

Exporting horse meat to China

Step-by Step Guideline for Mongolian Business and Producers



Implemented by



Support of Regional Economic Cooperation in Asia (SRECA)

Overall Goal

- Strengthening economic cooperation and agricultural trade between selected neighbouring developing countries and China

Focus Countries

- Cambodia, Lao PDR, Mongolia, Viet Nam

Commissioned by

- German Federal Ministry for Economic Cooperation and Development (BMZ)

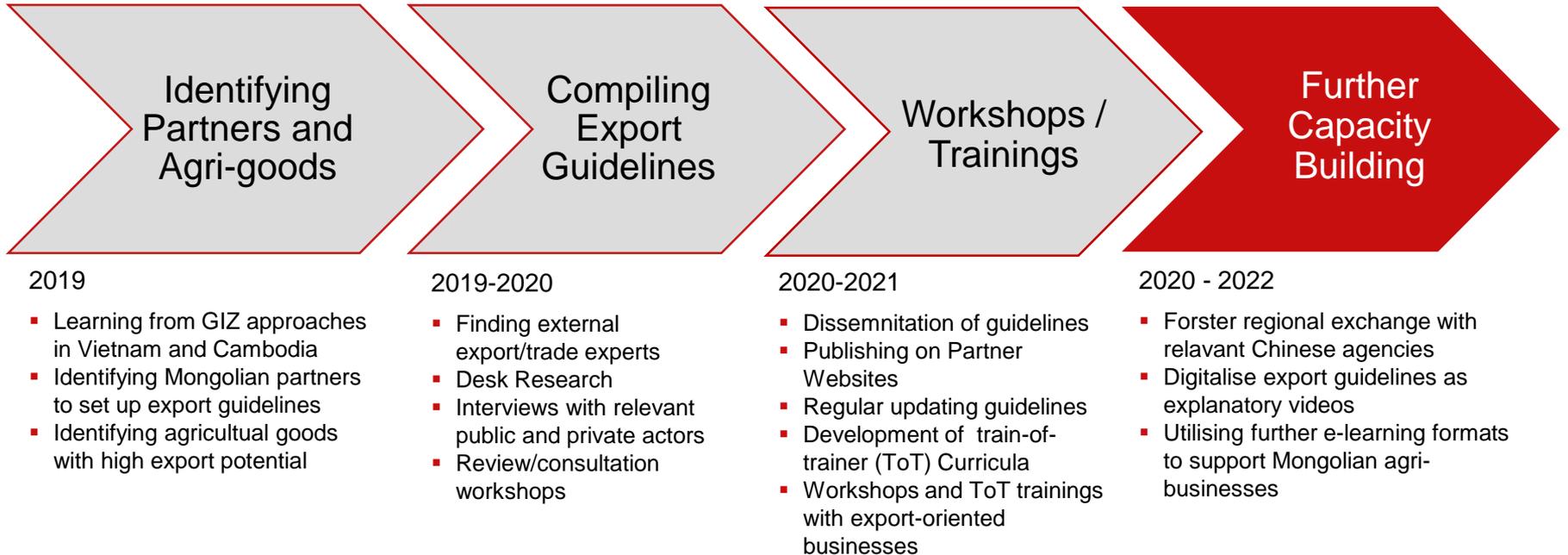
Overall term

- 04/2019 – 03/2022



GIZ SRECA Approach to Trade Promotion

Establishing step-by-step Export Guidelines for Mongolian Agri-Businesses



CONTENT OF GUIDELINES

ONE. GENERAL INFORMATION

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General layout and stages exporting horse meat from Mongolia to PRC



ONE.GENERAL INFORMATION

- 1.1 Harmonized system of codes (HS) for export horse meat Mongolia to PRC
- 1.2 Horse meat consumption and price in PRC
- 1.3 Production of horse meat and resources in PRC
- 1.4 Characteristics of the horse meat market in PRC
- 1.5 Domestic consumption and export of horse meat
- 1.6 Production of horse meat in Mongolia
- 1.7 Outlook for horse meat export to PRC

1.1HS CODES FOR EXPORT HORSE MEAT MONGOLIA TO PRC

The guidelines covers horse meat that classified in the HS 0205 codes fresh, chilled or frozen meat **of horse**, donkeys, mules or hinnies.

- HS code is being used for approving list of custom tariffs and international trade statistics in about 200 countries.
- China Customs Commodity HS Code uses 13-digit HS code; the first 6-digit is the Commodity HS code following 2 digit is for national HS code 9, 10 digits are customs supervisory additional numbers, and 11-13 are additional numbers for inspection and quarantine.

1.2 HORSE MEAT CONSUMPTION AND PRICE IN PRC

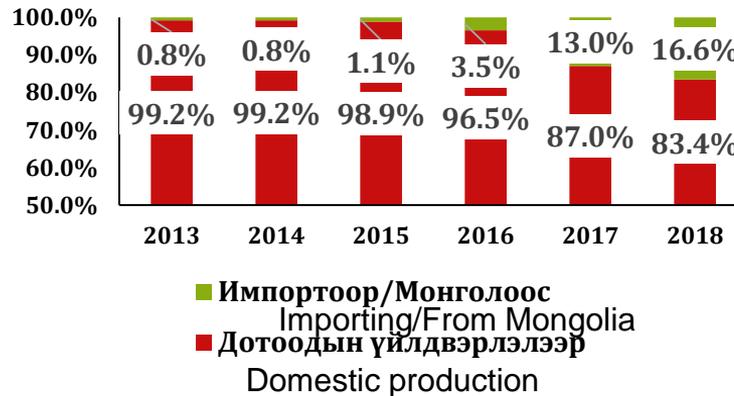
HORSE MEAT CONSUMPTION

177,8 thousand tons of horse meat was used in domestic consumption in 2018

Horse meat consumption trend goes up due to population growth.

COMPOSITION

Total consumption and its composition



CONSUMPTION PER PERSON

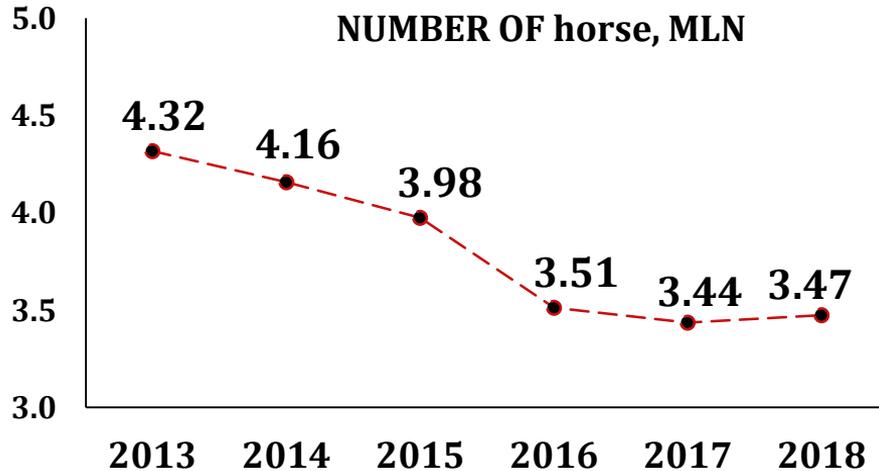
The population of PRC is growing year by year, by 2018 the population is 1427.6 million.

Average horse meat consumption per person 125 gram/year.

Average domestic horse meat price in PRC per kg is 28 840 MNT (by official exchange rate of Mongol bank in 21st December 2019)

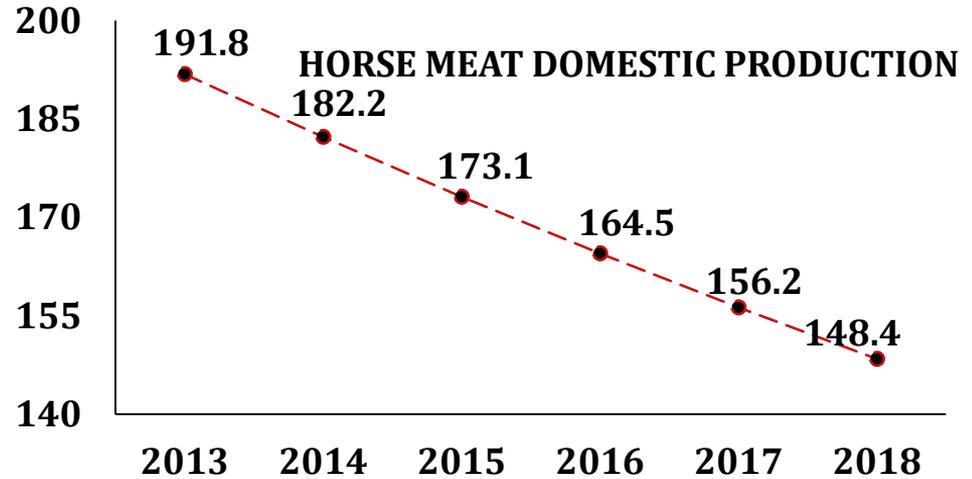
1.3 Production of horse meat and resources in PRC

A number of horse was down by average 5 percent per year between 2000-2018



In PRC by 2018;

- Total number of horse is 3.46 million
- 1.2 million horse slaughtered for consumption.



75 thousand tons or 0.1 percent of horse meat is exported to Japan and rest of them are used domestically in 2018

Horse meat Export to Japan is increased by 1.5 percent per year between 2013-2018.

1.4 Characteristics of the horse meat market in PRC

1. PRC is one of the leading countries of the world regarding horse meat trade



2. The horse meat import of PRC is 100 percent dependent on Mongolia.

1.5 Horse meat domestic consumption and export of Mongolia by 2018

MEAT SUPPLY

TOTAL CONSUMPTION

USAGE PER CAPITAL

TOTAL PRODUCED MEAT:

- 49.1 thousand tons meat produced: of which
 - ❑ 34.4 percent or 16.9 thousand tons horse meat supplied to the domestic market,
 - ❑ 65.5 percent or 34.3 thousand tons horse meat exported to foreign market.

DOMESTIC CONSUMPTION:

- 16.9 thousand tons horse meat consumed at the domestic market.
- No horse meat imports from foreign markets

DOMESTIC USERS:

- The population of Mongolia is continuously growing and reached 3.2 million in 2018.
- Mongolians' horse meat consumption is lower than consumption of other types of meat
- Average horse meat consumption per capita per year is 5.21 kg

1.6 Horse meat consumption and production by 2018

Resources

TOTAL NUMBER OF HORSE:

- 3.9 million horse
- 9.4 percent of annual growth at the average in 2008-2018.

HORSE MEAT RESOURCES:

- Potential consumption of horse meat based on the carrying capacity of pasture is 950.9 thousand horse or 120.2 thousand tons (B.Purev,2018)

Production

A NUMBER OF CONSUMED HORSE: PRODUCED MEAT IN MEAT PLANT:

- 4.17 thousand horse are consumed accordingly (NSO,2018)
- 4.8 percent growth per year(2008-2018)
- 43.5 percent of total horse was consumed by the year 2018.

HORSE MEAT PREPARATION:

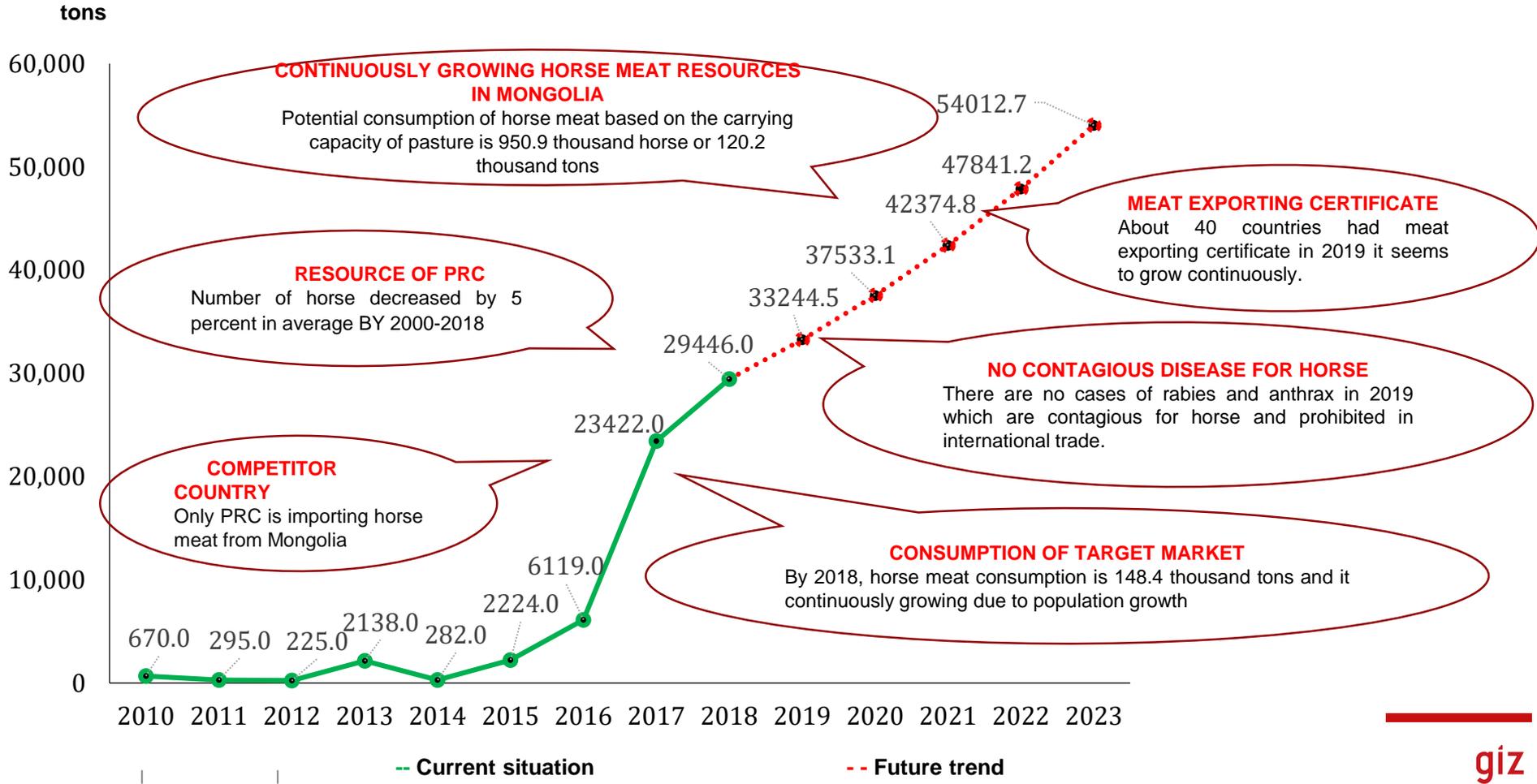
- 49.1 thousand tons horse meat prepared (NSO,2018),
- Average 13.4 percent increased per year (2013-2018)

- 45.8 percent or 22.5 thousand tons horse meat was prepared at meat plant or factories(based on MOFALI data between 2013-2017),

SLAUGHTERING PLANT:

- One slaughtering plant used up to 80 percent, two plants used 30-50 percent, 4 plants used 20-30 percent, 27 plants used 20 percent of the total capacity. (GASI,2017).

1.7 Prediction of horse meat export to PRC



TWO. EXPORT POSSIBILITY AND REGULATIONS

2.1 INTERNATIONAL TRADE REGULATIONS

2.2 APPLICATION OF POLICY AND REGULATIONS FOR EXPORTING HORSE MEAT IN MONGOLIA

2.3 EXPORT POLICY AND REGULATIONS ON HORSE MEAT TO PRC

2.4 QUARANTINE REQUIREMENTS FOR EXPORTING HORSE MEAT TO PRC

2.5 CHECKLIST FOR CHAPTER

2.1 INTERNATIONAL TRADE REGULATIONS

Mongolia and PRC joined with international conventions ratified key policy documents of WCO and WTO.

No	Names of the documents	Mongolia	PRC
1	Convention on set up the Customs cooperation council in WCO (Convention on WCO establishment)	1991	1983
2	Convention on the harmonized system of codes in WCO	1993	1993
3	International convention on harmonization and facilitation of customs applications of WCO	2006	2001
4	WCO package standards on Safety and Facilitation of international trades	2005	2005
5	Negotiation on establishing the World Trade Organization (WTO agreement, Marrakesh negotiation)	1997	2011
6	Agreement on Implementation of Article VII of the GATT 1994 (Customs Valuation Agreement)	1997	2011
7	WTO Trade Facilitation Agreements	2016	2015

2.1 INTERNATIONAL TRADE REGULATIONS

The internationally applicable standards for meat safety and hygiene

No	Applicable standards	Index and codes	National standards of Mongolia
1	Meat hygiene practices	CAC/RCP 58; 2005	MNS CAC RCP 58:2013
2	Food safety management system	ISO/MNS 22000	MNS ISO/IEC 22000:2007
3	General principles of food hygiene	CAC/MNS 1- 2003	MNS CAC/ RCP 1 :2003
4	Evaluation and certification principles of food import and export control and inspection system	CAC/GL 26- 1997	MNS CAC/ GL 26- 2006
5	The general standard for pollutants and toxins in food products	CAC/MNS 193:2007	MNS CAC 193:2007
6	Tolerance limits of animal drug residues in food products	CAC/MNS/ MRL 2:2009	MNS CAC MRL 2:2009
7	Origin of food and animal fodders – General 7 principles and general requirements for planning and implementation	ISO 22005	
8	Prerequisite program of food safety – Section 1. Food industry	ISO/TS 22002- 1:2009	
9	Prerequisite program of food safety – Section 2. Food supplies	SO/TS 22002- 2:2013	
10	Prerequisite program of food safety - Section 3. Farmer husbandry	ISO/TS 22002- 3:2011	
11	Prerequisite program of food safety - Section 4. Food packaging	ISO/TS 22002- 4:2013	
12	Prerequisite program of food safety – Section 5. Transportation and Storage	ISO/NP TS 22002-5:	
13	Prerequisite program of food safety – Section 6. Production of animal fodder and animal originated products	ISO/TS 22002- 6:2016	

2.2 APPLICATION OF POLICY AND REGULATIONS FOR EXPORTING HORSE MEAT IN MONGOLIA

Policies and regulations of Parliament of Mongolia and Government of Mongolia, activities implementing by MoFALI aiming to:

- Keep sustainable livestock to resilience climate change and adapt pasture carrying capacity,
- Maintain optimal herd number,
- Protecting animal health,
- Improve breeding and increase productivity,
- Well prepare hay and fodder stocks,
- Increase herders income and thus improve the contribution of the livestock sector to the national economy,

To find out more about the law, resolutions and other policy documents, please visit the Ministry of Foreign Affairs' website <http://mofa.gov.mn/exp/blog/7/240>

2.2 APPLICATION OF POLICY AND REGULATIONS FOR EXPORTING HORSE MEAT IN MONGOLIA

Effective legislative acts concerning meat exports in Mongolia

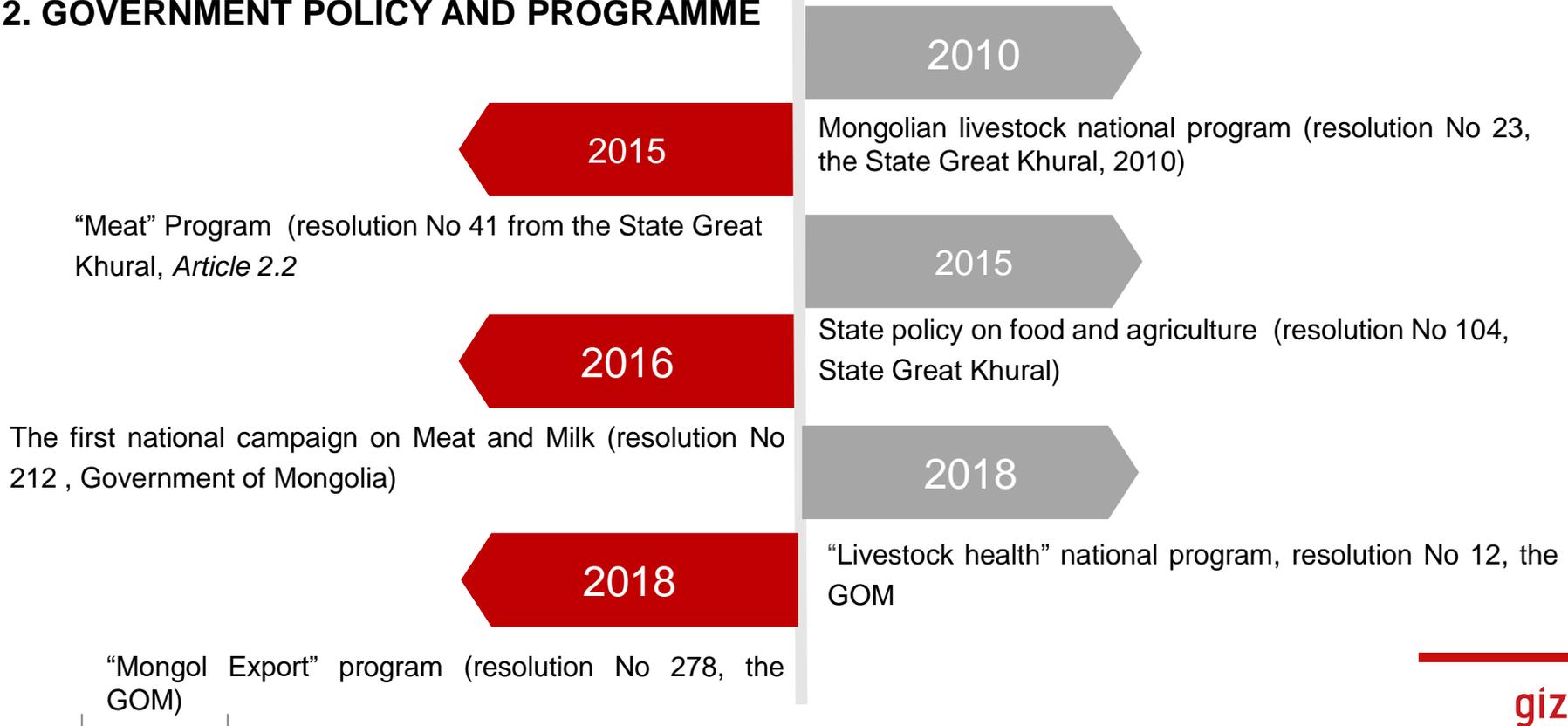
1. Law and legislative act



2.2 APPLICATION OF POLICY AND REGULATIONS FOR EXPORTING HORSE MEAT IN MONGOLIA

Effective legislative acts concerning meat exports in Mongolia

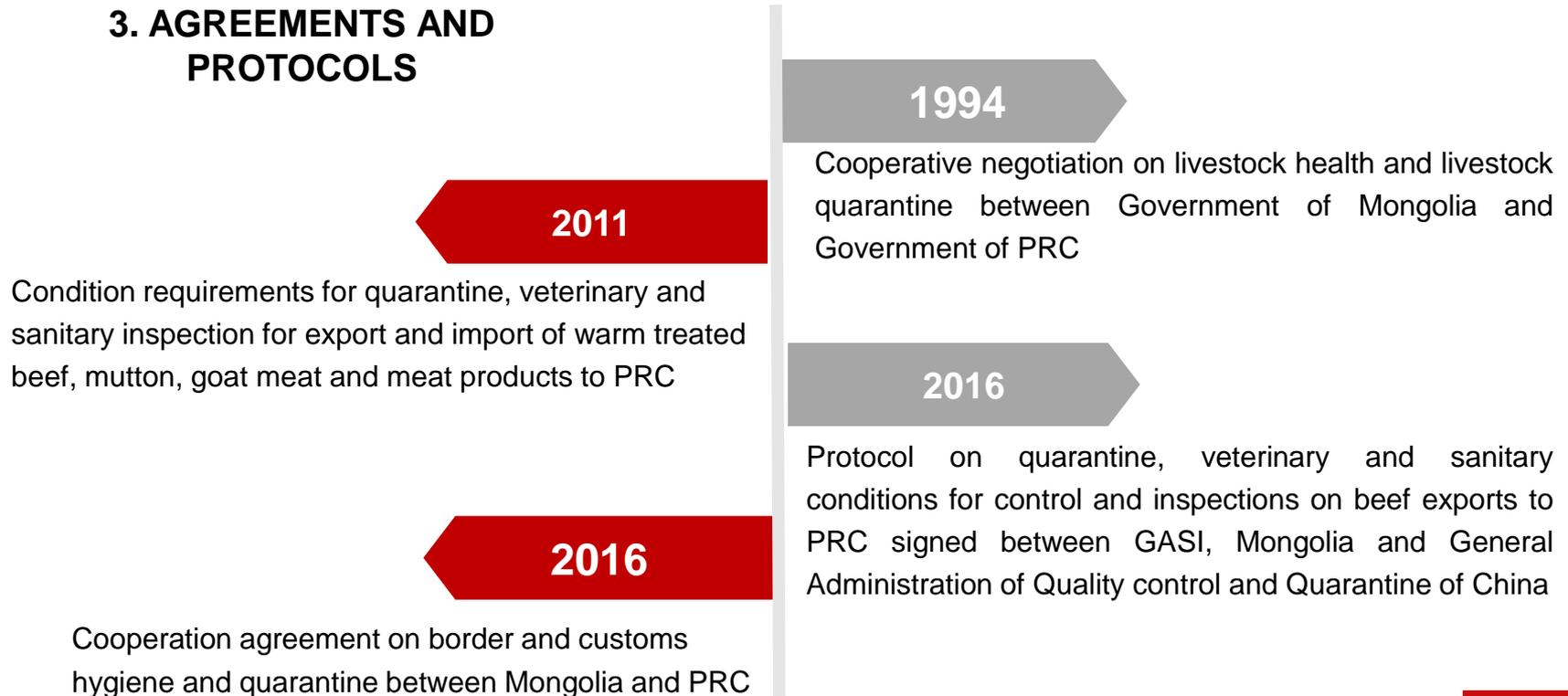
2. GOVERNMENT POLICY AND PROGRAMME



2.2 APPLICATION OF POLICY AND REGULATIONS FOR EXPORTING HORSE MEAT IN MONGOLIA

Effective legislative acts concerning meat exports in Mongolia

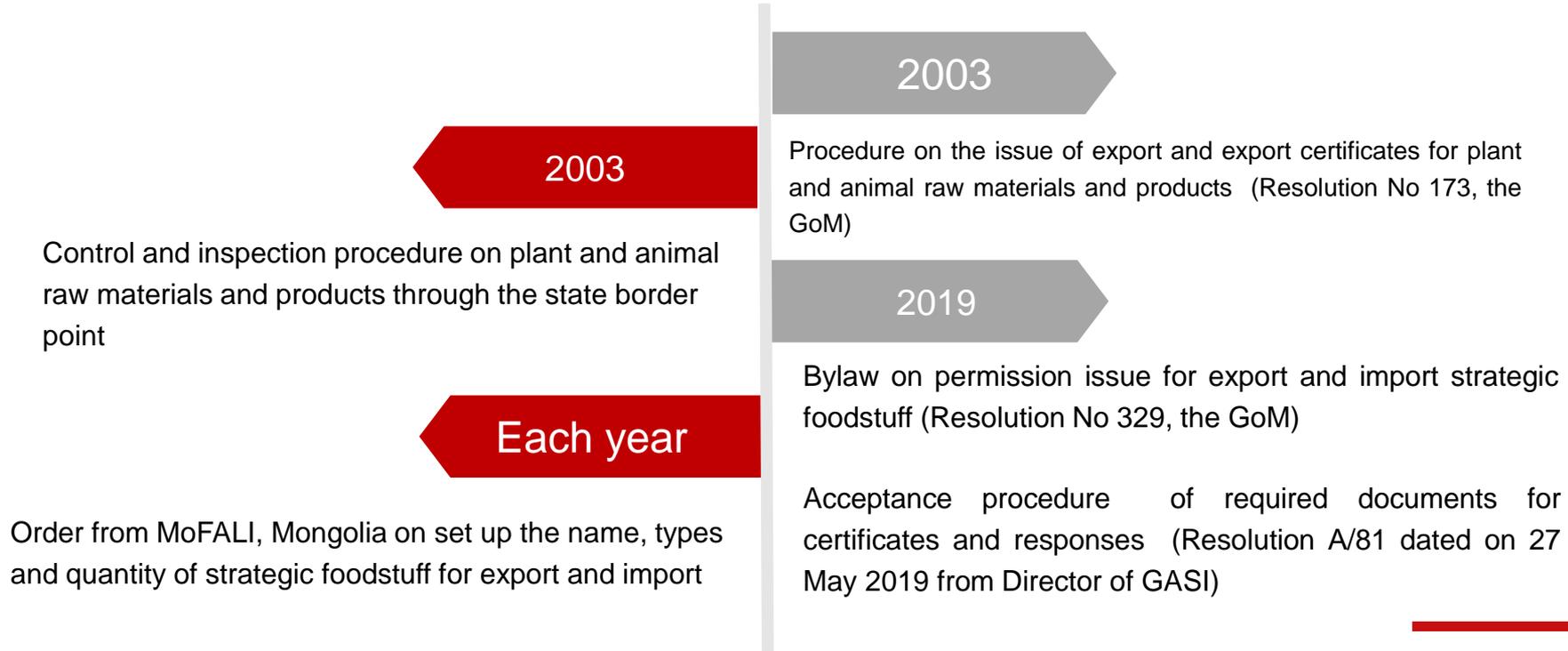
3. AGREEMENTS AND PROTOCOLS



2.2 APPLICATION OF POLICY AND REGULATIONS FOR EXPORTING HORSE MEAT IN MONGOLIA

Effective legislative acts concerning meat exports in Mongolia

4. PROCEDURE AND BYLAWS



2.2 EXPORT POLICY AND REGULATIONS ON HORSE MEAT TO PRC

National standards and legal acts applicable to meat plants and factories

No	National standards and legal acts	Code and index
1	Recommendation on the introduction of food manufacturing and hygiene practices at the nationwide level	Resolution No 156 from Director of GASI, 2014
2	Slaughtering plant. HACCP model standard	MNS 5998:2009
3	Meat and meat products. "Sorted beef" technical requirements	MNS 4504:2008
4	Boiling processing meat, general technical requirements	MNS 5868:2008
5	Bylaw on drawing on food raw materials and goods from the food supply chain	Decree 172 from the GOM, 2013
6	Tolerance ceiling limits of pesticides residues in food products	MNS 6308:2012
7	Residues of medicine and bio extracts, mg/kg	MNS CAC MRL 2:2017

2.2 EXPORT POLICY AND REGULATIONS ON HORSE MEAT TO PRC

Applicable standards for receiving meat and meat products

1	Procedure on examination of meat and meat products for receiving, sampling and assess by sensory testing	MNS 2551:89
2	Microbiology of meat and meat products. Sampling and preparing samples for analysis.	MNS ISO 3100-1:2000
3	Meat and meat products. Analysis method for meat freshness	MNS 1161:2002
4	Meat and meat products. Analysis method for meat and analysis principles for veterinary and sanitary	MNS 4080:88
5	Microbiology. General instruction for determining salmonella	MNS ISO 6579:99
6	Competitive immuno-fermentation method for determining animal medicine and extracts residues in food products	MNS 6569:2016

2.2 EXPORT POLICY AND REGULATIONS ON HORSE MEAT TO PRC

Inspections conducted in processing factories of meat and meat products: The meat processing factories should comply with applicable laws and standard requirements of Mongolia and inspections from GVD and GASI shall be conducted with checklists as follows:

1. Checklist for preliminary processing meat plant
2. Checklist for hygiene requirements in meat and meat product processing factories and industries
3. Checklist for meat storage conditions
4. Checklist for labor safety
5. Checklist for export of food raw materials and products
6. Checklist for preliminary control and inspection for the new business runner in the food production sector.

Please refer to (<https://www.mongolchamber.mn/p/41>) for more detailed information

2.3 Market regulations and access to market in PRC

2.3.1 GENERAL MARKET REGULATIONS

2.3.2 LAW AND LEGISLATIVE ACT OF PRC

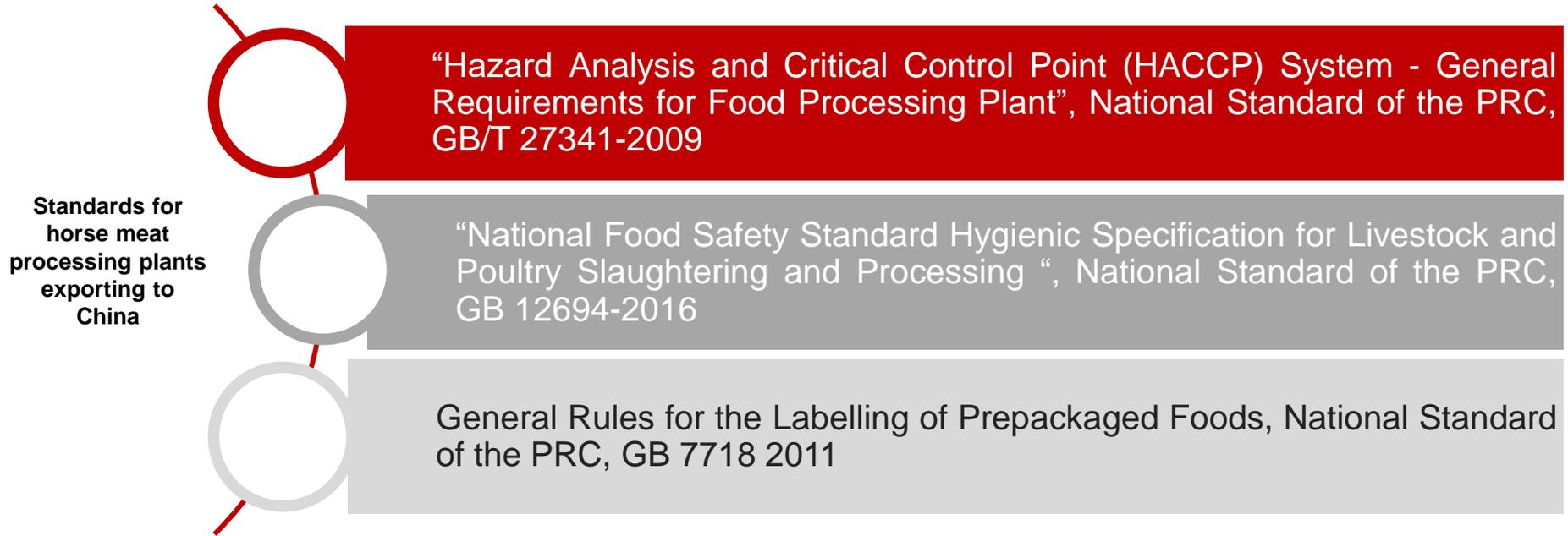
2.3.3 THE REGULATORY INSTITUTIONS FOR FOOD IMPORTS IN PRC

2.3.4 PERMISSION FOR EXPORTING COUNTRIES (REGIONS)

2.3.5 REGISTER AS EXPORTER IN E-REGISTRATION SYSTEM AND OBTAIN AN ID NUMBER

2.3 MARKET REGULATION AND ACCESS TO MARKET IN PRC

GENERAL MARKET REGULATIONS



The above-listed standards and other standards are available at the website of (<http://www.sac.gov.cn/>) of Standardization Administration of China (SAC)

2.3.1 MARKET REGULATION AND ACCESS TO MARKET IN PRC

Tariff regulations:

Export from Mongolia to PRC

- HS 0205 by Most Favored Nation (MFN) HS 0205 for horse meat is 20%.

Please refer:

<https://www.macmap.org/en/query/compare-competitor?reporter=156&partner=All&product=0205>

2.3.1 MARKET REGULATION AND ACCESS TO MARKET IN PRC

Non tariff regulations:

The horse meat export of Mongolia has to comply with non-tariff regulations in PRC as follows:

- Standard requirements for slaughter and meat processing plants and factories
- Requirements of livestock origin
- Veterinary requirements
- Quarantine requirements for products
- Requirements for the shipping
- Requirements for packaging and labelling of products

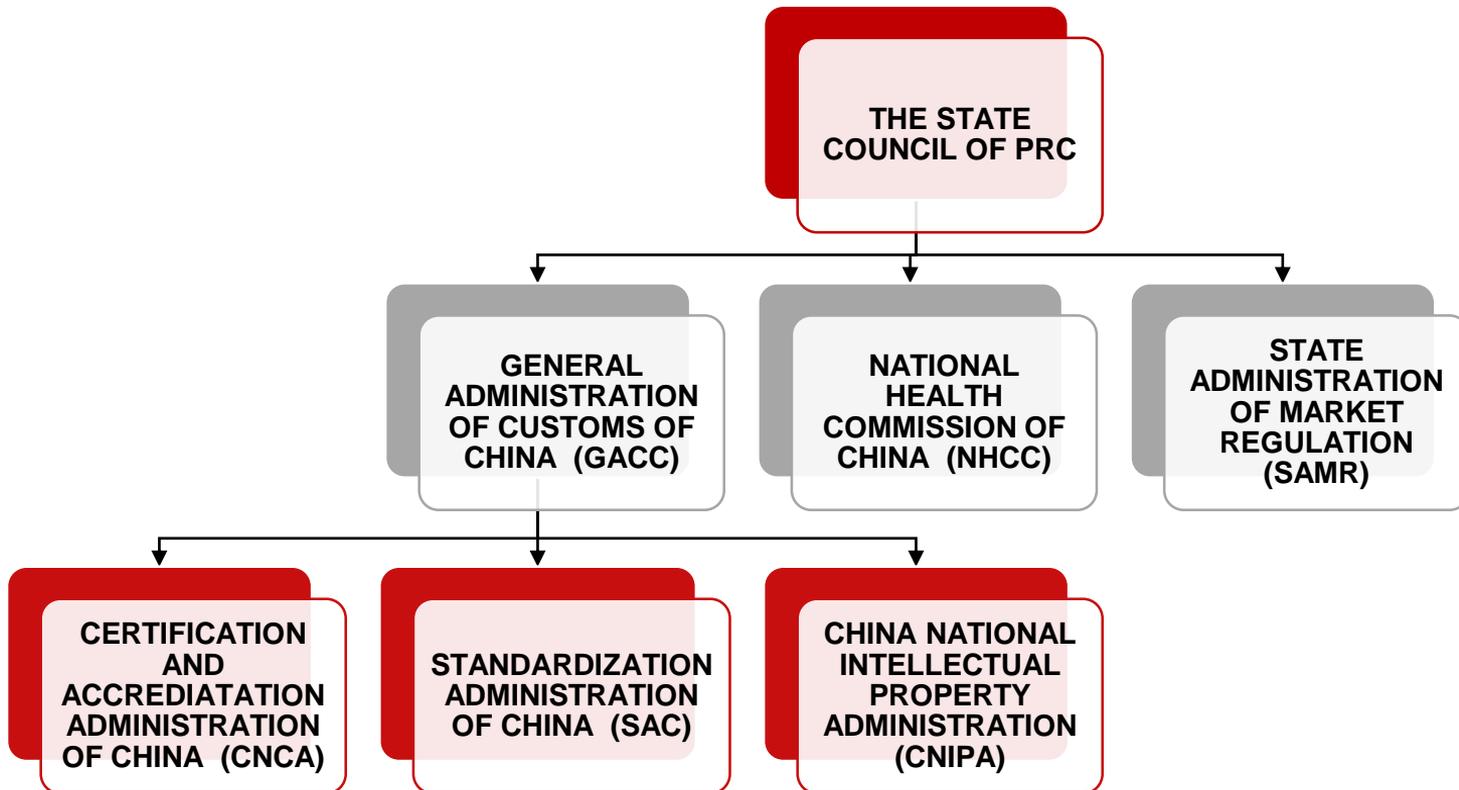
2.3.1 MARKET REGULATION AND ACCESS TO MARKET IN PRC

The governing laws and legislative acts in PRC

1. “Law on food safety”
2. “Law on control and inspection for export and import food products” and implementation procedure”
3. “Law on plant and animal quarantine of PRC ” and implementation procedure” ,
4. “Law on border health and quarantine of PRC” and implementation procedure”
5. “Special procedure from the State council on strengthen the management and control for food and other types of food products ”
6. “Control measures for imported and exported meats and quarantine inspection”.
Customs regulations

2.3 MARKET REGULATION AND ACCESS TO MARKET IN PRC

The regulatory institutions for food imports in PRC



2.3.1 MARKET REGULATION AND ACCESS TO MARKET IN PRC

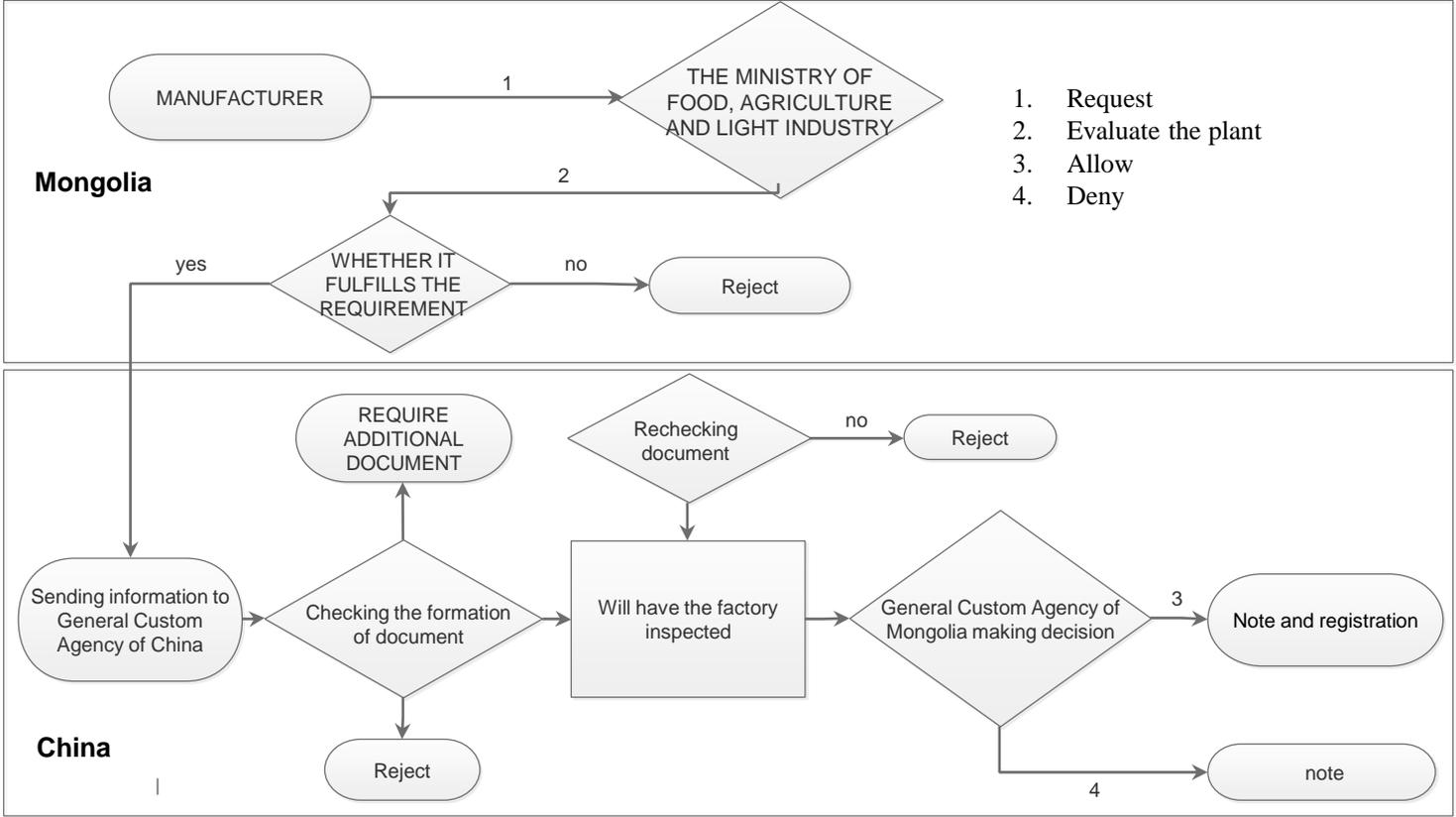
Permission for exporting countries (regions)

Exporters of horse meat to PRC should be accepted and certified by exporting country (region) as Mongolia under the governing agreements and protocols including:

- The cooperation agreement on export, and import food safety in 2009 and issues and problems arising from exports of meat and meat products to PRC signed by the Government of Mongolia and Government of PRC.
- Mongolia is approved as exporting country (region) of horse meat and horse meat products since signed in the protocol on quarantine, veterinary and sanitary conditions for control and inspections on beef exports to PRC between GASI Mongolia and General Administration of Quality control and Quarantine of China in 2005.

2.3 MARKET REGULATION AND ACCESS TO MARKET IN PRC

Process of the inspection conducted in factories to the export of meat and meat products to PRC



2.3 MARKET REGULATION AND ACCESS TO MARKET IN PRC

Process of the inspection conducted in factories to the export of meat and meat products to PRC

Under the process, following activity and related documents are properly inspected and monitored in the meat plants and factories including:

1. Profile of slaughtering and meat processing plant or company: (State registration of the company, HACCP and ISO certificates and certificate of conformity and others)
2. Origin of slaughtering horse: (Certificate of origin and Veterinary laboratory analysis records)
3. Water supply (water testing and analysis reports)
4. Human resources (Medical examination records for plant or factory employees and staff, copies of professional diplomas and documents of veterinarians and veterinary inspectors, etc.)

2.3 MARKET REGULATION AND ACCESS TO MARKET IN PRC

Process of the inspection conducted in factories to the export of meat and meat products to PRC

5. Slaughtering process and house (Technological line and flow diagram, sanitation, hygiene and sanitary requirements, testing and analysis reports and records)
6. Processing facilities of meat and meat products (compliances of exporting meat and meat products and governing law and regulations, obtaining license and permission and certifications for processing and treatment of meat and meat products)
7. Sanitary and Sterilization operating process (SSOP) for industry building,
8. The procedure of storage and transportation of raw materials and control on storage houses and facilities, Control and measurement devices and tools

2.3 MARKET REGULATION AND ACCESS TO MARKET IN PRC

Process of the inspection conducted in factories to the export of meat and meat products to PRC

9. Structural organization of storage facilities of industrial raw materials, ready products and non-food products and product packages
10. Point or area for the sterilizations and conditions
11. Temporary storing of final products and temperature-moisture regimes during the storage and loading of products
12. Sterilization and disinfection in coolers and shipping vehicle for insects and rodents
13. Document collection for veterinary control and inspection during loading, unloading and shipping of products

2.3 MARKET REGULATION AND ACCESS TO MARKET IN PRC

Process of the inspection conducted in factories to the export of meat and meat products to PRC

14. The ID number of Ammonium and pherone, types used for coolers, fridges and deep freezer and warehouses and capabilities
15. Canteen or catering for employees
16. Hand washers and sinks
17. Accreditation by Veterinary Department.

<http://www.cnca.gov.cn/bsdt/ywzl/jkspjwscpqzc/wjxz/> for more detailed information

2.3 MARKET REGULATION AND ACCESS TO MARKET IN PRC

Register as exporter in E-registration system and obtain an ID number

- When the company exporting horse meat to PRC passed the inspections, it should register in the information system of imported food products in PRC (<http://ire.customs.gov.cn>).
- Application form for exporter of horse meat to PRC is available for download at link of (<http://ire.customs.gov.cn>).
- If exporting company successfully registered in the information system, public announcement shall be published in SAC and GACC websites of (<http://www.cnca.gov.cn/bsdt/ywzl/jkspjwscpqzc> and <http://www.customs.gov.cn/customs/jyjy/dzwjyjy/qymd/index.html>) accordingly.

2.4 QUARANTINE REQUIREMENTS FOR EXPORTING HORSE MEAT TO PRC

General quarantine requirements for horse meat with HS 0205 Meat of horse, asses, mules or hinnies, fresh, chilled or frozen meat as follows :

1. Horse for exporting must have a certificate of origin issued by the state veterinary authority of Mongolia,
2. The slaughtering and processing plant of horse meat should not be in the quarantine area within the recent 6 months with compliance of law and regulations of State Veterinary authorities of Mongolia.
3. No records of glanders for recent 2 years.
4. Not less than 15 days before slaughtering, the horse must be checked with Mallein skin test and have the Negative result.
5. No outbreak of horse diseases namely as Vesicular stomatitis, east west equine encephalitis, Epizootic lymphangitis, dourine, Contagious equine metritis, japan equine encephalitis, Trypanosoma evansi, Equine rhinopneumonitis, equine infectious anemia and free of Epizootic lymphangitis
6. Free from Equine infectious anemia and Anthrax for recent 6 months.
7. Meat products have no content or residues of veterinary medicine, pesticides, heavy metals and dangerous and toxic substances according to tolerance limits and prohibited chemical toxins in the applicable standards in both Mongolia and PRC
8. The feeding is free from source of Genetically Modified Organism or genetic engineering methods.

2.4 QUARANTINE REQUIREMENTS FOR EXPORTING HORSE MEAT TO PRC

Requirements for meat slaughtering and meat processing plants :

1. Horse should be slaughtered in the officially registered plants.
2. The factories (slaughtering, meat processing plants and storing) should be registered to the China's State Administration for Market Regulation.
3. Horse should not be infected by salmonellosis and other infectious disease.
4. The activities like as veterinary inspection before and after slaughtering, collecting horse for exporting, and quarantine procedure for horse should comply with related law and acts of both Mongolia and China.
5. Carcass meat should cooled down for 24 hours in less than +8C, and carcass cutting, removal meat from bones and packaging temperature in depth not higher than +4C.
6. Meat temperature in depth should not be higher than -18C.
7. Carcass needs to attach a veterinary inspection certificate with an identification number of slaughtering plant.

2.4 QUARANTINE REQUIREMENTS FOR EXPORTING HORSE MEAT TO PRC

Requirements for packaging and labelling :

- Both inner and outer packages of meat products should be made from safe and non-toxic materials according to standard requirements at the international markets
- All meat should be packaged in new packaging materials in accordance of international standards. The label printed and attached in English and Chinese language including the followings: product name, quantity, measurement, size, address of producer, ID number given by China's State Administration of Market Regulation and storage condition.
- Horse meat for exporting to PRC should be labeled differently and stored in warehouse.

Requirements for shipping :

- Meat shipments are not allowed to pass through the territories under quarantine or which are suspended of production due to contagious diseases,
- No changes and opening of meat product packages during the shipping with temperature of frozen meat not higher than -18C.

2.5 CHECKLIST FOR CHAPTER

MEAT PROCESSING AND MEAT PLANT OR FACTORY COMPLIES WITH REQUIREMENTS IN APPLICABLE STANDARDS AND LEGISLATIVE ACTS IN BOTH MONGOLIA AND PRC

COMPLIED WITH STANDARD REQUIREMENTS OF PRC

EXPORTING HORSE MEAT IS REGULATED BY SIGNED AGREEMENT AND PROTOCOLS BETWEEN MONGOLIA AND PRC

INSPECTED BY GACC OF PRC

REGISTERED IN GACC E SYSTEM OF INFORMATION AND OBTAINED IDENTITY NUMBER

COMPLIED WITH QUARANTINE REQUIREMENTS FOR EXPORT PRODUCTS ACCORDING TO SIGNED MUTUAL AGREEMENT AND PROTOCOLS BETWEEN MONGOLIA AND PRC

THREE. PREPARATION FOR EXPORTING HORSE MEAT TO PRC

01

- Check up the obtained import permission

02

- Agree payment terms with buyer

03

- Prepare labelling and packages for export products according to applicable standard requirements and specifications

04

- Shipping contract with transportation company accredited by the customs

05

- Checklist for chapter

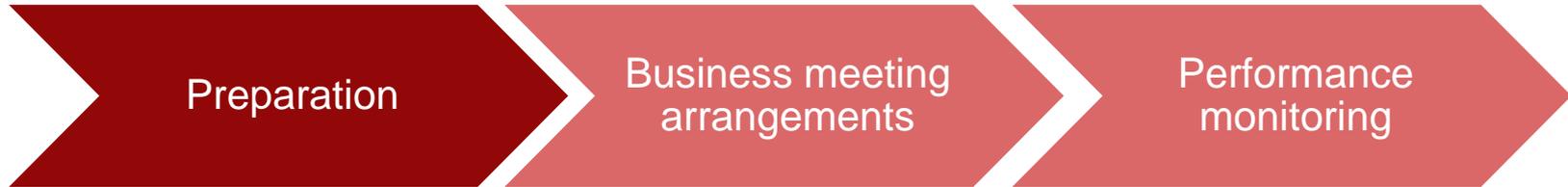
3.1 CONCLUDING THE CONTRACT



3.1 CONCLUDING THE CONTRACT

Preparation for concluding the contract

Negotiation with the competent importer of meat products shall be carried out in 3 phases described as below.



Preparation phase includes:

- Define own interests for participating in the negotiation
- Gather information and find out interests of potential buyer or importer
- List out, classify and assess the issues to be discussed during the negotiation
- Create a team to participate in the negotiation
- Develop a time schedule
- Develop an initial ideas
- Arrange a place or venue to organize the negotiation
- Develop negotiation strategy and tactics

3.1 CONCLUDING THE CONTRACT

Concluding the contract

A contract is similar to purchase and sale contract, and it shall be made according to the UN convention for “International agreement for goods purchase and sale” (Vienna Convention).

GENERAL TERMS OF CONDITION

Name of contracting parties

Contract items

Product quantity and quality assurance Product
price including net and unit prices

Payment terms

Obligations and liabilities of the parties

**Formal address of parties and body for
signature**

CONTRACT ADDITIONAL TERMS OF CONDITION

Product delivery and acceptance

Insurance terms

Bill of loading and lading

Packaging and labelling

Major of forces

Dispute settling and Arbitration

Other provisions

3.1 CONCLUDING THE CONTRACT

CONCLUDING THE EXPORTING CONTRACT

It is good to use terms and conditions of the Incoterms(international commercial terms) in the contracts to make many issues clearer Incoterms is a trade terminology dictionary that defines costs, risks and duties of the participants in the international trade and the International Chamber of Commerce adapted “**Incoterms 2020**” in September 2019

- The responsibility and liability of the party are different subject to selective incoterms during the delivery process
- See the detailed terms in Table 7 of the guidelines

3.1 CONCLUDING THE CONTRACT

Dispute settlement

Disputes concerned the agreement duties fulfillments shall be settled in methods as shown below for the selection by parties:

1. Settle the problems through having mutual contract (advantages to saving the expenses and timings)
2. Arbitration (parties tell in the contract about international arbitration settle in Mongolia and PRC)
3. Settlement in the court (takes the certain time and expenses for advocacy and court shall be required to be paid)

3.2 PAYMENT AND REIMBURSEMENTS

Any related costs of the exporter shall be studied in advance and the concerned payments to respective institutions should be paid. The payment slips are enclosed to the export documents.

PREPARATION FOR PAYMENT:

1. Determine the payment amount and payment terms in the contract
2. Agreement of payment terms with importer or buyer
3. Selection of correspondence bank of importer and exporter for payment reimbursements,
4. Document required by banks,
5. Understanding and/or clarify again payment terms in the agreement,
6. Sign the agreement on purchase and sale.

3.2 PAYMENT AND REIMBURSEMENTS

There are 4 payment terms in foreign trade and commerce

Payment terms	Potential risks		Bank guarantee	A brief explanation
	Exporter	Importer		
Open account	++++	+	Required	“Open account” means payment paid to the client upon the acceptance of goods and payment usually is paid for terms of 30, 60 and 90 days.
Collection	+++	++	Required	“Collection” is that term bank sends the payment invoice to the buyer (importer) on behalf of the seller (exporter).
Letter of Credit - LC	++	+++	Required	“Letter of Credit” is the legal payment guarantee issued by the bank of the importer (buyer) to the exporter (seller).
Advance payment	+	++++	Required	“Advanced payment” means that buyer (importer) pays a certain amount of payment before shipping the products to the seller (exporter) via credit cards or money transfer methods (via the internet), the common methods of transactions.

3.3 LABELLING AND PACKAGING OF EXPORT PRODUCTS

The applicable standards for packaging in Mongolia are as follows:

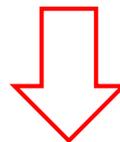
MNS ISO 8367-2:1998	Packages and wrappings - the allowed size of purposed bags Chapter 2: Synthetic bags, amended by resolution No 05, 2010
MNS 6382:2013	Layered cartons for packaging. Technical requirements
MNS 5684:2006	Tolerance limits of chemicals in food packaging may soak by food products and materials
MNS OIML R 87:2008	Quantity of packed products
MNS ISO 780:2004	Packaging – figure signs and markings for goods shipments
MNS 1640:1973	Boxes. Main types and terms

National food safety standard and General Rules for the labelling of prepackaged foods in PRC (GB7718-2011) shall have complied with export products, and more detailed information of labelling and packaging are available at website <https://www.chinesestandard.net>.

3.3 LABELLING AND PACKAGING OF EXPORT PRODUCTS

产品名称:冻马肉	1
NAME OF PRODUCT:	
产地国:蒙古国	2
COUNTRY OF ORIGIN:MONGOLIA	
马克肉制品进出口股份有限公司	3
NAME OF PLANT:	
MEAT PROCESSING FACTORY	
生产批号:	4
PRODUCTION BATCH No:	
工厂注册号:	5
PLANT REGISTRATION NO:	

产地国家: 蒙古国	1	产地名称:	2
COUNTRY OF ORIGIN :		NAME OF PRODUCT:	
目的地: 中华人民共和国	3		
DESTINATION:THE PEOPLE S REPUBLIC OF CHINA			
生产批号:	4	生产日期 (年/ 月/ 日)	5
PRODUCTION LOT		PRODUCTION DATE	
净重 (公斤) : 20	6	保质期:12个月	7
NET WEIGHT : 20		EXP:12MOUNTS	
8	企业名称: 达尔汗肉食品有限公司		
NAME OF PLANT:			
工厂注册号:	9	保持在-18度下冷藏	10
ADDRESS OF PLANT:	11	KEEP FROZEN AT-18C	
去也地址:			
ADDRESS OF PLANT:			



The inner label should be in Chinese or English language

1. Name of product
2. Country of Origin
3. Name of plant
4. Production batch number as given by the manufacture
5. Name of plant production

Exterior or outer label shall be in Chinese or English languages including

1. Country of origin
2. Name of product
3. Destination country: (e.g. PRC in this case)
4. Manufacturing batch number of factory or plant
5. Date of production
6. Net weight in kg (in English)
7. Expire duration
8. Name of processing plant and technology used
9. Factory/Plant registration number as exporter (In English)
10. Storage temperature
11. Address of the production plant in country of origin (in this case Mongolia)
12. OPTIONAL on some labels: The stamp of inspection organization should be placed in the center of the label. The case of Mongolia, the stamp should be sealed by an inspector of General Authority of Special Inspection

3.4 SHIPPING CONTRACT

The requirements for shipping of meat and meat products to be exported have to fully comply with exporters and shipping shall be done by Customs Accredited Freight Forwarding Company. The Shipping contract with the freight forwarding company should consider and contain the concerns in details as follows;

- The transporter has the containers with a cooling system.
- Temperature for shipping meat and meat products is not warmer than– 18 C.
- Destination and port should be clearly stated in the purchase and sale agreements according to Incoterms
- Payment terms
- Impose penalty percentage for product delay of unloading at the port
- If products damaged or caused shipping failure due to the transporter's fault, then it should clearly reflect the liabilities of the transporters in the contract
- Detailed information on product delivery and related documents or forms for handing the products should be mentioned
- Include how to solve the disputes and related disputes settlements ways.

3.5 CHECKLIST FOR CHAPTER

FIND OR SELECT THE COMPETENT IMPORTER OR BUYER IN PRC

AGREE PAYMENT TERMS WITH YOUR BUYER

CONCLUDE THE TRADE AGREEMENT WITH YOUR BUYER

PREPARE LABELING AND PACKAGING OF EXPORT PRODUCTS WITH COMPLIANCE OF ACCEPTABLE STANDARD REQUIREMENTS

CONCLUDE THE SHIPPING CONTRACT WITH CUSTOMS ACCREDITED TRANSPORTATION COMPANY

FOUR. EXPORTING PROCESS OF HORSE MEAT TO PRC



4.1 CERTIFICATE AND PERMISSION

The following certificate and permission required beef export to PRC market:

- 4.1.1 EXPORT PERMISSION FOR STRATEGIC FOODSTUFF
- 4.1.2 NATIONAL VETERINARY CERTIFICATE
- 4.1.3 POLICY AGREEMENT
- 4.1.4 CERTIFICATE OF CONFORMITY
- 4.1.5 CERTIFICATE OF ORIGIN
- 4.1.6 INTERNATIONAL VETERINARY CERTIFICATE
- 4.1.7 VETERINARY AND SANITARY CERTIFICATES

4.1.1 EXPORT PERMISSION FOR STRATEGIC FOODSTUFF

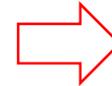
1. Submission of required documents to MOFALI



Producer, exporter

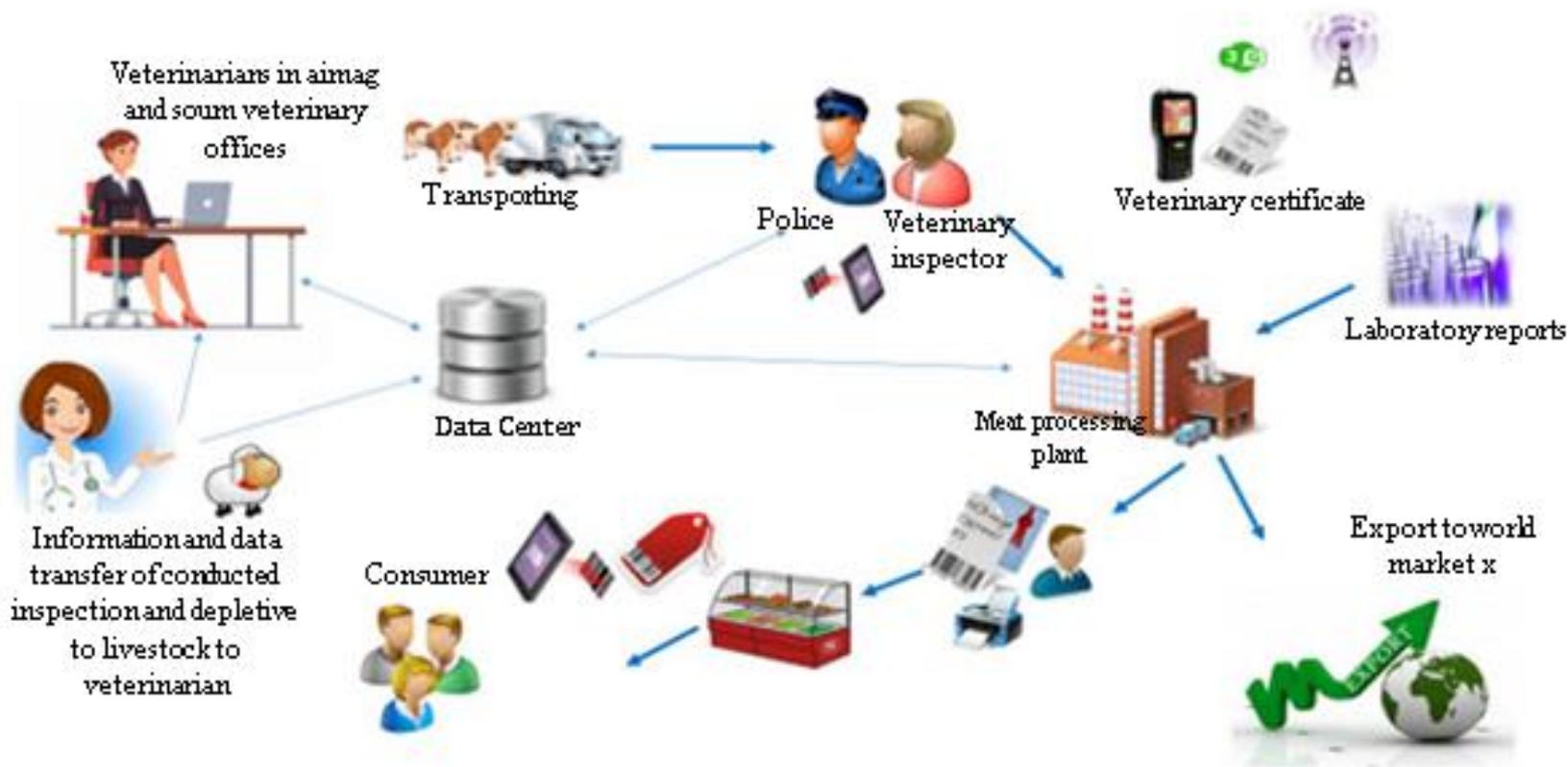
1. Formal letter on name and type of products as well quantity
2. Company profile
3. Reference letter from Taxation office
4. Copy of financial statement report verified by auditing
5. Power of attorney for representative for bidding and sign the contract
6. Reference letter from GASI
7. Trade contract
8. If required, accreditation certificate obtained for veterinary and quarantine institution in importing country
9. No objection letter for policy agreement with MOFALI under food supply and sustainable development

2. Document review and decision for issue the permission



MoFALI

4.1.2 Veterinary Inspection and Control mechanism at the domestic market



4.1.3 POLICY AGREEMENT

Meat plant that obtained quota and export permission of meat and meat products in Mongolia shall conclude the policy agreement with MOFALI

01

- *Plant profile at least 3 pages showing the production capacity*

02

- *Monitoring camera system for control on operations and able to record*

03

- *Information and annual plan for meat preparation and slaughtering*

04

- *Notarized copy of veterinary certificates*

05

- *Processing and usage of secondary raw materials*

06

- *Skin and hides: Supply agreement of 30% and more prepared raw materials at domestic markets and factories, payment slips of agreement, stored products for export shown at photos or contract made with other companies*

4.1.3 POLICY AGREEMENT

07

- *Head and legs: purchase and sale contract and payment slip*

08

- *Stomach and internal organs: purchase and sale contract, payment slips or invoice, storing products for export shown on photos*

09

- *Jejunum: purchase and sale agreement, payment slips or storing products for export shown on photos*

10

- *Copy notarized of General assessment of Environmental impacts*

11

- *Bones: purchase and sale agreement and payment slips*

12

- *Contracts made with professional qualified organization or service providers for common waste disposal and collection and shipping the wastes; waste agreements*

13

- *Storage and storing of common and animal wastes in special designated place, boxes and tanks; photos*

14

- *Other*

4.1.4 CERTIFICATE OF CONFORMITY

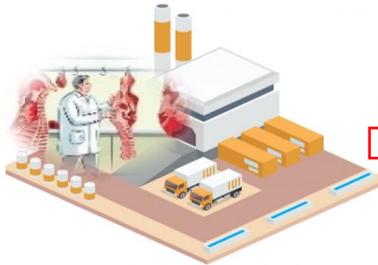
The exporter obtains the certificate of conformity from Mongolian Agency for Standardization and Metrology (MASM). This certificate verifies that the export products fully complies with applicable standard requirements during the production process.

Process of obtaining the certificate of conformity

1. Request letter to MASM

2. Submission of required documents to MASM

3. Material review, make decision for issue the certificate



Producer, exporter

1. Application form of the company at www.masm.gov.mn)
2. Copy notarized of state registration certificate of the company
3. Purchase and sale agreement
4. Declaration of product quantity and pricing
5. Laboratory testing and analysis records at the accredited labs
6. Special license for GASI (if required)
7. Payments slip of service fee



4.1.5 CERTIFICATE OF ORIGIN

Two types of certificates of origin and proof documents should be collected properly:

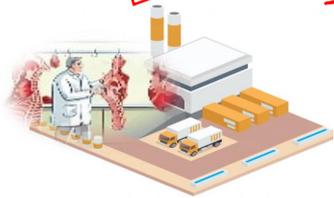
- To show where the meat was prepared including data like name of herders, cooperatives, name and location of slaughter plant (as presented in section 4.1.2 and annexe 23 of this guideline)
- Proof and evidence of documents the horse meat are manufactured in designated region or zone of Mongolia and that Mongolia is the country of origin for meat exports. The exporter shall obtain the certificate of origin at MNCCI.

Obtaining the certificate of origin

1. Request letter to MNCCI

2. Submission of required documents to MNCCI

3. Document review and make decision to issue the certificate



Producer, exporter

1. Copy of foreign trade agreement (Purchase and sale agreement)
2. Application form B
3. Payment invoice and packing list
4. Copy of state registration certificate
5. Copy of special license for product and copy of quality and hygiene certificates for the products



4.1.4 Trace the origin of product and traceability

 Мал эмнэлгийн гэрчилгээ

Үүсгэсэн эмч : Ч.Чимэдюндэн 2017-10-26

МЭГ дугаар : Meg7

1. Амьд мал

Төрөл	Хүйс	Нас	RFID	Төврийн хэрэгсэл	Зориулалт	Хавсралт
Адуу	Эм	1	E2008000 62190157 21903247	135	Надла х	1
Адуу	Эм	1	E2008000 62190158 22202E30	135	Надла х	2

2. Малын гаралтай бүтээгдэхүүн

Малын төрөл	Бүт.төрөл	Хэмжих нэгж	Тоо	Төврийн хэрэгсэл

Хүчинтэй хугацаа : 2017-10-25 - 2017-10-25

Маршрут : Архангай Өндөр-Улаан -> Архангай Тариат

Дүнгийн хуудас : х

Хаанаас

Малчны нэр : ГАНЗОРИГ

Хаяг :

Утас : 11111111 null

Хаашаа

Малчны нэр : ТҮМЭНДЭЛГЭР

Хаяг :

Утас : 11111111 null

 Санамж: Энэхүү МЭГ нь МУ-ын МЭГ-ний нэгдсэн санд хадгалагддаг тул лавлагаа мэдээллийг www.its.digitalmedic.mn сайтаас шууд авах, дахин хэвлэх боломжтой. Ажлын өдрүүдэд 09:00-18:00 цагийн хооронд оператортой холбогдон тайлбар мэдээлэл авч болно.

Stakeholders:

- Herders
- Veterinary unit in aimags and soums
- Veterinarians in soum unit
- General Veterinary Department
- State Central Veterinary Laboratory
- National statistical office officer
- Inspectors of GASI
- Police department
- Meat plants
- Individuals – consumers of end products



4.1.6 INTERNATIONAL VETERINARY CERTIFICATE

The exporter shall obtain the international veterinary certificate at GVD to verify that product manufacturing is complied with all veterinary and sanitary standard requirements for the particular origin of meat raw materials and products. In order to get the certificate, formal letter together with required documents for the certificate should submit to GVD.

Documents required for an international veterinary certificate

01

Veterinary lab testing and analysis reports for cattle and animal originated raw materials and animal products and Veterinary certificate

02

Purchase and sales contract, gifting contract or similar documents from the applicant

03

Copy of state registration certificate if applicant is legal body or copy of citizen ID card

04

Shipping route of meat and animal originated raw materials and products, mode of shipping vehicle, name of destination or port at the borders and access timings

05

Information on processing modes of livestock and animal originated raw materials and products (semi-processing, raw, frozen, dried or fresh), product names and types, quantity of packages, labelling and safety status of the products

06

Processing plant batch number, name, location and address

4.1.7 VETERINARY AND SANITARY CERTIFICATES

The exporter shall obtain the veterinary and sanitary certificates issued by GASI shown up the obtained international veterinary certificate from GVD.

Submission of required documents

Request letter to GASI



Producer, exporter

1. Copy of state registration certificate and citizen ID card
2. Purchase and sale agreement and other similar documents
3. Quota for strategic food stuff for export approved by MOFALI
4. Formal letter to conclude the policy agreement and issue the certificate from MOFALI
5. International veterinary certificate, GVD
6. Packaging and label information and quantity in English
7. Notice on product sampling from the inspector
8. Lab analysis records and result reports
9. Copy of registration records of exporting in PRC
10. Payment slips for public service charges or fee

Making decision to issue the export certificate



GASI

4.2 SHIPPING



Producer ,exporter



CUSTOMS ACCREDITED SHIPPING



Authority as stated in the contract

Transporting acts

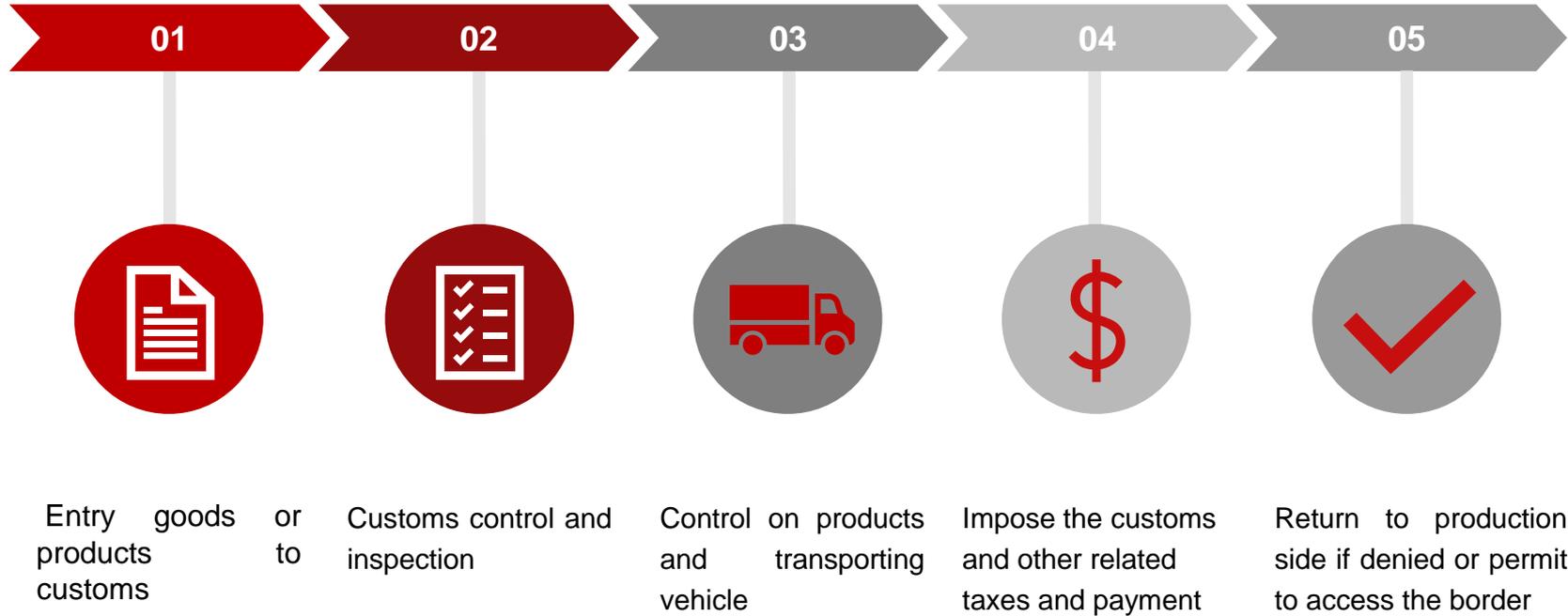
- Payment invoice from exporter
- From letter on export of strategic food stuff from MFALL
- Veterinary and sanitary of certificate from GASI
- Testing analysis reports for the products
- Declaration form for loading products

Luggage manifest

- Luggage manifest shall be collected with reference of Annex 4 and 5 decree 256 dated on 2011 from head of GCA

4.3 PROCEDURE OF CUSTOMS CLEARANCE

CUSTOMS CLEARANCE



4.3 PROCEDURE OF CUSTOMS CLEARANCE

EXPORT CUSTOMS CLEARANCE



The required documents for customs clearance are:

According to article 60 in law on customs:

- Foreign trade agreement or payment invoice ;
- Shipping documents and bill of lading
- Product license or permission to non-tariff regulations;
- Conclusion letters from GASI for products specially specified in the applicable law and regulations

According to 8.2 in law on customs tariff and customs taxes:

- If the applicant submits the not competent and sufficient proof documents to checkup customs duties and rates, may ask for additional documents for evidence from the applicant or exporter.

4.3 PROCEDURE OF CUSTOMS CLEARANCE

CUSTOM DECLARATION



- GENERAL INFORMATION (BOXES 1-20 AND TABLE A)
- INFORMATION CONCERNING PRODUCTS AND SHIPPING VEHICLE (BOXES 21-43)
- CUSTOMS TARIFF AND TAXES (BOXES 44-50)
- DOCUMENTS RELATED (BOX 51)



FILL THE APPLICATION FORM OF CUSTOMS DECLARATION.

SUBMIT FILLED FORM WITHIN THE 5 WORKING DAYS BY ONLINE

APPROVE FILLED APPLICATION

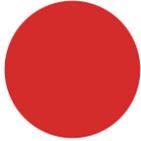
CUSTOM CONTROL AND INSPECTION



4.3 PROCEDURE OF CUSTOMS CLEARANCE

Customs control and inspection

STATUS OF CUSTOMS CONTROL



“Red” physical inspection and document control are required to be conducted.



“Orange” only document control and review shall be conducted.

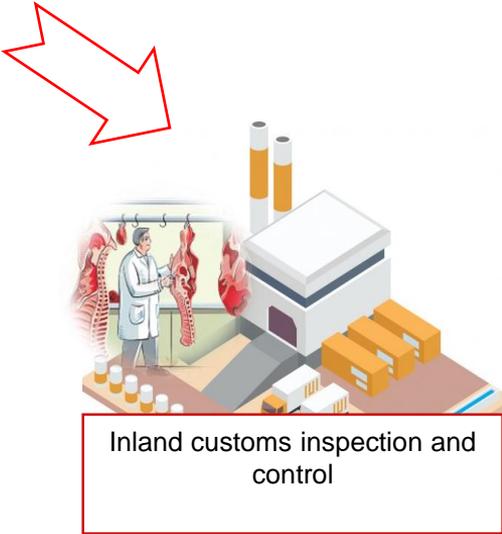
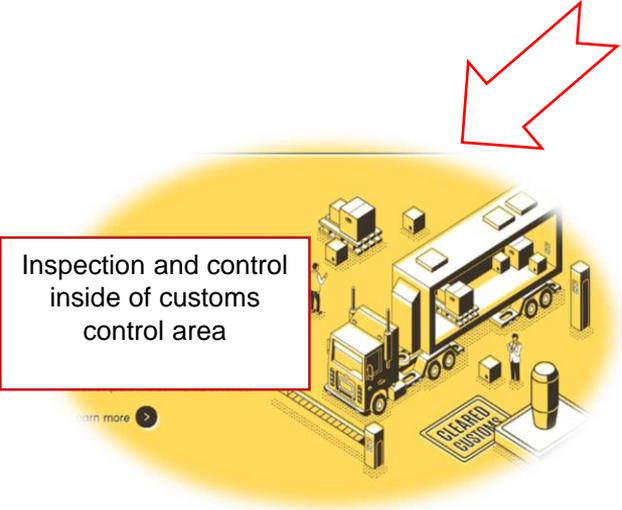


“Green” no physical inspection and document control

4.3 PROCEDURE OF CUSTOMS CLEARANCE

TYPES OF CUSTOMS INSPECTION AND CONTROL

TYPES OF CUSTOMS INSPECTION AND CONTROL



4.3 PROCEDURE OF CUSTOMS CLEARANCE

CUSTOMS RATE AND TARIFF

CUSTOMS RATE

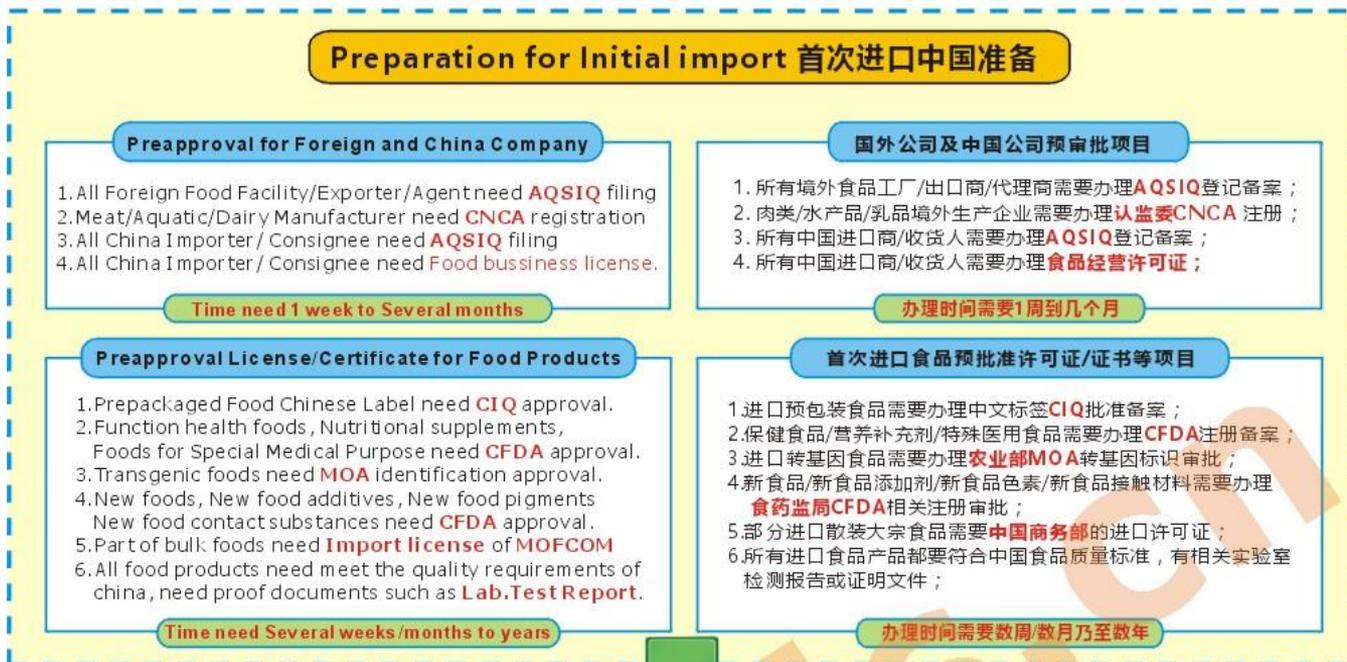
- Contract price
- Transportation cost till border point of Mongolia
- Document compilation expenses or payments concerning shipping and exporting of the products
- Insurance payment
- Expenses for loading, unloading, storing and transshipping of the products.

4.3 PROCEDURE OF CUSTOMS CLEARANCE

PREPARATION FOR INITIAL IMPORT TO CHINA

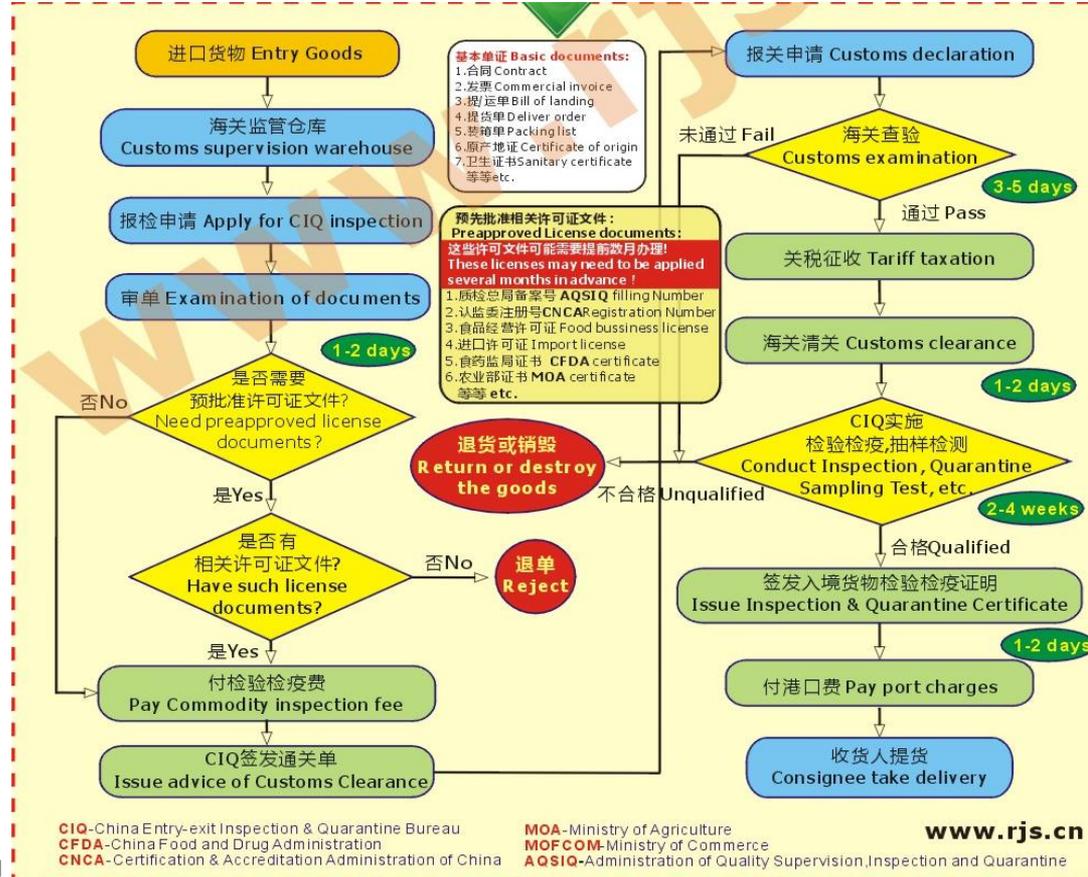
国外食品进口中国流程图

Foreign Foods Import to China Flow Chart



4.3 PROCEDURE OF CUSTOMS CLEARANCE

PREPARATION FOR INITIAL IMPORT TO CHINA



4.4 CHECKLIST FOR CHAPTER

Obtained export permission for strategic food stuff from MOFALI

Veterinary certificate of domestic market from local Veterinary Office

Policy contract with MOFALI

Certificate of origin from MNCCI

Certificate of conformity from MASM

International Veterinary Certificate at GVD

Veterinary and sanitary certificates at GASI

Bill of landing and shipping documents

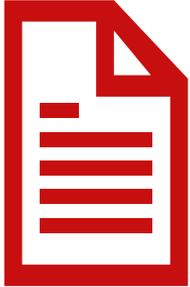
Required documents for custom clearance

FIVE. RECOMMENDATION FOR COMPANIES TO EXPORT HORSE MEAT TO PRC

1. Meat and raw materials should be prepared from non epizootic zone or zone verified by GVD, the Government regulatory agency of Mongolia with proper certifications
2. Use the “Integrated information system for livestock origin” introduced 2018 in Mongolia for the origin traceability to prepare raw materials and meat.
3. Meat slaughtering and processing should be performed under the control of state veterinary inspectors from GVD and GASI or plant veterinarian in the plant with compliance of requirements specified in mutual signed contracts and protocols between Mongolia and PRC.
4. Only export the meat and meat products manufactured and processed in meat plant or factories
5. The right selection of market segments; try to target to high-income consumers.
6. Taste and interest of Chinese consumers are different thus, have to be carefully studied. Small-sized dried meat, vacuum meat and internal organs and barbecue meats may be preferred to be exported in fully-fledged and semi-processing manners.
7. Research and feedback of companies in the PRC show that you have to be carefully select a qualified importer of your export products before building the cooperation and partnership.

SIX. REQUIRED LIST OF DOCUMENTS TO EXPORT HORSE MEAT TO PRC

6.1 DOCUMENTS TO BE SUBMITTED BY MONGOLIAN COMPANY OR EXPORTER



1. Veterinary and quarantine certificates and associated acts (GVD)
2. International veterinary certificate and associated documents (GVD)
3. Veterinary and sanitary certificates (export permission) and other related documents (GASI)
4. Certificate of origin and other related documents (MNCCI)
5. Accreditation certificates and other acts (GASI)
6. Certificate of conformity and other associated acts (MASM)
7. Export permission for strategic foodstuff and associated documents required to submit (MOFALI)
8. Documents required for customs clearance and declaration (CGA)

SIX. REQUIRED LIST OF DOCUMENTS TO EXPORT HORSE MEAT TO PRC

6.2 documents to be required by PRC



For registration as an exporter, required documents are:

1. Company profile
2. Filled in the application form
3. Lab testing and analysis report in product samples and hygiene and sanitary certificates, etc.
4. Veterinary and sanitary certificates (Export permission or certificate)



At customs administration of China, required list documents are;

1. Payment invoice
2. Packing list
3. Certificate of origin (International)
4. Export permission for strategic food products
5. Veterinary and sanitary certificates (International veterinary certificate)
6. Cargo manifest

SEVEN. KEY STAKEHOLDERS AND INSTITUTIONS RESPONSIBLE FOR EXPORT OF HORSE MEAT TO PRC

The respective governmental institutions and agencies in Mongolia;

- GOM and Ministry of Food, Agriculture and Light Industry
- General Veterinary Department of Mongolia
- General Authority for the Specialized Inspection
- Customs General Administration of Mongolia
- Agency for the Standardization and Metrology
- Veterinary Office of UB city

The respective governmental institutions and agencies in PRC;

- General administration Customs of China
- (SAMR) State Administration for market regulations (SAMR)
- National Health Commission of China (NHCC)
- (CNCA) Certification and Accreditation Administration of China (CNCA)
- Standardization Administration of China (SAC)

SEVEN. KEY STAKEHOLDERS AND INSTITUTIONS RESPONSIBLE FOR EXPORT OF HORSE MEAT TO PRC

Key participants, Non-Governmental Organizations in both Mongolia and PRC

- Mongolian National Chamber of Commerce and Industry
- Mongolian Meat Association
- Mongolian Association of Exporters

Chinese NGO

- All-China Federation of Industry and Commerce (ACFIC)

FREIGHT FORWARDING COMPANIES accredited by the General Customs Administration of Mongolia

- Export shipping of products shall be conducted by transportation companies accredited by GCA and totally 190 transporters registered at GCA by date of 18 November 2019. Please refer to (www.customs.gov.mn/images/publishers/GIT_jagsaalt_2019.11.18.pdf) for more detailed information of shipping company for exports and correct selection of competent and qualified transports for your exported horse meat.

EIGHT. ANNEXES AND WEBSITE LINKS

Website links for detailed information at www.inrae.mn/appendix_beef/ are introduced at the annexes of the present guideline for exporters as follows;

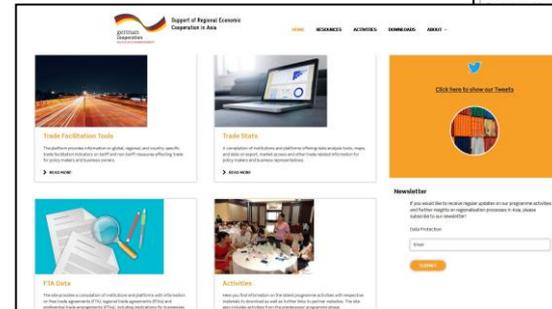
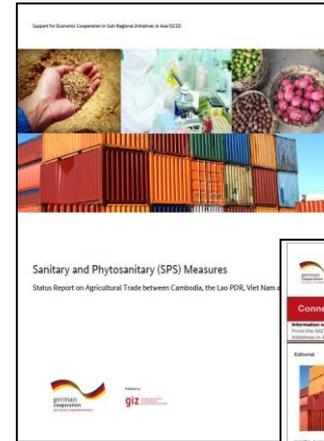
- ANNEX 1. ISO STANDARD CERTIFICATES
- ANNEX 2. HACCP CERTIFICATIONS
- ANNEX 3. “MNS CAC GAL 24:2014” STANDARD CERTIFICATES
- ANNEX 4. ACCREDITATION FROM GASI
- ANNEX 5. APPLICATION FORM FOR INSPECTIONS BY STANDARDIZATION
ADMINISTRATION OF PRC AT MEAT PROCESSING FACTORIES FOR EXPORT
OF WARM HEATED BEEF AND BEEF PRODUCTS TO PRC AND NOTE OF
EXPLANATION FOR REQUIRED DOCUMENTS
- ANNEX 6. IMPORT PERMISSION AT PRC
- ANNEX 7. A SAMPLE OF GOODS SUPPLY AGREEMENTS
- ANNEX 8. CARGO SHIPPING AND SHIPPING AGREEMENT
- ANNEX 9. VETERINARY CERTIFICATE AT DOMESTIC MARKET
- ANNEX 10. POLICY AGREEMENT
- ANNEX 11. LAB TESTING AND ANALYSIS REPORTS
- ANNEX 12. VETERINARY LAB ANALYSYS RECORDS AND REPORTS
- ANNEX 13. OBTAINING BARCODE AT INFORMATION DATABASE OF “RESPONSIBLE
NOMADS”

EIGHT. ANNEXES AND WEBSITE LINKS

- ANNEX 14. INTERNATIONAL VETERINARY CERTIFICATE
- ANNEX 15. CRITERIA FOR CUSTOMS ACCREDITATION FOR COMPANIES
- ANNEX 16. NOTICE OF SPECIALIZED INSPECTIONS FOR ANIMAL, PLANT, CHEMICALS, GOODS AND PRODUCTS
- ANNEX 17. APPLICATION FORM FOR CUSTOMS CLEARANCE AND INSTRUCTIONS
- ANNEX 18. CUSTOMS DECLARATION FORM FOR PRODUCTS TO BE ACCESS TO BORDER POINT
- ANNEX 19. BORDER POINTS OR PORTS FOR EXPORT OF MEAT AND MEAT PRODUCTS FROM MONGOLIA TO PRC
- ANNEX 20. SIGNED PROTOCOLS AND AGREEMENTS BETWEEN MONGOLIA AND PRC ON EXPORTING OF WARM HEATED BEEF, MUTTON AND GOAT MEAT

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Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices
Bonn and Eschborn

Support of Regional Economic Cooperation in Asia (SRECA)

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Design/layout:

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