

Notice on the Problems of Issuance of Seed Business License

Ministry of Agriculture [2003] No.35

The agriculture (animal husbandry/ forestry) bureau (committee) of each province, autonomous region and municipality:

On September 8, 1997, the Ministry of Agriculture as well as other three ministries cooperatively promulgated the Administration of the Examination, Approval and Registration of Foreign-invested Crop Seed Enterprises Provisions (hereinafter the Provisions) and regulated the procedures and conditions for the establishment of foreign-invested crop seed enterprises. Those enterprises established before the promulgation of the Provisions have got their Seed Business License for a valid time of 5 years whether or not they meet the requirement as regulated in the Provisions. Since the implementation of the Seed Law in 2000, the new seed business licenses are issued to all the crop seed enterprises. For those which comply with the requirements of the Provisions, the valid time is 5 years while expiration of those which do not meet the requirements of the Provisions remains June 30, 2003. For the re-issuance of these enterprises in the expiration of license, the Ministry of Agriculture put forward the detailed requirements for them according to the Seed Law and other related laws and regulations. The requirements are hereby noticed:

1. Type of the enterprise

There are no compulsory requirements of the types of these enterprises, i.e. the wholly foreign invested seed enterprises and cotton, grain and edible oil enterprises controlled by foreign investors established before September 8, 1997 are allowed to keep the original organization. But if these enterprises are to expand the business scope, especially the development of cotton, grain and edible seed, they should comply with the regulations of the Provision. For those enterprises established after September 8, 1997, the re-issuance should be conducted strictly according to the Provisions

2. The operation condition

These enterprise applying for re-issuance of Seed Business License should meet the requirements according to the Seed Law, and other related laws and regulations:

- (1). The enterprise should meet the requirements of Article 29 of the Seed Law
- (2). The registered capital should meet the requirements of Article 4 of the Provisions, i.e. the registered capital of cotton, grain and edible oil enterprises should be no less than \$2million while that of other crop seed enterprises should be no less than \$0.5 million.
- (3). Other conditions should meet the requirements of the Measures for the Administration of Crop Seed Business License (hereinafter the Measures), i.e. enterprises covering the business of hybrid seed of major crops should comply with Article 12 of the Measures; others comply with Article 13 of the Measures.
- (4). Enterprises dealing in business of GM crop seed should comply with Article 26 of the Ordinance on Agricultural Transfer-Gene Biography Safe Administration.
- (5). Enterprises with registered capital of more than RMB 30 million which apply for broader

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valid region than the registered province (autonomous region, or municipality) through selection, production and operation should comply with Article 5 of the Measures.

3. The procedures for re-issuance

The applications should be previously approved by the registered provincial competent agricultural department and then reported to the Ministry of Agriculture for issuance. Upon receiving this Notice, the competent agricultural departments of each province, autonomous region and municipality should inform the enterprises within the region and urge them to apply for the re-issuance according to regulated procedures. The appliers should submit the materials and documents as mentioned in Article 16 of the Measures and Article 6 of the Provisions. The provincial competent agricultural department should verify the applications according to the Article 17 of the Measures. For those approved enterprises, the formal documents should be submitted to the Ministry of Agriculture for approval; for those enterprises failed in the approval, written explanation should be issued to the enterprises.

The competent agricultural departments of each province, autonomous region and municipality should perform their obligations and conduct the verification and approval work strictly adhering to the principles. And all the enterprises should apply for the re-issuance of the license timely. For those enterprises which have not got the new Crop Seed Business License within 6 months from the issuance of this Notice, we will conduct serious investigation and treat.

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China Business Engine

Tel +86 21 52289730

Fax +86 21 5228-9730

Website

China site: www.cbize.com

Globe site: www.cbize.net