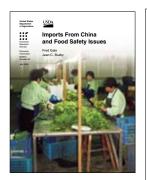
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Imports From China and Food Safety Issues

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Rising consumption of imported food poses challenges for U.S. food safety officials. Retailers and processors seeking low-cost suppliers and exotic and ethnic foods demanded by U.S. consumers procure foods and ingredients all over the globe. It is often difficult to ensure that suppliers in far-flung locations operate according to the high safety standards and tight quality control sought by U.S. consumers.

What Is the Issue?

China has emerged in recent years as an important source of food imports in the United States. Food imports from China more than tripled in value between 2001 and 2008. Several highly publicized incidents of food contamination and adulteration in both the Chinese food supply and in U.S. food imports from China have focused public concern on the safety of food from China. Motivated in part by these concerns, a U.S. Government Interagency Working Group on Import Safety issued an Action Plan for Import Safety and the U.S. Food and Drug Administration (FDA) issued a Food Protection Plan in 2007. FDA opened its first overseas office in China in 2008.

This report discusses potential food safety risks associated with food imports from China based on available data. The report describes the types of foods imported from China based on U.S. Customs statistics and assesses their importance in the U.S. food supply, analyzes FDA refusals of food shipments from China, and describes food safety regulation and enforcement in China. Although the FDA data do not necessarily reflect the distribution of risk in foods, the import refusal data highlight food safety concerns for which FDA has focused its import alerts, examinations (e.g., sampling), and other monitoring efforts.

What Did the Study Find?

The increase in U.S. food safety concerns is partly a result of the recent increase in global food trade. China is one of the fastest growing sources of U.S. food imports. In 2008, the value of food imports from China reached \$5.2 billion, making China the third-largest source of food imports. About 41 percent of this import value was from fish and seafood, most of it farm-raised. Juices and pickled, dried, and canned vegetables and fruit accounted for another 25 percent. The remainder included a wide variety of products, many associated with Asian cuisine.

Despite the rapid growth, less than 1 percent of the U.S. food supply comes from China. For a few specific items, like apple juice, garlic, canned mandarin oranges, fish, and shrimp, China is a major supplier. Imports from China accounted for about 60 percent of the U.S. apple juice supply and more than 50 percent of the garlic supply in 2007. Imports from China account for 10 percent of the U.S. shrimp supply, 2 percent of the catfish supply, and 8 percent of the basa (a type of catfish) supply. Basic foods that form the core of the U.S. diet—grain, meat, or dairy items—are generally not imported from China.

ERS is a primary source of economic research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.

Data limitations constrain what is known about the safety of imported foods. ERS researchers analyzed FDA refusals of food import shipments originating from China by type of violation. Here, the term violation refers to products that appear to violate one or more of the laws enforced by FDA, such as those dealing with adulterated or misbranded products.

FDA refusals of food shipments from China peaked in early 2007, just before a series of highly publicized incidents. In 2007, FDA issued import alerts for wheat gluten, rice protein products, and five kinds of farm-raised fish and shrimp from China. Customs statistics show that shrimp imports from China slowed after the FDA alert was issued.

FDA refusals of Chinese food shipments reflect the mix of products imported: fish and shellfish, fruit, and vegetable products account for most refusals. Most Chinese food imports are processed to some degree, and the most common problems cited by FDA—"filth", unsafe additives, inadequate labeling, and lack of proper manufacturer registrations—are typically introduced during food processing and handling. Another of the most common problems—potentially harmful veterinary drug residues in farm-raised fish and shrimp—is introduced at the farm. FDA cites harmful pesticide residues and pathogens in Chinese food shipments less frequently.

Chinese authorities seek to control the safety of food exports by certifying exporters and the farms that supply them. Certified exporters constitute a small fraction of China's food industry. Most of China's 200 million farms and food companies are, in theory, excluded from export supply chains. Still, monitoring the wide range of products and hazards that can arise at varying points in the export supply chain is a challenge for Chinese and U.S. officials. Consultations and exchanges between Chinese and U.S. officials on food safety are an important step toward improving the effectiveness and efficiency of monitoring and enforcing U.S. food safety standards in food shipments from China to the United States. Safety-related measures, such as facilities upgrades, careful record-keeping, closer control over suppliers, testing, certifications, and audits, are likely to raise costs for Chinese food exporters.

How Was the Study Conducted?

ERS analyzed customs data on food imports from China to assess the trend and composition of imports. ERS obtained from FDA a comprehensive database on Import Refusal Reports (IRR) on Chinese food shipments refused entry into U.S. commerce between 1998 and 2004. ERS also downloaded more recent data for 2006-09 from the FDA web site. ERS tabulated the number of refusals of food shipments from China by year, product category, and violation in order to characterize the profile of potential safety problems in food imports. The FDA data reveal recurring problems in imported foods, but the data are not an indicator of the actual level or distribution of food safety risks that imports may pose to U.S. consumers. The study also describes recent developments in food safety monitoring and enforcement for Chinese food exports, certification of exporters, and consultations between U.S. and Chinese food safety officials.