: FSIS will send out the pre-notification spreadsheet once a week. This spreadsheet will contain the health certificates issued during that week.

Note: In the event the chinaexportcertificate@fsis.usda.gov mailbox is notified that the shipment will be sent via air cargo and would be presented before the next scheduled transmittal, the exporter should notify the mailbox of the expedited nature of the shipment.

Step 8

Action: Once AQSIQ receives the pre-notification document, their office uploads this information into a

Customs Database and transmits that information to the local CIQ officials at port.

Timing: Depending on workload, this process could take several days.

Step 9

Action: Once the product arrives at port and the CIQ verifies the pre-notification information is in order, then CIQ will sample the shipment for chemical residues. CIQ will sample shipments at a pre-determined rate (that is supposed to be randomly applied), unless there is an elevated risk. Post's current understanding is that AQSIQ and CIQ are treating all first shipments from a company to a new port as an elevated risk, and therefore, these initial shipments all require testing. While the product is being tested, but before a release certificate is issued, the importer may be able to take physical possession of the shipment. However, until the release certificate is issued by the CIQ, the shipment may not enter into commerce.

Timing: Exporters and importers should expect their first shipment to be tested. Routine testing can take 10-15 business days, or longer.

Step 10

Action: Once testing has been completed, the CIQ then issues the release permit and the importer can take possession of the product.

Timing: If the sampled product is cleared through the customs inspection, the remainder of the shipment should be released right away.

Process Summary

Because this is a multi-step process with multiple Chinese agencies, exporters should expect that their first shipment will take at least a few weeks.

It is extremely important that exporters carefully review the online FSIS Export Library China page to ensure products meet China's requirements:

- <https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/exporting-products/export-library-requirements-by-country/Peoples-Republic-of-China>.

Particular attention should be paid to China's restrictions on residues related to growth promotants, feed additives, and other chemical compounds, including ractopamine. Beef shipments will be regularly sampled and subjected to testing at China's ports of entry. Any positive detection of prohibited substances will result in the shipment being returned or destroyed. Multiple positive detections, or severe cases of a positive detection of a prohibited substance, could lead to an establishment being delisted. Below are links to the prohibited substances also found in the FSIS Export Library:

- [Ministry of Agriculture of the People's Republic of China, Announcement No. 176](#)

- [Ministry of Agriculture of the People's Republic of China, Announcement No. 235](#)
- [Ministry of Agriculture of the People's Republic of China, Announcement No. 560](#)
- [Ministry of Agriculture of the People's Republic of China, Announcement No. 2292](#)
- [Global Agricultural Information Network \(Gain\) Report Number CH11023\](#)

Important Links:

- [AMS EV Program Requirements](#)
- [AMS Eligible Facilities](#)
- [CNCA Registered Facilities](#)
- [AQSIQ Registered Facilities](#)
- [FSIS Export Library](#)