From Farm to Chopstick: Changes in China's Food **Safety Law**

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As China's food and beverage market continues to grow, there are remaining concerns over the country's food safety issues. To address that, the Chinese government has been restructuring its mechanisms to supervise food production and distribution over the past two years. On October 1st 2015, the amended Food Safety Law (FSL) will enter into force. It is considered to be the most stringent Food Safety Law ever passed in China.

The new FSL will substantially revise the existing law, including:

- · A tightened scrutiny of additives and raw food materials, importation, sourcing and sales tracking requirements;
- · Detailed recall procedures;
- · Obligations of catering service providers, packaging and labelling, and third party liabilities, for example by online food retailers.

How will EU SMEs be affected by these revisions? Here is a summary of key changes concerning two of the most asked about topics: packing/labelling and online food selling.

Packaging/labelling

Besides complying with the mandatory standards of food, additives and food packaging for prepacked food, the FSL also requires and clarifies in more detail what should be marked on nonprepacked and pre-packaged food.

Let's take as an example the labelling for dairy products. China is a major importer of dairy products with an annual growth of about 16%, but the dairy sector has also witnessed constant changes in regulations and implementation. Under the new law, the supervision of dairy will be strengthened, including the management of labelling for dairy products.

Here is a list of the minimum requirements indicated in China's Food Safety National Standards General Rules for Labelling of Pre-packaged Foods (GB 7718-2011):

Labels and user instructions are required to be at least in Chinese language with certain statutory content, otherwise the food will be prohibited from importation into China. Accordingly, importers will be obliged to inspect such labels and instructions before import.

The penalty for non-compliance will be a fine 5-10 times the total value of the goods and/or revocation of the business licence.

New Rules for Online Food Retailers

Online shopping for food has become a major trend in China, which made the changes in the new FSL a must.

New provisions adopted for online platform operators that sell food products include:

- · The obligation to register the real contact information such as name and ID;
- Carrying out due diligence on their vendors and food distributors and ensuring that they have obtained all relevant licences if required.

Online food retailers will be held liable if they cannot provide this type of information. To comply with these requirements, they have to set up new systems, revise registration procedures and do due diligence. In addition, the online retailers have to report to the China Food and Drug Administration (CFDA) any illegal activities sellers commit on the platform and act accordingly.

All these changes of the food safety law in China are clearly a move in the right direction to strengthen food safety of Chinese consumers.

To learn more details of the new law and how you could better adapt to the changes, contact the Centre's experts here.

To gain the latest overview of the food & beverage market in China, <u>download our sector report</u>. To learn about the specific labelling requirements for food and beverage products in China, <u>download</u> the guideline here.