

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

PET FOOD

The Phase One economic and trade agreement signed by the United States and China on January 15, 2020, will provide U.S. manufacturers expanded access to China's rapidly growing market for dog and cat food.

<u>Market Overview:</u> Demand for imported pet food products from abroad is growing at a rapid rate, and American brands are in high demand, including in China. In recent years, U.S. pet food exports were limited due to animal health restrictions on U.S. products containing poultry or bovine ingredients. In addition, it is onerous to register new facilities with Chinese authorities. The Phase One agreement addresses all of these issues and gives U.S. companies streamlined access to China while providing Chinese consumers with a wider variety of high quality American pet food products to choose from in the future.

Key Achievements:

China has agreed to:

- Lift its ban on U.S. pet food containing ruminant ingredients and eliminate Polymerase Chain Reaction (PCR) testing of U.S. pet food products containing ruminant ingredients. PCR testing of U.S. pet food products not containing ruminant ingredients is to be on a risk-based selection of shipments;
- Allow importation of U.S. pet foods containing poultry products;
- Update the General Administration of Customs of the People's Republic of China (GACC) website to allow import from 24 U.S. pet food and non-ruminant animal feed facilities with current pending registrations;

- Not require completion or submission of any pet food facility questionnaire for registration purposes, other than for a pet food facility China may be auditing;
- Allow the use of imported animal origin ingredients in pet food as long as the ingredients are legally imported into the United States, meet U.S. domestic requirements for inclusion in pet food, and are traceable to the country of origin.

New Import Protocol: The United States and China will engage in technical discussions to sign within two months an updated protocol for U.S. pet food imports into China. Before the new protocol is finalized, pet food manufacturers will still not be able to use ruminant ingredients or imported ingredients. However, poultry ingredients will be allowed to be imported. Pending finalization of the new pet food protocol, imports will continue under the existing non-ruminant animal feed protocol.

Addition of New Facilities in the Future: For future new pet food and non-ruminant derived animal feed facilities, or facility updates, the United States will provide updates to GACC, and China will publish those updates 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. pet food and non-ruminant derived animal feed 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. pet food and non-ruminant derived animal feed 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? For more information about certification, documentation, and registration requirements, and for assistance with detained shipments, contact USDA's Foreign Agricultural Service at <u>ChinaAgreement@usda.gov</u>.

- All facilities must be inspected by USDA's Animal and Plant Health Inspection Service (APHIS) Veterinary Services to be eligible to export to China. Exporters must also be willing to allow GACC to publish company information on its website so Chinese importers will know the company is authorized to export pet food products containing animal origin ingredients to China.
- APHIS will maintain the updated list of export facilities and provide updates to GACC on a regular basis.
- The GACC website can be found at the following website link (Please note many web browsers have automatic translate functions that can help navigate Chinese websites): http://www.customs.gov.cn/customs/jyjy/dzwjyjy/qymd/slaq/2157783/index.html.
- In the next few months, APHIS will provide exporters with an updated protocol for pet food exports to China. APHIS will also provide export certificates for U.S. products going to China. Please see the APHIS website for more information at:
 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.
- Exporters 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 Animal Product Updates (Exports)."