



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

MEAT, POULTRY, AND LIVE BREEDING CATTLE

The Phase One economic and trade agreement signed by the United States and China on January 15, 2020, will provide U.S. exporters of beef, pork, and poultry, as well as live breeding cattle with expanded access to China's rapidly growing market.

Market Overview: As incomes rise in China, demand for protein in diets increases as well. Chinese demand for imported beef, pork, and poultry is growing at a rapid rate, made more acute due to domestic pork supply constraints in China as a result of the ongoing outbreak of African swine fever. When China partially re-opened its market to U.S. beef and beef products in 2017, following a 13-year ban, many unscientific restrictions remained, including on age, product scope, use of veterinary drugs, and traceability. In addition, it was very difficult to register new facilities with Chinese authorities in order to export these commodities to China. Similarly, China banned all U.S. poultry in 2015 and has maintained longstanding market access restrictions on specific U.S. beef and pork products. The Phase One agreement addresses these issues and should give U.S. companies streamlined access to China's market while providing Chinese consumers with a wider variety of American beef, pork, and poultry products to choose from in the future. While Chinese livestock producers already import large volumes of livestock genetics from the United States, the Phase One agreement will provide an opportunity in the future for U.S. exports of high quality live breeding cattle.

On November 14, 2019, China reopened its market to U.S. poultry meat, partially eliminating the ban it had imposed in late 2014. On November 22, 2019, the U.S. Department of Agriculture (USDA) updated the online export library listing requirements for U.S. exporters to ship U.S. poultry meat to China. U.S. establishments can only export poultry to China that is slaughtered and further processed after the establishment has been added to the General

Administration of Customs of the People's Republic of China (GACC) website. On November 22, 2019, GACC completed updating an initial online list of 349 U.S. establishments eligible to export to China. Upon GACC publishing U.S. establishments, Chinese importers are now able to obtain import licenses to start placing orders.

Key Achievements:

China has agreed to implement the following actions:

BEEF

- Remove age restrictions for U.S. beef and beef products upon completing a risk assessment;
- Expand the allowable product scope for U.S. beef and processed beef products to more closely align with those products that the United States allows for domestic consumption and export;
- Recognize the U.S. beef and beef products' traceability system that the United States already has in place, which exceeds World Organization for Animal Health (OIE) guidelines for bovine spongiform encephalopathy; and
- Adopt internationally-accepted maximum residue levels for three widely-used veterinary drugs (zeranone, trenbolone acetate, and melengestrol acetate).

PORK

- Expand the allowable product scope for U.S. pork and pork products, including bungs and intestines and processed products.

POULTRY

- Finalize a protocol for the regionalization of poultry diseases, thereby ensuring that future trade disruptions will be minimized and solely based on internationally-accepted practices;
- Fully lift the ban on other poultry commodities, including live birds; and
- Abide by OIE standards for international trade of poultry products.

ALL MEAT, PORK, AND POULTRY

- Address the backlog of facilities awaiting approval and accelerate the process for future applicants by publishing within 20 business days of receipt the updated list of USDA-approved facilities;
- Permit, consistent with USDA directives, the use of replacement certificates;
- Begin utilizing USDA's Public Health Information System to facilitate the use of electronic transmission of export health certificates, greatly reducing the workload for exporters and regulators; and
- Conduct as soon as possible a risk assessment for ractopamine in cattle and swine, consistent with Codex Alimentarius Commission and FAO/WHO Joint Expert Committee on Food Additives (JECFA) risk assessment guidance based on a previously conducted JECFA risk assessment.

LIVE BREEDING CATTLE

- Negotiate a protocol governing the export of U.S. live breeding cattle to China.

Protocols: The following protocols are, or will be, in effect:

- Poultry: *A Protocol on Cooperation on Notification and Control Procedures for Certain Significant Poultry Diseases* will be signed and implemented.
- Live Breeding Cattle: The two sides will hold technical discussions for the preparation of a protocol and associated export certificate for the export of live breeding cattle.

Audits/Inspections: China has agreed to not require any routine audits or inspections of U.S. meat and poultry facilities as part of any facility registration process. However, in accordance with international standards, China may perform risk-based audits in coordination with USDA's Food Safety and Inspection Service (FSIS). China may also conduct inspections of a risk-based selection of shipments of U.S. meat and poultry at the port of entry. China may refuse importation of a shipment of imported U.S. meat or poultry products

after conducting a scientific inspection and determining it is in violation of applicable food safety import requirements. 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:

- Current information about live animal exports to China is available on the USDA's Animal and Plant Health Inspection Service (APHIS) Veterinary Services website:
https://www.aphis.usda.gov/aphis/ourfocus/animalhealth/export/international-standard-setting-activities-oie/regionalization/sa_by_country/sa_c/ct_animal_china.

You can also sign up for USDA Stakeholder Alerts to receive notification when new protocols are posted. To sign up, please visit:

<https://public.govdelivery.com/accounts/USDAAPHIS/subscriber/new>. Scroll to Veterinary Services and select "IREGS Live Animals Updates (Exports)."

- Current export requirements for beef, pork, and poultry products to China are available on the USDA's Food Safety and Inspection Service's export library at:
<https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/exporting-products/export-library-requirements-by-country/peoples-republic-of-china>.
- USDA's Foreign Agricultural Service (FAS) will also be sending out Global Agricultural Information Network (GAIN) reports that will include China-specific import registration and permit requirements. Please click on the following link for access to these reports:
<https://gain.fas.usda.gov/#/search>.
- New to the China market? For more information about certification, documentation, and registration requirements and for assistance with detained shipments, contact USDA's Foreign Agricultural Service at ChinaAgreement@usda.gov for more information.