

Regulations on the Administration of Grain Circulation of the PRC

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Chapter I — General Provisions

Article 1 — These Regulations are formulated for the purpose of safeguarding national food security, standardizing the circulation of grain, maintaining the order of the grain market, and protecting the lawful rights and interests of grain producers, operators, and consumers.

Article 2 — Grain business activities such as the purchase, sale, storage, transportation, and processing of grain within the territory of the People's Republic of China shall be governed by these Regulations. The term "grain" as used in these Regulations refers to wheat, rice, corn, and miscellaneous grains, as well as their finished and semi-finished products.

Article 3 — The State shall implement a food security responsibility system and shall strengthen macro-control over grain and the administration of grain reserves.

Article 4 — The food and strategic reserves administration department of the State Council shall be in charge of the administration of grain circulation throughout the country. The food and strategic reserves administration departments of the local people's governments at or above the county level shall be in charge of the administration of grain circulation within their respective administrative areas. The relevant departments of the State Council and of the local people's governments at or above the county level shall, within the scope of their respective functions and duties, coordinate in the administration of grain circulation.

Article 5 — Grain operators shall operate in accordance with law, shall provide services on a fair and voluntary basis, and shall not engage in unfair competition or monopolistic conduct.

Article 6 — The State shall encourage grain circulation, and shall support the development of grain circulation infrastructure and the construction of a modern grain circulation system.

Chapter II — Grain Business Operations

Article 7 — The acquisition of grain shall be subject to a licensing system. Operators engaged in grain acquisition shall obtain a grain acquisition license in accordance with the provisions of the State.

Article 8 — Grain acquisition operators shall purchase grain from producers at market prices in accordance with the provisions, and shall not withhold or deduct grain payments without cause.

Article 9 — Grain acquisition operators shall inspect the quality of the grain acquired, and shall not acquire grain that fails to meet quality and safety standards.

Article 10 — The sale of grain shall conform to the quality and safety standards prescribed by the State, and shall not involve adulteration, passing off inferior products as superior products, or the sale of moldy or spoiled grain.

Article 11 — Grain storage shall meet the safety requirements prescribed by the State, and grain shall not be mixed or stored with substances harmful to food safety.

Article 12 — The transportation of grain shall use vehicles and containers that meet safety requirements, and grain shall not be contaminated during transportation.

Article 13 — The processing of grain shall conform to the quality and safety standards prescribed by the State, and shall not use food additives or processing aids beyond the prescribed scope or limits.

Article 14 — Grain operators shall establish grain business records and shall truthfully record the purchase, sale, storage, transportation, and processing of grain.

Article 15 — Grain operators shall report grain business data in accordance with the provisions of the State, and shall not falsely report or conceal such data.

Chapter III — Macro-Control and Grain Reserves

Article 16 — The State shall exercise macro-control over the grain market, and shall maintain the basic stability of the total grain supply and prices.

Article 17 — The State shall implement a system of central grain reserves and local grain reserves, and shall strengthen the administration of grain reserves.

Article 18 — The acquisition, rotation, and sale of reserve grain shall be carried out in accordance with the plans and provisions of the State, and shall not be used for other purposes without authorization.

Article 19 — The State shall implement a system of minimum purchase prices for key grain varieties, and shall protect the interests of grain producers.

Article 20 — The State shall encourage and support grain enterprises to develop, and shall promote the concentration and scale development of the grain industry.

Chapter IV — Supervision and Inspection

Article 21 — The food and strategic reserves administration departments and other relevant departments shall exercise supervision and inspection over grain business activities in accordance with law.

Article 22 — In the course of supervision and inspection, the departments concerned shall have the power to enter the business premises, inspect the relevant materials, and take samples for testing.

Article 23 — Grain operators shall cooperate with supervision and inspection, and shall truthfully provide the relevant materials and information.

Article 24 — The departments concerned shall investigate and handle unlawful grain business activities in accordance with law, and shall make the results of their handling public in accordance with the provisions.

Chapter V — Legal Liability

Article 25 — Where a unit or individual acquires grain without a grain acquisition license, the food and strategic reserves administration department shall order it to stop the unlawful activity and shall confiscate the unlawful gains, and may impose a fine.

Article 26 — Where a grain operator sells grain that fails to meet quality and safety standards, or engages in adulteration or passes off inferior products as superior products, the relevant department shall impose penalties in accordance with law; where a crime is constituted, criminal liability shall be investigated in accordance with law.

Article 27 — Where a grain operator fails to establish grain business records or falsely reports grain business data, the food and strategic reserves administration department shall order it to make corrections and may impose a fine.

Article 28 — Where a staff member of a food and strategic reserves administration department or another relevant department neglects his or her duties, abuses power, or engages in malpractices for personal gain in the administration of grain circulation, sanctions shall be imposed in accordance with law; where a crime is constituted, criminal liability shall be investigated in accordance with law.

Chapter VI — Supplementary Provisions

Article 29 — The administration of the circulation of grain varieties other than those provided for in these Regulations shall be governed with reference to these Regulations.

Article 30 — These Regulations shall come into force as of April 15, 2021. The Regulations on the Administration of Grain Circulation promulgated on May 26, 2004 shall be repealed simultaneously.

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