Business Facilitation Advisory Committee Food Business and Related Services Task Force

Trade Facilitating Measures for Exporting Hong Kong-manufactured Food Products to the Mainland

Purpose

This paper briefs Members on the facilitating measures set up by the Centre for Food Safety (the CFS) of the Food and Environmental Hygiene Department (the FEHD) for Hong Kong-manufactured food exported to the Mainland.

Background

2. Apart from being the competent authority responsible for food safety in Hong Kong, the CFS also commits to implementing measures of facilitating locally manufactured or processed food products to be exported to the Mainland and other countries/places so that they can meet the food safety requirements imposed on imports by the relevant countries/places.

3. The development of export trade of Hong Kong manufactured food products to the Mainland is flourishing. Facilitation initiatives have been launched by the CFS to promote the food trade between the Mainland and Hong Kong, particularly in the Greater Bay Area, deepen exchanges and cooperation in food safety monitoring between the two sides and fully implement the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) and the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area.

Application for "Recommendation on Food Manufacturer Registration" (Application to Export of the Specified 18 Categories of Food Products to the Mainland)

4. The General Administration of Customs of the People's Republic of China (the GACC) Decree No. 248 《Regulations of the People's Republic of China on the Registration and Administration of Overseas Manufacturers of

Imported Food took effect on 1 January 2022. All manufacturers of production, processing and storage from any country/place that export foods to Mainland China are required to register with the GACC. The overseas manufacturers of the 18¹ categories of food must be recommended to the GACC by the competent authority of the country /place where they are located. The GACC will grant registration after confirming that the trade meets the requirements. The CFS of FEHD is one of the competent authorities in Hong Kong and provides "Recommendation on Food Manufacturer Registration" services to local manufacturers producing the 18 categories of food under its purview.

5. The CFS will conduct a review after receiving an application. If necessary, the CFS will confirm with the GACC if the "procedure for food entry²" of the food concerned is granted or not required, and inform the food trader of the GACC's registration requirements. Upon confirming that the trader has completed all registration requirements (including the test certificates and test reports issued by a recognized third-party institute commissioned by the food manufacturer), recommendation for registration will be made to the GACC. Food manufacturers must meet the following basic criteria: (1) Holding a valid food factory licence issued by the FEHD; (2) A food safety management system with relevant certification (such as ISO 22000 certification) must be in place in the food factory concerned. The scope of the food safety management system must include but not limited to raw material control, production process control, food quality control and product traceability control; (3) The GACC has confirmed that the food product can be exported to the Mainland; and (4) The food product must comply with the national standards of the People's Republic of China.

6. To help enterprises understand the application requirements, the CFS has set up a <u>dedicated webpage</u> in the CFS website. The CFS also conducted a number of Trade Consultation Forums to brief the trade on the application details and answer their enquiries.

7. Manufacturers of foods other than the 18 categories can apply for registration direct through the system "China Import Food Enterprises Registration" in the China International Trade Single Window (www.singlewindow.cn).

¹ 18 categories of food including meat and meat products, casings, aquatic products, dairy products, bird's nests and bird's nest products, bee products, eggs and egg products, edible oils and fats and oilseeds, stuffed pastry products, edible grains, milled grain industry products and malt, fresh and dehydrated vegetables and dried beans, condiments, nuts and seeds, dried fruits, unroasted coffee beans and cocoa beans, food for special dietary purposes and functional foods.

 $^{^2}$ According to Decree No. 249 《The Measures of the People's Republic of China for the Administration of Import and Export Food Safety》, the GACC will conduct an estimation and review of the food safety management system and food safety condition of the overseas country (region), i.e. "procedure for food entry". The GACC will establish the respective requirements of inspection and quarantine according to the results of estimation and review.

Advance Release Arrangement for Hong Kong-Manufactured Food Products Entering the Mainland Market

8. To further facilitate Hong Kong-manufactured food products exported to the Mainland, with the strong support of the Ministry of Commerce and the GACC, the Environment and Ecology Bureau and the GACC formally signed the Cooperation Agreement on the Supervision of Safety and Facilitation of Customs Clearance of Food Products Manufactured in Hong Kong Exported to the Mainland ("Cooperation Agreement") on 27 November 2023. Accordingly, the Advance Release Arrangement (the Arrangement) has been set up for Hong Kong-manufactured food products that meet relevant requirements.

9. Under the Arrangement, the CFS would conduct special supervision on Hong Kong-manufactured food products exported to the Mainland in advance to ensure compliance with relevant Mainland laws, regulations and standards in food safety. Hong Kong-manufactured food products, after satisfactory on-site inspection and completion of sampling, can be released without the need to wait for the results. The Arrangement can shorten clearance procedures and time, provide greater certainty in inventory management and timely delivery of goods. This is especially beneficial for perishable food items. The new measure can also help the local food and beverage manufacturing industry to expand the Mainland market and further boost Hong Kong's exports.

10. At present, the Arrangement covers three food categories, namely (1) beverages and frozen drinks (excluding alcoholic and dairy beverages); (2) biscuits, pastries and bread; and (3) candies and chocolates (including chocolate, cocoa butter substitute chocolate and their products). The Arrangement is implemented at the ports under Shenzhen Customs, Gongbei Customs and Huangpu Customs.

11. A local food manufacturer which intends to participate in the Arrangement needs to apply for the "Advance Release Permission" with the CFS for each category of the food products. The following requirements shall be complied with–

- the food manufacturer holds a valid food factory licence issued by the FEHD;
- (2) the food products must be manufactured in the food factory specified in the food factory licence;
- (3) a food safety management system with relevant certification (i.e., ISO 22000 or HACCP certification) must be in place in the food factory concerned; and

(4) the food products concerned must comply with the national standards and laws of Mainland China.

12. The CFS will assess the information submitted by the food manufacturer (including the test certificates and test reports issued by a recognized third party institute commissioned by the food manufacturer). The CFS will also check the records of the food factory concerned on licensing and hygiene matters. Food testing parameters generally include quality, food additives, pesticides, contaminants, microorganisms and biotoxins etc. The assessment criteria of the "Advance Release Permission" applications are largely similar to those adopted by the GACC for imported food products, in order to ensure that food products under the Arrangement comply with relevant testing standards of the Mainland. The CFS will grant the "Advance Release Permission" to eligible food manufacturers and report the relevant information to the GACC for record.

13. The "Advance Release Permission", once granted, will remain valid as long as the food factory licence and relevant certification of food safety management system remain valid and that the information of the concerned food products remains unchanged. Regular renewal is not required.

14. When arranging for the export of food products to the Mainland, food manufacturers have to apply for a "Health Certificate for Foods of Animal Origin" or a "Food Inspection Certificate" from the CFS in accordance with the existing mechanism for each food consignment. During clearance at Mainland Customs, each food consignment will also be accompanied by a Certificate of Origin (i.e., Certificate of Hong Kong Origin-CEPA) issued by the Trade and Industry Department or the Government Approved Certification Organizations³. Hong Kong-manufactured food products with satisfactory on-site inspection at Mainland Customs, if selected for sampling tests, can be released upon completion of sampling without the need to wait for the test results.

15. To enhance trades' awareness of the Arrangement, the CFS has set up a <u>dedicated webpage</u> and a hotline. Other practical information available on the webpage includes a reference table for applicable food categories in Chinese HS codes and Inspection and Quarantine (CIQ) codes, the testing parameters for the relevant food products as required by the GACC and the hyperlink to the Hong Kong Laboratory Accreditation Scheme. To further provide convenience to the trade, new functions have also been added to the CFS's portal to facilitate the trade to make online applications relating to the Advance Release Arrangement. In addition, briefings and Trade Consultation Forums are also organized to explain the details and application requirements of the Arrangement. The CFS will

³ Government Approved Certification Organizations (GACO) are the Hong Kong General Chamber of Commerce, the Federation of Hong Kong Industries, the Indian Chamber of Commerce, Hong Kong, the Chinese Manufacturers' Association of Hong Kong and the Chinese General Chamber of Commerce.

maintain close communication with the GACC to ensure the smooth operation of the Arrangement, and will continue to provide appropriate support to the trade.

16. Subject to the implementation of the first phrase of the Arrangement, the CFS will consider extending the Arrangement to cover more food categories.

Advice Sought

17. Members are invited to note the content of this paper.

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