

# SEAFOOD TRADE ADVISORY GROUP

**Technical Exchange Visit Program** 

Beijing and Guangzhou China  $13^{th}-22^{nd} \; September \; 2017$ 

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### New Century Youth Food and Beverage Management Company

### Wednesday 13th September 2017

A meeting was held between the STAG secretariat Emily Mantilla and international restaurant chain and business owner Mr Yi and his staff. The relationship between the STAG and Mr Yi arose through Mr Yi undertaking a business fact finding trip to Australia in 2016 (funded by the Australian Wild Abalone program) where he visited a wide range of Australian seafood producers and markets.

Mr Yi was keen to discuss Australian seafood in general as well as the use and promotion of Australian seafood in his restaurants.

Mr Yi is opening a restaurant in Sydney in 2018 and plans are underway to develop a traditional Chinese cuisine cooking school near Shanghai where he would like to incorporate Australian seafood into the teachings.

# China Chamber of Commerce of Import & Export of Foodstuffs, Native Produce and Animal By-Products (CFNA)

### Thursday 14th September 2017

### Attendees:

Wayne Haggar – Deputy Chair, STAG

Emily Mantilla – Secretariat, STAG

Simon Liu – Translator, STAG

Zhao Peng – Director, Chamber of Commerce

Li Yan – Deputy Director (aquatic products), Chamber of Commerce

Scarlett Qu – Administrator (aquatic and pre-packaged foods), Chamber of Commerce

### Meeting Discussion:

### Introductions

- The Seafood Trade Advisory Group (STAG) provided an explanation to the China Chamber of Commerce on the structure and agendas of the STAG (i.e. conduit between industry and government working to resolve trade and market access issues).
- The China Chamber of Commerce explained that the organisation was established in 1988, directly affiliated with the Chinese Ministry of Commerce, who are responsible for agricultural product trade coordination.
- Mr Zhao and Mr Li explained that they manage several portfolios that include meat, dairy products, pre-packaged imported foods and seafood.

### Approved Australian Seafood Species List for Export into China

The STAG explained the issues in relation to the current list:

• Currently there are around 126 species listed of which approximately 51 species are not caught in Australia or are extinct.

- Some species listed on the Australian list are not Australian caught genus' (e.g. Sea Cucumber).
- Whilst many species of Rock Lobster are on the list, tropical lobster has been omitted.
- There was a need to expand and update the current list to include products for which there is a current demand in China and/or in potential markets.
- There is an understanding that this phenomenon is not just a problem facing Australia (Canada and NZ also have inaccuracies in their lists, which they are presently seeking to address with AQSIQ).
- Mr Zhao responded that if a list could be provided based on industries requirements, then they may be able to assist with an amendment by AQSIQ. However, bilateral communication on the issue must remain between the Australian Government (Department of Agriculture) and the Chinese government (AQSIQ).
- Mr Zhao reported that two new species had recently been granted market access through the government to government process.
- The STAG communicated that they understood and supported the process but find the
  government to government cooperation very slow and thus would appreciate any assistance
  in seeking quicker resolutions (as they have product to export and industry in China want to
  import).
- The STAG also informed Mr Zhao that there was a meeting held in August 2017 between the Department of Agriculture, AQSIQ and the Chinese Ministry of Agriculture but unfortunately the issue was not on the agenda for discussion, contrary to the STAG's initial belief. As a result, a resolution to date has not been found. Mr. Zhao was aware of the bilateral meeting.
- A current species list was provided to Mr Zhao and Mr Li as a reference.
- The STAG formally asked for the Chamber of Commerce's advice and assistance to help resolve the issue.

STAG to email the Australian Fish Names List to the China Chamber of Commerce (via Ms Scarlett)

The Chamber of Commerce agreed to communicate the issue directly with AQSIQ and report back to the STAG Deputy Chair

### SO2 in Preserved Abalone

- The STAG explained that the they are looking for assistance to work with the Chinese abalone industry as part of a wider collaborative effort to address the use of sulphites in canned abalone for export.
- The STAG is aware that from a Chinese abalone industry point of view, that canned abalone
  exported out of China can find its way back to the domestic market and as such, product is
  likely to fail tests for sulphite presence if they were conducted.
- The Chamber of Commerce were informed that the STAG had lodged approval for use of sulphites in canned abalone in line with CODEX to the Chinese National Health and Family Planning Commission (the application would also have assisted the Chinese abalone industry with their use). Copies of both applications (Chinese) had been supplied to the Chamber of Commerce prior to the STAG's meeting.

- The STAG reiterated that there are two uses for sulphites in preserved abalone as an antioxidant and as a colour assisting agent (to stop meat blueing). Separate applications had been lodged under both applications on the recommendation of the Chinese agent.
- Both parties were aware that sulphites are currently approved for use in the Prawn and Crab
  industries to stop blackening and to keep prawn meat light in colour (to ensure a perceived
  consumer accepted freshness level).
- The STAG also explained the position that if China approved the CODEX standards for sulphite use in canned abalone there would not be a large influx of Australian product to the market as the Australian quota is very small (total wild abalone catch is only 3,300 tonnes, across all species and only 1,700 tonnes of this was canned [preserved] in 2016, including farmed product). Whilst there is demand for Australian canned abalone, it is considered a niche market that would not compete with the Chinese abalone industry.
- Both a State by State Quota Report and Preserved Abalone Exports by Country (2016) report were provided to Mr Li and Mr Zhao.
- The STAG also informed the Directors that SafeFish had undertaken a risk assessment on the
  use of SO2 in preserved Abalone and that SO2 is approved for use in China, for many foods
  and beverages. In addition, China is a signatory for CODEX and supported the use of
  sulphites in preserved Abalone at CODEX.
- The STAG explained that the application lodged was rejected. Whilst the STAG was aware the application may have lacked sufficient scientific evidence, there was no formal reason given for the rejection.
- The STAG requested any assistance possible from the China Chamber of Commerce to identify the reasons of rejection after it went to public consultation and whether the rejection was because of comments from the Chinese abalone industry. Any assistance or advice that the Chamber of Commerce can provide to the STAG would be gratefully received.
- Mr Zhao responded that in recent years, China is gradually opening the market and that it is their understanding that in the future Abalone products will be listed positively for Chinese cross border e-commerce. As Abalone is on the list of approved species, the government should be inclined to further open access.
- In addition, Mr Zhao indicated that results will be dictated by the Financial Ministry and added that the Chinese market does need the Australian product.
- From the Chamber of Commerce's view, if concerns of the Chinese importers are addressed and if SO2 can be shown to not violate Chinese laws and food safety there is high probability the issue can be resolved.

The China Chamber of Commerce agreed to assist the STAG with:

- 1. Consultation with their members to obtain industry opinions
- 2. Communications with Chinese government through their channels to identify and clarify government concerns

Both organisations (STAG and CFNA) agreed to build their relationship further and to collaborate on mutual seafood projects.

# China Aquatic Products Processing and Marketing Association (CAPPMA)

### Attendees:

- Wayne Haggar Deputy Chair, STAG
- Emily Mantilla Secretariat, STAG
- Simon Liu Translator, STAG
- Cui He CAPPMA Director/President
- Yang Ping CAPPMA International Cooperation's
- Wang Jing CAPPMA Quality Management and Chinese Abalone Industry Committee Coordinator

### Meeting Discussion

The Deputy Chair introduced the STAG's aims to CAPPMA and that the purpose of the meeting was to:

- Discuss the major issue regarding the China Approved Species List for Australian seafood.
- Discuss the continuing issue of SO2 in Australian preserved Abalone being restricted by the Chinese government.
- Identify future collaborative projects.
- Continue to build on the relationship between CAPPMA and the STAG.

### Discussion points regarding SO2:

- CAPPMA informed the STAG that they have set up a Chinese Abalone Industry Committee. This
  committee discusses and guides marketing, production and technology.
- CAPPMA are aware of the differences between Australian and Chinese Abalone industries (e.g.
  the China industry revolves around aquaculture Abalone, where as in Australia the industry is
  mostly wild. In China, Abalone is farmed for two years whereas Australian farmed Abalone is
  farmed over four years.)
- The STAG reiterated that the Australian Abalone industry is small and from what is harvested, less than 50% is canned. The current State by State Quota Report was provided to CAPPMA that showed total wild Abalone catch of only 3,300 tonnes, across all species and of that figure, only 1,700 tonnes was canned (preserved) in 2016, including farmed product. It was again stressed that compared to China, Australia has a very small fishery.
- CAPPMA communicated that the Chinese industry is looking to farm 112,000 tonnes this year (a drop from 120,000 tonnes) due to low prices, forcing some out of the industry.
- The STAG communicated that they would like to look for ways to work with the Chinese Abalone industry and that the CAPPMA established committee could be a good platform.
- The STAG asked for confirmation on a report they had viewed online regarding Chinese farmed product being detected with SO2 and that as a result, penalties were carried out. CAPPMA informed the STAG that this was a report from a few years ago and no cases had been brought forward recently.
- The STAG provided SARDI's food assessment risk report to Ms Ping before the meeting and the STAG were keen to hear what was CAPPMA's and the Chinese Abalone industry's position on the use of SO2 in Abalone. CAPPMA agreed that there is risk for the Chinese Abalone industry if

- product comes back on to the Chinese domestic market, because if tested, there would be cases of positive readings.
- CAPPMA indicated that they had more issues with SO2 detection in Prawns and other species so as a result, they continue to work more within this focus. CAPPMA also stated that China imports a lot of Argentinian shrimp which is treated with SO2.
- The STAG was aware of CAPPMA's successful application for SO2 use in Prawns and Crabs which can work as a good guide for resolving SO2 in canned Abalone. Again, the STAG reiterated that the use of SO2 gas (residual) in Abalone is for the exact same reasons as used in prawns (used as an antioxidant and a colour enhancer to stop blackening). Therefore, the Prawn and Crab application sets a precedence for approval. The STAG was informed it took two years to get a positive outcome for Prawns and Crabs.
- Both organisations agreed that if SO2 becomes approved, it will benefit China and all other markets supplying canned Abalone. It won't just be for the Australian industry's benefit.
- Again, the STAG reinforced that Australian Abalone is a niche market so it does not compete with Chinese product.
- CAPPMA would like to see more communication between the Chinese industry and the Chinese government about the Australian Abalone industry so it is clear they do not compete in the same market.
- The STAG questioned CAPPMA about the original application the STAG lodged (through a Chinese company as it can't be done by a foreign company) but the STAG was still unclear as to why the application was rejected. The STAG was of the understanding that the application went to public comment stage and may have received negative comment. The STAG was concerned that the Chinese Abalone industry was misinformed that by allowing SO2 in canned Abalone, Australia would flood the market (which is not possible due to Australia's strict quota). CAPPMA informed the STAG they had received no information regarding the outcome and did not have a copy of the application. The STAG agreed to provide a copy to Ms Ping for information and reminded CAPPMA that the risk assessment report supplied before the meeting had supporting materials regarding SO2 levels in canned Abalone.
- CAPPMA agreed to have a conversation with the Chinese National Health and Family Planning Commission on the possible amendment of standard 2760.
- After the discussion, the STAG enquired as to whether CAPPMA would feel comfortable putting
  a joint application together with the STAG to National Health and Family Planning after they had
  consulted with the Chinese abalone industry. CAPPMA felt that it would be advantageous to the
  cause for them to submit the application alone, being the experts in China. CAPPMA felt
  strongly that seeking Chinese industry support and their expert opinion first would result in
  more likelihood of success. From there the process would be to apply for an extension now that
  SO2 is approved for use in Prawns and Crabs.
- CAPPMA stressed that whilst they would put the application together, this would not mean the STAG would not be heavily involved. The STAG will need to provide pieces of information to CAMPPA to assist in the application process.
- Mr. Cui extended an invitation through the Deputy Chair of the STAG for himself and any STAG
  members to attend the next Chinese Abalone Industry Association meeting, proposed for
  Dongying city in the Shandong Province during late October to speak on the information
  provided at this meeting and put forward the discussed argument. Ms Wong, the President, will
  also attend this meeting (she holds enormous influence).

Other issues:

- The STAG additionally raised the issue of the out of date approved Australian species list and
  explained that many species on the list are not even caught in Australia or exported. CAPPMA
  explained that the government body that manages the list are not experts in this field. The
  President of CAPPMA attends their meetings and will raise the issue.
- Lastly, the STAG expressed that they would like to work with CAPPMA on other projects (e.g. alternatives to SO2). As the STAG does not just represent Abalone, there may be other collaborative projects that can be undertaken together.

### Meeting Outcomes: CAPPMA

- 1. The STAG to provide information on the production techniques used by the Australian Abalone industry.
- 2. STAG to provide further information and reasoning as to why SO2 must be used and why alterative options don't work (e.g. citrus extracts).
- 3. To move forward, there needs to be participation by the STAG with the Chinese Abalone industry for continuing cooperation and as such, the Deputy Chair of STAG has been invited to the next committee meeting to present to the Chinese Abalone industry a background to the Australian industry.
- 4. The STAG is to provide a copy of the original application to Ms Ping for information.
- 5. CAPPMA will consult with their expert committee to get their opinions of both issues raised by the STAG and then further discussions will be had by CAPPMA with the China National Health and Family Planning Commission.
- 6. CAPPMA's President will raise the issue of the out of date species list at the next AQSIQ Executive meeting.
- 7. Both parties agreed to a MOU that outlines the partnership moving forward.

# Australian Department of Agriculture, Beijing Office

### 15th September 2017

A meeting was scheduled for the morning of the 15th September to:

- Discuss the outcomes of the STAG meetings held in Beijing over the previous 24-hour period.
- Discuss the progress on the SO2 issue being made between the Australian government and Chinese government.
- Discuss the progress made on rectifying the inaccurate approved export Australian species list to China.
- Communicate and hand over copies of the STAG's seafood safety videos in Mandarin,
   Japanese, Cantonese and English.

Unfortunately, at short notice this meeting was cancelled due to the unplanned presence of Minister Ciobo requesting staff be available for a short notice, full day meeting.

The meeting was re-scheduled for Tuesday 19<sup>th</sup> September in Guangzhou, with a video link to other Austrade/Department of Agriculture staff.

### China Cuisine Association

### 15th September 2017

### Attendees:

- Wayne Haggar Deputy Chair, STAG
- Emily Mantilla Secretariat, STAG
- Simon Liu Translator, STAG
- Erica Sun International relations, China Cuisine Association
- Jeff Jia International relations, China Cuisine Association
- Zhang Yeguang International relations, China Cuisine Association

### Meeting Discussion

- The STAG communicated to the CCA about their current list of seafood projects.
- The CCA discussed the possibility that they wish to bring a delegation to Australia in 2018 and would like Australian seafood activities to form a strong part of the itinerary.

Meeting Outcomes: China Cuisine Association

The CCA and the STAG wish to continue to work together in partnership on joint, mutually beneficial projects.

# International Import & Export Food Policy, Laws and Regulations Summit – Guangzhou

### Monday 18th September 2017

This event was coordinated by the China Entry-Exit Inspection & Quarantine Association (CIQA) and was supported by the Ministry of Commerce.

The event highlighted the importance of CIQA and their association and influence with the Chinese Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) and the Certification and Accreditation Administration of the People's Republic of China (CNCA), which is responsible for the administrative, management, supervision and overall coordination of certification and accreditation of import and export establishments.

The event had a large turnout (over 300 people) with around 200 international delegates, including a large contingent from the Norwegian fishing industry.

Representatives from Austrade, Meat & Livestock Australia, Australian Pork Limited and Horticulture Innovation Australia were also in attendance.

Speakers included Senior Management from -

#### CIQA:

- Mr. Wang Xin President
- Mr. Shi Zongwei Director
- Mr. Duan Xiaohong Deputy Secretary General

(It should be noted that the Seafood Trade Advisory Group had met with all the above previously during May 2017 and that the invitation to attend the summit had been a direct result of that May meeting.)

#### AQSIQ:

- Madame Bai Lu Deputy Director
- Mr. Wu Hao Director of the General Office, Quarantine Department Plants & Animals.
- Mr. Meng Xianjin Department of Import & Export Food Safety Bureau

### CNCA:

Mr. Gu Shaoping – Director of the Registration Department

The main points to come from the event include:

- Food security remains the number one priority of the Chinese Government.
- 'Belt and Road' appeared to be the mantra on which many decisions are made.
- CIQA are close to completing the new Food Regulations for imported foods, having been out for consultation.
- AQSIQ use exhibitions as one of their procedures to view international products and quality processes.
- The supply chain has become more technically advanced forcing AQSIQ to update and improve their systems. This is ongoing.
- China is looking to increase and improve their inspection of imported foods at their source.
- There is an increased emphasis on traceability to ensure a quick response to any issue.
- The 2008 Food Safety Laws remain the guiding reference for CNCA. They are now looking to coordinate standards with overseas countries.
- CODEX remains the principal standards applied if there are no published Chinese criteria.
- Australian government agencies inspection and registration system was used as a reference and applauded.
- Over 1,600 Chinese companies now have food import registration.
- Chinese government departments are trialling new procedures with several countries to
  increase and improve traceability, through increasing the transfer of information and data to
  counter the counterfeiting of products and o provide protection to the manufacturer. This
  includes recent technologies and step-by-step movement of product through the supply
  chain.
- China remains the world's largest exporter of seafood valuing over 29 billion USD in 2016.

Through CIQA the STAG were introduced to Mr. Meng Xianjin – Department of Import & Export Food Safety Bureau, AQSIQ. The discussion centred around the current issues associated with the Chinese Approved Species List for Australian seafood.

While noting that the Department of Agriculture had lodged two lists recently each comprising only several species, based on the theory of not burdening AQSIQ with workload due to staff and budgetary constraints, Mr. Meng indicated it would be better from his perspective to lodge one complete list with all requested amendments. This would reduce the workload for AQSIQ and reduce handling of numerous requests on an ongoing basis. Mr Meng also suggested the STAG should initially look at adding species only and not delete existing items to reduce the possibility of confusion.

The STAG reiterated that all negotiations in relation to this issue must remain on a government to government basis (between the Department of Agriculture and AQSIQ). Industry exporters/importers should maintain pressure on the government to resolve the problem in a timely manner.

### **AUSTRADE**

### 19th September 2017

Austrade again, thanked the STAG for organizing the meetings and schedule for the Chinese seafood delegations visit to Western Australia, South Australia and Tasmania, earlier in the year. The consensus of the travelling importers was that it was one of the best organized visits they had done. Indications are that some business has been generated from this tour.

### Meeting discussion included:

- Austrade are looking to work with the STAG on future two-way visits in the future.
- Austrade would also like to work with the STAG in relation to Trade Shows, based on their perceived benefit to the Australian seafood industry.
- It is also proposed there will be another Australia Week in China for 2018.

Discussion was also held around the Chinese Approved List of Species. While noted this was the responsibility of and was being handled by the Department of Agriculture, Austrade China wanted to be updated and would offer any assistance where viably possible. The group were advised that Minister Ciobo's office was being regularly briefed with copies of email exchanges between the STAG and the Department of Agriculture.

It was agreed that the STAG would forward copies to Austrade of recent emails.

Austrade will soon have their own video channel (equivalent of YouTube in China) to promote Australian food/agriculture stories. They are seeking assistance from the STAG in relation to seafood safety and industry videos that can be used. Some of this work has already been undertaken by Honey and Fox Pty Ltd. It was agreed Honey and Fox will keep in touch with Cathy Lu, who is leading a project.

### Austrade Meeting Outcomes:

- 1. STAG to forward correspondence in relation to the China Approved Species List
- 2. Honey and Fox to keep in contact with Cathy Lu in relation to the Austrade Video channel.

### 3<sup>rd</sup> China International Food, Meat and Aquatic Products Exhibition

### 18th - 21st September 2017

This exhibition and associated forums were coordinated by the China Entry-Exit Inspection & Quarantine Association (CIQA) to work alongside the International Import & Export Food Policy, Laws and Regulations Summit.

Exhibitor numbers were strong, particularly with government supported industry associations. There was strong presence by the USA, Argentina. Spain, Germany (meat industries, dairy etc.) which the STAG suggests this was more to do with building their relationships with CIQA, than anticipated sales/contacts as visitor numbers were poor and the event would not compare with the likes of SIAL, HOFEX etc. Some of these numbers might be attributed to the venue for the exhibition, which was in the new exhibition precinct of Guangzhou and well out of the city centre. There were no Australian industries exhibiting.

The only seafood presence represented was from domestic Chinese product and the Norwegian exhibition stand.

The 2018 event might produce better results being back in Shanghai.

The coordination of seminars was also extremely poor with events being cancelled, with no prior warning and there were no seminars geared to the seafood industry with the removal of the FMA China-cross-border e-commerce buyer's presentation and the International Seafood Products Quality and Safety Control, Policy, Laws and Regulations Summit.

3<sup>rd</sup> China International Food, Meat and Aquatic Products Exhibition Outcomes:

- 1. This trip highlighted again, the importance of building on relationships already established with semi-government/industry associations in China, as previously stressed by Australian government department representatives.
- 2. There can be no doubting that many of these associations have considerable pull within government in not only advisory capacities but also in the drawing of laws and regulations.

### **SO2** in preserved Abalone:

The value of the relationship built with regular contact (phone/email by the Deputy Chair of the STAG), since the STAG's last visit appears to have been recognised and appreciated by CAPPMA. For

example, Mr. Cui (President of CAPPMA) delayed other organized meetings to attend the STAG's. This is apparently extremely unusual.

The relationship has been built based around the offer and recognition of the STAG working with CAPPMA on projects, including possible technical exchanges and working together on issues beneficial to the seafood industries of both countries, including the offer of working with the Chinese Abalone industry, through their Abalone Committee.

To this extent it was a welcome surprise and highly unusual for Mr. Cui to offer an invitation for the Deputy Chair and the STAG to attend the next Abalone Committee meeting in China to give a background briefing of the Australian industry and present the case, as per our discussions at the meeting for the use of sulphites in preserved Abalone.

Even more important was the advice put forward by Mr. Cui that if their expert committee and industry supported the project after that meeting, CAPPMA would lodge the application with China's National Health and Family Planning Committee.

With their success in obtaining the approval for the use of sulphites in Prawn and Crabs and their obvious relationship/pull with NHFPC, while they advised any approval would still take time, there is no doubt this offers an unexpected way forward and the best chance for success for an application.

As such, it is the STAG's belief that industry would be negligent in not taking-up this offer and ensuring the necessary funds are available for representation at the meeting.

### Outcomes:

- 1. Continue to build relationship with CAPPMA
- 2. The STAG must accept CAPPMA's invitation and needs to attend the November Abalone Committee meeting to present the case and provide an Australian industry background briefing

### **China Approved Species List:**

Unfortunately, the necessary changes that need to be made to the Approved Species List remains a challenging task. However, the STAG now has a clear indication from AQSIQ Senior Management of what they recommend as being the best way forward.

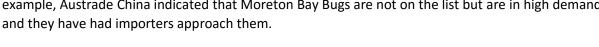
It must be noted, that the process must be done on a government to government basis through the Department of Agriculture and AQSIQ. As such, the STAG will make a recommendation to the department based on the discussion with AQSIQ, recognizing it will still be subject to the department's processes.

The STAG had previously requested that the issue be place on the Agenda for bilateral discussions with Chinese officials in September, which the department indicated would be possible. However, it

is extremely disappointing that the issue did not form part of discussions and as the STAG understands it, did not form part of the discussions during Minister Ciobo's recent visit to China.

As such, and based on the fact this is now a major non-tariff restriction to trade, a meeting should be sought with both the Minister and Deputy Minister for Agriculture plus the Minister for Trade, expressing industries position on this issue and requesting, based on the value of industry, it be given a priority listing and placed on the Agenda for any high-level government to government discussions.

With regard the list, the STAG has prepared an initial priority list of requested changes and additions, but based on the discussion with AQSIQ this should now be reviewed and expanded if necessary. For example, Austrade China indicated that Moreton Bay Bugs are not on the list but are in high demand



#### Outcomes:

- 1. A meeting needs to be scheduled with both the Minister and Deputy Minister for Agriculture plus the Minister for Trade, expressing industries position to seek a priority listing on the Agenda for any high-level government to government discussions.
- 2. Urgent industry input need to be sought on the Approved Species List

### **Changes to Chinese Export Establishment Registration**

This will require urgent industry input.

In late 2015, China announced that all seafood (food) export establishments would require three yearly renewal of their Chinese registration. The STAG sought clarification from the Department of Agriculture on the process and requirements of exporters.

Based on the current list of approved establishments, the initial renewal was covered purely by a rollover of all existing establishments by Chinese authorities. Unfortunately, despite continual prompting from STAG, the department has not been able to date, to ascertain renewal procedures moving forward.

With comments from the International Import & Export Food Policy, Laws and Regulations Summit (China is looking to increase and improve their inspection of imported foods at their source), this issue needs urgent clarification. As such, the STAG will recontact the Department again seeking their continued pressure on the relevant Chinese departments to ensure procedures are known in advance of renewal to ensure there are no restrictions on export.

### Outcomes:

1. The STAG to recontact the Department seeking their continued pressure on the relevant Chinese departments to ensure procedures are known in advance of renewal to ensure there are no restrictions on export.

### **Traceability/Product Security:**

This is going to be a continual and fast-moving issue in relation to Chinese government requirements including possible new regulations and modern technologies being demanded. Industry needs to be on the front-foot in relation to this matter.

### CIQA:

As indicated above, CIQA's association and influence with the Chinese government is strong and they do open doors, as supported by the introduction to AQSIQ, which industry would normally not receive. It is also apparent from the number of international associations with whom they have MOU's that this organisation is held in the highest regard by these associations.

It extremely important that the STAG builds on the relationship established so far. However, it is also very clear that under their government charter, little will happen without a MOU, which must be approved by AQSIQ.

While they are looking to work on joint projects including technical exchanges, food standards and security along with traceability, which the STAG perceives would not raise any issue in a MOU, they would require the inclusion of exhibitions.

Care must be given to how this is worded in any document, so as not to affect the relationship but also to ensure industry monies are not wasted on events that offer no return.

Outcomes:

1. Continue to work towards a MOU with CIQA