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Report Name: Decree 248 Changes and the June 30 Deadline

Country: China - People's Republic of

Post: Beijing

Report Category: FAIRS Subject Report, Trade Policy Monitoring, Sanitary/Phytosanitary/Food Safety, Agriculture in the Economy

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Report Highlights:

The General Administration of Customs of China (GACC) has alerted importers that certain overseas facilities should "complete" their registration by June 30, 2023. Facilities seeking to minimize potential trade disruptions should upload relevant information into CIFER by June 23, 2023. Products arriving in the People's Republic of China (PRC) after June 30 from facilities with registrations that produce certain categories of products and whose registration applications are not "complete" may be at risk of not being able to clear customs. Exporters should work with their suppliers and importers to confirm whether their products are susceptible to the risks associated with the June 30 deadline. Please note that exporters of U.S. meat, poultry, dairy, and seafood products should continue following procedures for exporting to China as outlined by relevant U.S. food safety regulators (i.e., FSIS and FDA).

NOTE: The following text does not apply to U.S. exporters of meat, poultry, dairy, and seafood products for the below-mentioned reasons related to Article 11 of Decree 248. Exporters of those products should continue following procedures for exporting to China as outlined by relevant U.S. food safety regulators: FSIS and FDA.

Background:

Exporters of products subject to Decree 248 facility registration requirements risk detained shipments and other administrative delays if the relevant production facility or cold storage is not completely registered before the product is produced or shipped, as appropriate. The most recent FAS China report on the scope of Decree 248 can be found at Decree 248 Product List Update-April 2023. Exporters should be advised that the PRC regularly makes and does not announce changes to the list.

Shipments Detained for Incomplete Decree 248 Facility Registration: GACC personnel have limited discretion to assist with clearing shipments detained for reasons related to Decree 248 and are now less available to facilitate the release of any detained shipments.

Production Date vs Shipping Date: GACC Bureau of Import Export Food Safety (BIEFS) personnel recently told FAS China staff that products whose facilities are subject to competent authority recommendation requirements need to be *produced* after the facility is completely registered. This is a change from earlier statements that the facility needed to be registered before the products are *shipped*. This change has not been notified to the World Trade Organization or communicated in writing to FAS China. According to BIEFS, facilities subject to self-registration requirements still need to be registered before products are shipped. Please note that GACC's definition of "produced" is unclear. GACC informed FAS China that *shipping date* means the date the product is loaded. FAS China offices continue to seek clarification on this issue.

List-Based Approvals: Article 11 of Decree 248 states: "If relevant countries/regions and China have separate agreements on registration method and application materials, (registration) <u>shall</u> be carried out following the agreement." The U.S.-China Economic and Trade Agreement (Phase One Agreement) includes provisions on facility registration for certain food products, including beef, pork, poultry, dairy, infant formula, seafood, and rice. The United States continues to follow the provisions of the Phase One Agreement to register these facilities and expects China to do the same.

Potential New Restrictions after June 30, 2023: In late 2021, as part of the implementation of Decree 248, GACC's BIEFS requested that all foreign competent authorities submit lists of facilities for registration. The BIEFS has since asked foreign competent authorities to ensure "complete" registration applications have been submitted for the establishments on these lists by June 30, 2023. The BIEFS has not clarified how this request applies to the United States in light

of Article 11 of Decree 248 and the Phase One Agreement. Currently registered facilities whose information is "incomplete" and are exporting products requiring competent authority registration may be at higher risk of having detained shipments that cannot be cleared after June 30, 2023.

The product categories susceptible to these potential disruptions include bee products, edible oils and fats, stuffed wheaten products, edible grains, milled grain products and malt, nuts and seeds, health and functional foods, special dietary food, and casings.

Exporters of affected products should confirm with their suppliers that they have submitted relevant registration information in <u>CIFER</u>.

Such facilities seeking to minimize potential trade disruptions should access their CIFER account and upload relevant information to support an Application for Modification (aka "change application") no later than <u>June 23, 2023</u>. This additional information includes business licenses, production information, and a manufacturer's declaration of conformity with Chinese food safety requirements. For questions and requests involving the CIFER system, please contact the following email address: <u>Decree248inquiry@usda.gov</u>.

GACC Message to Importers: Local GACC branches recently sent the following message to importers about the June 30 deadline:

各有关进口企业:

在《进口食品境外生产企业注册管理规定》(海关总署第248号令)实施之初,为将新规对贸易的影响降至最低,海关总署曾通过各直属海关将2022年1月1日前有传统输华贸易记录的18类需境外官方推荐注册的企业信息直接导入了注册系统,并要求境外主管部门督促企业于2023年6月30日前通过注册系统补齐相关信息资料。

现截至时间将近,请各进口食品的进口商督促境外出口商或境外生产企业在规定的时间内通过注册系统补齐注册资料,包括申请书,营业执照,主管当局对企业的审查报告和推荐企业符合性声明等文件,避免因未及时提交资料影响注册和进口。

Translation Begins.

All relevant import enterprises:

At the beginning of the implementation of the "Regulations on the Registration and Management of Overseas Production Enterprises of Imported Food" (GACC Decree No. 248), in order to minimize the impact of the new regulations on trade, GACC, through the support of local Customs Branches, directly uploaded the information of the 18 categories enterprises which have traditional export trade to China before Jan 1, 2022 and need to be officially recommended by overseas Competent Authority for registration into the registration system (CIFER). Overseas competent authorities are required to urge

enterprises to complete relevant information in the registration system before June 30, 2023.

Now that the deadline is approaching, importers are requested to urge overseas exporters or overseas manufacturers to complete the registration materials through the registration system before the due date, including application forms, business licenses, enterprises audit reports by competent authorities and Conformity Statement of the recommended enterprises and other documents to avoid impacting registration and import due to failure to submit materials in time.

End Translation.

Additional Information: FAS China has been consistently publishing reports on Decrees 248 and 249 to inform and educate U.S. food and agricultural stakeholders over the last few years. The three reports listed below are among the most recent. The second report includes links to prior reports. Inquires on Decree 248 can be directed to Decree248inquiry@usda.gov.

Information for Industry Regarding Decree 248 and CIFER Introduction to Facility Registration Under Decree 248

Decree 248 Product List Update - April 2023

Attachments:

No Attachments.