



CHINA ALERT

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Key Points in the Draft Administrative Measures on Food Distribution License

According to the Food Safety Law of the People's Republic of China, effective as of June 1, 2009, a food producer or a catering service provider does not need a food distribution license to sell or provide self-produced foods at its production or catering location. However, the Draft Administrative Measures on Food Distribution License (Distribution Measures) specify that if the foods provided by the producer or the catering service provider are not self-produced, a food distribution license is required.

Other key points of the Distribution Measures include:

- No food distribution license is required for the sale of edible agricultural products.
- Obtaining a food distribution license is a precondition for formation of a food distribution company.
- Food category and business operation mode should be specified in the license. Food category is divided into pre-packaged foods and bulk foods, and business operation mode includes wholesale, retail and both.
- In addition to reviewing application materials submitted for a distribution license, the State Administration for Industry and Commerce may conduct an onsite review if necessary.
- The term of a food distribution license is four years.
- Each location where a food distributor engages in a food distribution business requires a separate food distribution license.
- A food distribution license should be displayed in the operating place(s) of the food distributor.

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For more information on the Distribution Measures or the Food Safety Law in general, contact a member of the Squire Sanders China team.

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