



Friday 24th January 2014

Bulletin 936 - 01/14 - China rejects MIR 162 Corn - China

During November and December 2013, CIQ, the Chinese authority in charge of cargo inspection and quarantine, has rejected over 600,000 tons of corn exported from the US on account of the cargo containing MIR 162.

China is now the third largest importer of corn, most of which comes from the US. During the sale year of 2012/13, the quantity imported was 5.12 million tons, and it is estimated that for 2013/14, the quantity will reach a historical high of 7.20 million tons.

Of all the imported corn, around 80% is transgenic which the Chinese government allows to be used for feed. So far, China has approved about 25 categories of transgenic corns but has not approved 'Agrisure Viptera' (coded MIR 162). MIR162 was developed by the company Syngenta AG (SYT) and has been widely grown in the US. In 2010, Syngenta submitted an application for approval of MIR 162 to the Chinese government. However, the application has yet to be endorsed due to incomplete materials and testing data. In November 2013, Syngenta submitted the application again and it is still under review by the Chinese government.

The US has seen a good harvest of corn for 2013 whilst the domestic corn price in China remains at a high level. The US government has asked China to give the green light to MIR 162 but the Chinese government has asked that the US government strengthens its control over the export of transgenic corn and to avoid non-approved transgenic corn being imported into China and continues to reject shipments containing MIR 162.

As far as Members are concerned, the rejection of corn cargoes containing MIR 162 is likely to result in issues concerning the carriage contract. Ships having arrived in China will not be able to berth for discharge and are likely to have to wait until the exporters have found substitute buyers such as in Korea or other Asian countries. Therefore, significant delays may be expected.

Members are advised to properly address the key issue of specific identification of the corn to be shipped in the relevant charter parties and contracts of carriage.

Since the corn is also shipped by container, liner operators are also advised to be cautious in accepting consignment of US corn, as the Chinese authority may order the return or destruction of banned cargo.

Source of information

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