



ECONOMIC AND TRADE AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE PEOPLE'S REPUBLIC OF CHINA FACT SHEET

ANIMAL FEED

The Phase One economic and trade agreement signed by the United States and China on January 15, 2020, will provide U.S. manufacturers of feed additives, premixes, compound feed, and distillers' dried grains with solubles (DDGS) streamlined processes for registration and licensing to facilitate U.S. exports to China. The Phase One agreement will also result in new import protocols for U.S. barley, alfalfa hay pellets and cubes, almond meal pellets and cubes, and timothy hay, allowing imports of such products into China.

Market Overview: As China's livestock sector has increased, its need for quality feed and feed ingredients has likewise increased. To date, however, U.S. manufacturers have had difficulty registering new feed products and facilities with Chinese authorities. In addition, exporters of DDGS face burdensome product licensing procedures, which cause export delays. The Phase One agreement addresses these issues and provides U.S. companies streamlined access to the Chinese market. In addition, China has agreed to negotiate protocols to allow imports of additional feed products.

Key Achievements:

China has agreed to:

- Immediately update its list of traditionally-traded feed additive products with 23 specific products listed in a side letter associated with the Agreement;
- Streamline the registration process for feed additives, premixes, and compound feed by waiving manufacturer site visits and export protocols that are normally part of the registration process for feed products;

- List registered facilities on the General Administration of Customs of the People's Republic of China (GACC) website within 20 business days of receiving the facility information from the United States;
- Issue renewed licenses within 20 business days of receiving applications for DDGS manufacturers whose licenses expired on or after January 1, 2017, or are scheduled to expire after that date;
- Complete product reviews within nine months of receiving an application for the approval of a new feed additive, premix, or compound feed product;
- Issue licenses for product renewals within 20 business days of receiving an application for renewal of a feed additive, premix, or compound feed product;
- Sign and implement a phytosanitary protocol to allow the importation of U.S. barley into China; and
- Sign and implement a phytosanitary protocol to allow importation of U.S. alfalfa hay pellets and cubes, U.S. almond meal pellets and cubes, and U.S. timothy hay into China after conducting an on-site visit of U.S. production.

Both Parties have agreed to continue technical consultations concerning facilitation of trade in grain and oilseed products for both feed and further processing.

Addition of New Facilities in the Future: The United States will provide updated lists of facilities producing feed additives, premixes, compound feed, and DDGS to GACC, and China will publish the updated lists on GACC's website within 20 business days of receipt.

Audits/Inspections: China has agreed to not require any routine audits or inspections of U.S. feed additive, premix, compound feed, or DDGS facilities. However, in accordance with international standards, China may perform risk-based audits in coordination with the relevant U.S. competent authority. China may also conduct inspections of a risk-based selection of shipments of U.S. animal feed products at the port of entry. China will notify the United States if it notices a significant, sustained, or recurring pattern of non-conformity by a particular facility and if it intends to restrict imports

from that facility. The United States and China will work together to resolve any such issues should they be detected.

Additional Information for Exporters:

- New to the China market? If your company is interested in exporting animal feed, feed additives, premixes, compound feed, or DDGS products to China, please contact USDA's Foreign Agricultural Service at ChinaAgreement@usda.gov for more information.
- Producers and exporters of barley, alfalfa hay pellets and cubes, almond meal pellets and cubes, and timothy hay should visit the U.S. Animal and Plant Health Inspection Service website for more information:
<https://www.aphis.usda.gov/aphis/ourfocus/importexport>.
- All facilities interested in exporting feed additives, premixes, compound feed, or DDGS products to China must be registered as an animal food facility with the U.S. Food and Drug Administration (FDA) in accordance with Section 415 of the Federal Food, Drug, and Cosmetic Act. Information on how to complete the registration process can be found on FDA's website. Manufacturers will also need to provide to FDA permission to share facility data with China and be willing to allow GACC to publish company information on their website so Chinese importers will know the company is authorized to export animal feed, feed additives, premixes, compound feed, or DDGS products to China.
- Facilities producing other types of animal feed containing animal-origin ingredients should see the APHIS Veterinary Services website for more information:
https://www.aphis.usda.gov/aphis/ourfocus/animalhealth/export/iregs-for-animal-product-exports/sa_international_regulations/sa_by_country/sa_c/ct_product_china.
- GACC is responsible for posting the lists of eligible products and facilities from around the world that have permission to export these products to China. Although the lists are in Chinese, many web browsers have an automatic translate function that will make it easier to find the list of interest. These lists can be found at the following website:
<http://www.customs.gov.cn/customs/jyzy/dzwjyjqymd/slaq/2157783/index.html>.