

China Tightens Food Safety Administration

The Chinese State Council recently announced the draft amendment of the Food Safety Law (“Draft Amendment”) for public comments through November 29, 2013. A high priority initiative on the Chinese government’s agenda to contain food safety risks, the Draft Amendment presents the following major changes.

- **To clarify the segregation of duties amongst competent authorities.** The China Food and Drug Administration (“CFDA”) will oversee food manufacturing and distribution through the issuance of manufacturing and distribution licenses. The National Commission of Health and Birth Planning (“NCHBP”) will be responsible for the evaluation of food safety risks and development of food safety standards. The General Administration of Quality Supervision, Inspection and Quarantine (“AQSIQ”) will oversee the production of food-related products and the import/export of foods.
- **To impose more regulatory obligations on food manufacturers and distributors.** Food manufacturers and distributors will be expected to comply with the Good Manufacturing and Sales Practices to be issued by the CFDA, assign dedicated personnel to food safety management, establish a management process and build the necessary IT infrastructure to ensure food traceability, purchase mandatory food safety liability insurance, regularly conduct self-inspections, and take necessary measures to withdraw high risk food products from the market.
- **To enhance controls over health foods, infant formula and imported foods.** New health food varieties launched or imported for the first time into China or which contain new ingredients will need to be approved in advance by the CFDA. Contract manufacturing, OEM manufacturing or re-packaging of infant formula will be prohibited. Food importers will be expected to seek prior approvals from the NCHBP on food safety standards applicable to imported foods new to China, establish an audit system on the offshore food manufacturers and distributors to ensure their compliance with the Chinese food regulations, be held liable for inaccurate or misleading labels or instructions for use, and cease importation/recall on imported food products which do not meet the Chinese food safety standards or are imbued with risks to human health and safety.
- **To increase penalties for non-compliance.** In addition to significantly increasing the amount of fines by three criminal liabilities are expected to be imposed on individuals who are directly responsible for severe breaches of the Food Safety Law. Any individual sentenced for imprisonment will not be allowed to engage in food manufacturing or distribution in his/her lifetime.

If you would like to discuss the foregoing or any other related matter, please contact [Katherine Wang](#) or your usual Ropes & Gray advisor.