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Policies

No.1 Central Document targets rural reform

[Xinhua, 19-01-2014] Chinese authorities on Sunday issued their first policy document of 2014, underscoring the importance of rural reform, developing modern agriculture and maintaining agriculture as the foundation of its economy.

The policy document is issued by the Central Committee of the Communist Party of China and the State Council every year and has been dubbed the "No.1 Central Document".

This is the 11th consecutive year in which the document has focused on rural issues.

"Rural reform and development are confronted with a more complicated environment and an increasing number of difficulties and challenges, as the country is going through a period of transformation," it said.

China's rapid marches toward industrialization, urbanization and information-based development are imposing pressing requirement on the development of modern agriculture.

The document listed eight aspects and 33 points for detailed government work on reforms related to the "three rural issues"-- agriculture, rural areas and farmers.

China should improve its national food security system, deepen rural land system reform and improve rural governance, while intensifying support and protection for agriculture and promoting financial support for rural areas, it said.

The government will also establish a long-term mechanism for sustainable agricultural development and a new agricultural management system, and meanwhile balance rural and urban development, the document outlined.

Click [here](#) for details

China Focus: Rural land reform boosts equity, efficiency

[Xinhua, 31-12-2013] China's recent move to encourage farmers to transfer the using rights of their contracted land will enhance social equity and production efficiency, analysts say.

The country will safeguard farmers' rights to contract rural land while relaxing control over using rights, according to a statement after a rural work conference last week.

"While sticking to collective land ownership, granting the right of contracting to qualified farmers is a demonstration of social equity," Ye Xingqing, an expert with the Development Research Center of the State Council, said Tuesday.

In China, rural land is normally collectively owned. The government started to allow farmers to contract for and use rural land in the early 1980s, significantly enhancing agricultural productivity as farmers got their own contracted land.

However, as China becomes urbanized and industrialized, huge labor demand and opportunities in cities have drawn millions of farmers to leave their homes and form a new group of people called "migrant workers".

Official data showed the number of rural migrant workers stood at 262.61 million by the end of 2012, accounting for 19.39 percent of the country's total population.

China started the land registration program in 2008. It had been expanded to 50 counties by 2012. More than 100 counties joined the program in 2013.

Click [here](#) for details

Key policy document places greater emphasis on cleaner land and safer food

[SCMP, 21-01-2014] Rather than boast about ever-rising harvests, Beijing now appears determined to concentrate on improving the quality of agricultural production as pollution, toxic farmland and tainted produce become pressing national concerns.

This year's so-called No1 Central Document, which is jointly issued each January by the Communist Party's Central Committee and State Council and traditionally concerns rural development, devoted an entire chapter to environmentally-friendly agriculture and a paragraph to ensuring food safety.

In years past, policymakers would only set aside a few scant sentences on one of these issues, said professor Zheng Fengtian of Renmin University, who closely follows the annual document.

"In the past we focused too much on the quantity of production, but now none of us would want bigger output if it meant greater pollution and questionable safety," Zheng said.

Official statistics showed the mainland harvested 602 million tonnes of grain last year, making it the 10th straight year of growth.

This year's directive called for the "strictest food safety supervision of the whole system".

The quality of farm produce and food safety would be monitored, appraised and improved as needed.

It also called for greater efforts to reverse the effects of pollution and contamination on farmland, make more efficient use of arable land and water, and start some pilot soil restoration schemes.

About 3.3 million hectares of the country's farmland is too polluted for cultivating crops, according to the government's second land survey, which was released last month.

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China eyes more professional farmers amid rural reform

[Xinhua, 01-01-2014] In fur coat and boots, Wang Cuifen is hardly your stereotypical Chinese farmer.

The 46-year-old grows wheat and corn like her rural peers, only her farm covers 133 hectares, having acquired land-use rights from other villagers in Gaomi, east China's Shandong Province.

"Unlike my parents, I view farming as a profession and a career," Wang said. She constantly travels to attend agricultural training courses.

Wang is one of a rising number of professional farmers who are more technologically astute and often rent land from other farmers. A central rural work conference in December said China would train more such professional farmers as part of rural reform and agricultural modernization.

The initiative came as China struggled to improve agricultural efficiency amid a decrease of rural labors.

China introduced a household contract responsibility system in rural areas in the late 1970s, greatly emancipating productive forces in the countryside, but the farming pattern of the small-scale peasant economy and the meager income from croplands could hardly attract the younger generation of farmers.

As about 260 million former residents of the countryside have become migrant workers in cities, farmland is left unattended or in the care of the elderly. A survey shows that 32.5 percent of Chinese farmers are over 50 in 2006, while only 7.7 percent of youngsters from the countryside are willing to take up farming.

The ageing agricultural population has also slowed the uptake of new technology and equipment. The transfer rate of agricultural technological achievement during the 11th five-year period only stood at 40 percent, far lower than developed countries.

"A key to food security is a large number of professional farmers who have a good command of technology," said Liu Tongli, deputy director of Shandong provincial agricultural management office.

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College graduates set on farming

[Women of China, 09-01-2014] Seven young women college graduates taking up farming as a career in the suburban area of southwest China's Chongqing Municipality has caused a strong local response.

Unlike the majority of the college graduates who strive to make a living in cities, they decided to become farmers in the new era.

"I didn't take the post-graduate entrance exam or the public servant admission exam like many of my classmates. I also gave up the opportunity to be a white collar worker with the company I interned in. In my class, only I returned to the rural area to be involved in field work," 23-year-old Shui Shiling, a graduate from the Horticulture College, Southwest University, said.

She wanted to develop a career in farming.

During college, she also studied accounting. At the Xiyuan Agricultural Planting Base of the suburban Chongqing, she serves not only as a technologist dealing with organic fruit and vegetable planting, but also as an office director.

"We were all born in rural areas. We are not afraid of hardship. We just hope we can apply what we have been learning here," she said.

China's government encourages college graduates to work in villages. It aims to revitalize rural China by changing the official grassroots structure and boosting the government's "new countryside" initiative. It also helps to employ the nation's rising tide of graduates. New measures have been put in place to attract agriculture college graduates to the countryside.

Most villagers hope the graduates can bring new expertise to improve their living standards.

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Better rules on GM food labels needed: expert

[People's Daily, 02-01-2014] A biotechnology researcher has called on China to improve its regulations on labeling genetically modified food, saying the current rules fail to inform consumers.

The country's trademark mechanism for GM products stipulates that products containing GM ingredients should be labeled, as announced by the Ministry of Agriculture in 2001. Products that include soybeans, corn, cotton, canola or tomatoes with GM ingredients have been included in the ministry's list.

But it is hard to protect consumers' knowledge of GM food in reality, said Huang Dafang, a researcher with the Biotechnology Research Institute at the Chinese Academy of Agricultural Sciences.

"For instance, under the current label list, the product that most consumers have contact with in the domestic market is cooking oil that contains GM ingredients," he said.

"But many foods bought outside the home, such as cakes, cookies and candies as well as food in restaurants, lack clear labels even though some are made with cooking oil containing GM ingredients," he said.

His comments came after the food and drug authority in Gansu province told local markets to set up special zones for GM food starting from March 1, to guarantee consumers' right to choose what they want to buy.

All food markets in the province must establish a special counter or shelf for GM food in their stores. They are also ordered to post notices in prominent positions to tell customers they can buy GM food in special zones, according to a circular released by Gansu Food and Drug Administration on Monday.

So far, the regulation is only on trial in the province, and has not been adopted throughout the country.

"Many people now are confused due to the poor enforcement of the country's regulations on labeling GM food," said Zhang Lanzhou, an official with the administration.

Analysts believe a lack of strict management and the absence of a monitoring mechanism is largely to blame for the confusion, coupled with business concerns that labeling GM products will lower their competitiveness.

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No modification of China's GM food regime

[ECNS, 22-01-2014] As consumer concern rises in China, an agriculture official insisted on Wednesday that strict standards still apply to genetically modified (GM) foods.

GM products must go through substantial testing before they reach consumers, said Chen Xiwen, deputy director of the central agricultural work leading team, the top authority on agriculture.

"China ensures that GM products carry no side-effects before they are approved for the market, otherwise, they may not be promoted as a commercial products," Chen said.

Currently, China has a wide acreage under GM crops, but papaya is the only GM food grown in the country and officially allowed to reach household menus. The most common GM crop is cotton, according to Chen.

Consumers have every right to know whether a product is GM or non-GM through clear labeling, he said. "With appropriate information, it is up to the consumers to decide whether to buy or not," he said.

China has maintained rigid standards on GM food as no consensus has yet been reached on whether it is harmful to humans. GM foods were introduced to the commercial market nearly two decades ago.

China's GM technology must not lag behind other nations, said Che, emphasizing that, as a major agricultural nation, the country must work harder to keep up.

Globally speaking, GM is generally used to strengthen resistance to pests to reduce use of pesticides.

Deputy Minister of Agriculture Chen Xiaohua said last week that the nation will be "active" in research to develop new GM strains with own intellectual property rights.

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Raising corn output is food for thought

[China Daily, 07-01-2013] Soybean imports have increased drastically in recent years to make up for the shortfall in domestic production and meet the ever-growing demand of the domestic market.

It is problems like these that the proposed national grain safety policy is expected to solve. Based on self-reliant grain production and moderate imports, the policy was outlined at the Central Economic Work Conference in mid-December, an annual tone-setter for next year's economic development, and the Central Rural Work Conference in late December.

China has always been committed to ensuring basic grain self-sufficiency by using domestic resources. But going by the policy, the country needs to become self-sufficient in corn, together with rice and wheat, and prevent the domestic corn market from going the soybean way. And increasing production remains the best way of becoming self-sufficient in corn.

Though gradual, China's corn production has been rising in recent years, reaching a record 200 million tons in 2012. But corn imports have also kept rising because of the inflexible demand for feed and its use to make biofuel.

Since it is not possible for China to continuously expand its corn growing area, the country has to boost its per-unit corn output if it wants to fill or narrow the corn supplying gap and become self-sufficient in the crop. The lack of progress will hamper the country's efforts to ensure grain security and prevent the domestic corn market from suffering the fate of the soybean.

China's corn yield is about 380 kilograms per mu (666 square meters), only 60 percent that of the United States. A lower output, however, means room for improvement. A series of methods can be used to boost per-unit corn yield, including improving the infrastructure and farming procedures, and choosing good strains of seeds, better soil and fertilizer management.

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China to increase subsidies to grain production

[Xinhua, 18-01-2014] The Chinese government will extend greater support to agriculture, including more subsidies to major grain-growing regions, vice premier Wang Yang has said.

Wang made the remarks during his visit in central China's Henan Province from Friday to Saturday, saying that policy supports will be strengthened for agricultural development and farmers interests.

He stressed the crucial role of grain production in social and economic development, and urged more investment, subsidies and incentives for grain production and processing.

Infrastructures like water conservancy and technologies will be improved for sustainable agricultural development, Wang said.

Innovative land management and land circulation will be promoted only if farmers' interests are not impaired, land use is not altered and agricultural production capacity is not damaged, Wang said.

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Satisfying the growing appetites

[China Daily, 24-01-2014] Rising demand in industrial and food industries has led to increasing imports of corn, wheat, soybeans

China's hunger for protein food has pushed the country to import more foreign grain, ensuring supplies for its booming animal feed processing industry to produce enough meat, eggs and milk to satisfy its growing population.

Led by the Chinese government's self-sufficiency policy for grain security, China's grain imports, including corn, wheat and soybeans, were limited before China loosened its restraints on foreign grain in 2001.

However, the stable growth of China's agricultural output and rising national incomes have provided diversified access to food with higher protein and better taste. Moreover, the country has raised the quantity of its grain imports, especially corn, wheat and soybeans, over the past decade to support the growth of the livestock feed industry.

More than 120 million metric tons of corn and 10.7 million tons of wheat were eaten by Chinese livestock in 2012, showing a 9.6 percent and 3.2 percent increase, respectively, from the previous year, according to the Beijing-based China Feed Industry Association.

To meet the growing demand, China purchased 5.12 million tons of wheat from the world market between January and November in 2013, a 39 percent rise from the same period a year earlier. The nation also imported 2.44 million tons of corn during the same period, a 6 percent increase on a year-on-year basis, according to the General Administration of Customs.

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Local watchdogs empowered in food safety shake-up

[Xinhua, 26-01-2014] Chinese provincial governments are quickly empowering local food safety watchdogs in line with the requirements of the central government to prevent food scandals.

Since the China Food and Drug Administration was launched during the cabinet restructuring of last March to supervise the full process of food production, circulation and consumption, a primary mission of provincial governments has been to correspondingly restructure their food safety monitoring mechanism.

During the reshuffle, the functions of quality inspection departments are intensified as they gain food safety jurisdiction previously held by health as well as industry and commerce departments.

To make sure the reshuffle runs smoothly and efficiently, the China Food and Drug Administration has sent out work teams to various provinces.

While inspecting the work in central China's Hunan Province in mid-January, Liu Peizhi, vice minister of the administration, urged provincial governments to complete the reshuffle as quickly as possible on the premise that the restructured outfits could have sufficient resources to fulfill the mission of the administration.

The administration is yet to announce the progress of the nationwide restructuring.

However, Li Hongyuan, director of the food and drug administration of Xiamen City in east China's Fujian Province, was quoted by the Xiamen Daily as saying that more than two-thirds of 31 provincial regions in the Chinese mainland have completed relevant restructuring so far.

Yan Zuqiang, chief of the Shanghai Municipal Food and Drug Administration, said that one goal of the restructuring was to increase the number of grassroots inspectors.

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Toward food secure China

[China Daily, 21-01-2014] China's food security is being challenged by a mix of factors, including rising demand, rapid urbanization, scarce natural resources and agricultural labor, and greater risk of food safety and environmental problems. To address food security concerns, China had resolved to meet the bulk of its grain demand domestically. But this policy is now being revisited, suggesting a considerable increase in the already rising food imports. The No 1 Central Document released on Sunday reiterated the importance of improving the food security system while ensuring food safety.

Though it deserves the highest priority, food security does not equal grain self-sufficiency. In addition to growing challenges, China remains home to the second largest population of undernourished people in the world (160 million or about 11 percent of the country's population). Besides, a large number of people in China suffer from lack of micronutrients in their diet, the so-called hidden hunger. Striking an efficient balance between grain self-sufficiency and food security is thus important to get on the road to food security.

The No 1 Central Document says the extent of China's grain sufficiency will be somewhat relaxed and the import structure optimized. This is a welcome move. Such a policy will allow China to make better use of the international market vis-a-vis the advantages of the country's agriculture sector. It will also facilitate improved allocation of resources among different commodities. Self-sufficiency targeted to specific food grains such as rice and wheat in which China has an advantage, can protect domestic consumers from volatile international grain markets and thus promote social stability.

Apart from improving national food security, China also has the opportunity to enhance global food security. It could do that, for example, by diversifying its food imports from African and Latin American markets by investing in those regions. This will lead to win-win outcomes, because it would ensure a more stable supply of food for China as well as grant those regions access to the Chinese food market.

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Science, Technology and Environment

China Exclusive: Chinese scientists cultivate high-yield salt-resistant rice

[Xinhua, 31-12-2013] Chinese scientists have cultivated a high-yield salt-resistant rice variety that boasts an output of six tonnes per hectare.

In an experimental program, two professors from Hainan University and additional researchers from the Hunan Provincial Academy of Agricultural Sciences planted 18 salt-resistant varieties on 3 mu (0.2 hectares) of saline-alkali land along the sea coast in the city of Yancheng in eastern Jiangsu province this year.

After harvesting in October, one variety has proved to have similar output as varieties growing on normal farmland, said Lin Qifeng, one of the professors from Hainan University.

The progress marks a big breakthrough in the application stage as the varieties were planted in real saline-alkali soils rather than in labs, Lin said.

The professor said they will expand the experimental plantation to 100 mu in Yancheng in 2014 to further evaluate the performance of the salt-resistant varieties.

Yancheng currently has 410,000 hectares of coastal marsh, but saline-alkali land is expanding by 2,000 hectares per year.

If it proves successful in further tests and is approved by agricultural authorities, the high-yield salt-resistant variety could mean enormous economic benefits by helping the world's most populous nation cultivate its vast idle saline-alkali land, he said.

Click [here](#) for details

Wal-Mart recalls donkey product in China after fox meat scandal

[Reuters, 02-01-2014] Wal-Mart Stores Inc, the world's largest retailer, has recalled donkey meat sold at some outlets in China after tests showed the product contained the DNA of other animals, the U.S. company said.

Wal-Mart will reimburse customers who bought the tainted "Five Spice" donkey meat and is helping local food and industry agencies in eastern Shandong province investigate its Chinese supplier, it said late on Wednesday in official posts on China's Twitter-like Weibo. The Shandong Food and Drug Administration earlier said the product contained fox meat.

The scandal could dent Wal-Mart's reputation for quality in China's \$1 trillion (602.8 billion pounds) food and grocery market where it plans to open 110 new stores in the next few years. China is the largest grocery market in the world and is set to grow to \$1.5 trillion by 2016, according to the Institute of Grocery Distribution.

"This is another hit on Wal-Mart's brand, meaning wealthy shoppers will start to lose the trust they had before," said Shaun Rein, Shanghai-based managing director of China Market Research (CMR) Group. CMR estimates Wal-Mart's market share fell from 7.5 percent to 5.2 percent over the last three years.

Donkey meat is a popular snack in some areas of China, although it only accounts for a tiny fraction of overall meat consumption. In 2011 China slaughtered 2.4 million donkeys, according to country's livestock industry yearbook.

Click [here](#) for details

Tainted farmland to be restored

[China Daily, 31-12-2013] Farming of contaminated arable land almost the size of Belgium has been halted and the land will be rehabilitated to ensure food security, a senior official said on Monday.

A soil survey by the Ministry of Environmental Protection found that pollution affects about 3.33 million hectares, Wang Shiyuan, vice-minister of land and resources, said.

"This finding is similar to the geographical environmental survey by the Ministry of Land and Resources," Wang added.

Arable land in China totaled 135.4 million hectares at the end of last year, 15 million hectares more than the bottom line set by the government to ensure food security, Wang said at a news conference, citing the results of the second national land survey released on Monday.

However, the amount of stable cultivated land will drop to 120 million hectares, as some farmland will be converted to forests, grasslands and wetlands, while pollution will leave some land unusable, Wang said.

The environment ministry earlier declined to disclose data related to soil pollution, saying further investigation is needed and that the figure is a State secret.

A nationwide survey on soil pollution was carried out between 2006 and 2010, led by the Ministry of Environmental Protection and the Ministry of Land and Resources, but the results were never made public.

Bai Chengshou, deputy head of the nature and ecology conservation department at the environmental protection ministry, said results will be published in future, with more data included.

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Yuan Longping transforming corn gene into rice

[ECNS, 03-01-2014] Yuan Longping, known as the "Father of Hybrid Rice," has led government-funded research on genetically modified (GM) rice since 2008, and his son has already published several theses on GM technology, the *Beijing Times* reports.

People's Daily Online on Thursday quoted Yuan as saying that "genetically modified food shouldn't be evaluated one-sidedly" in a video program, which has aroused much attention.

Yuan said his team is trying to transform a certain gene of corn into rice, which would improve photosynthetic efficiency and output. "Can't such genetically modified rice be edible, as corn is included in our diet?"

The video also included an interview with an opponent of GM food, Yan Lianke, a renowned Chinese novelist, who said another generation or two is necessary to determine whether GM food is safe or not.

A report by People's Daily Online in 2010 said that Yuan supported GM research after communicating with Zhang Qifa, a member of the Chinese Academy of Sciences who advocates GM rice.

The report also mentioned that Yuan was shouldering a government-funded research project on GM rice and building an industrial base in 2008.

But Yuan insisted that he is a centrist on the issue of GM rice, calling for more prudent steps in applying genetic engineering technology to food.

Yuan said he hoped to be a volunteer of GM rice test on influence of next generation, but gave it up as he is too old, so he called on young people to be volunteers.

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Growing food in space could assist in human colonization

[China Daily, 06-01-2014] Space, in the words of Captain James T. Kirk, is the final frontier. However, although the human colonization of space is central to the dreams of many aficionados of science fiction, only the most fanatical would contend that humans will achieve that ambition anytime soon.

The problems are manifold, ranging from solar radiation and frigid temperatures to the provision of adequate supplies of oxygen, food and water. Supplying space stations is almost prohibitively expensive. The United States spends between \$10,000 and \$100,000 to transport every kilogram of food it sends into space, and the huge distances between Earth and our nearest neighbors would render a resupply program almost impossible, even if humans were able to establish successful settlements outside Earth's atmosphere.

Now, however, it's hoped that research undertaken by a team of scientists at Beijing University of Aeronautics and Astronautics will provide some key answers to one of the problems - that of growing plants in space.

At their laboratory, called Yuegong-1, or Moon Palace, the scientists simulated a lunar environment - replicating the differences in temperature and gravity - to conduct experiments into the cultivation of plants and micro-organisms in an extraterrestrial environment.

The researchers used a limited number of resources; food, water, oxygen, soil, livestock, and, most important, plants with a strong resistance to the types of radiation found in space.

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China confirms H5N1 bird flu outbreak

[Xinhua, 13-10-2014] Central China's Hubei Province has reported an outbreak of H5N1 in poultry, the Ministry of Agriculture (MOA) announced Monday.

Chickens at a farm in Wanjia village of Yangxin County showed symptoms of suspected avian flu and 3,200 died on Jan. 7.

The National Avian Influenza Reference Laboratory confirmed the epidemic was H5N1 bird flu after testing samples collected from the farm, according to the MOA.

Local authorities have sealed off and sterilized the infected area, where a total of 46,800 chickens have been culled and safely disposed of to prevent the disease from spreading, according to the ministry.

Bird flu, or avian influenza, is a contagious disease of animal origin caused by viruses that normally infect only birds and, less commonly, pigs. It can be fatal to humans.

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Shanghai's live poultry markets to be closed

[Shanghai Daily, 07-01-2013] Shanghai's live poultry markets will be shut from the end of this month until April 30 to prevent a recurrence of the bird flu, the Shanghai Agricultural Commission said yesterday.

Shanghai reported the year's first H7N9 bird flu case on Friday. The patient, an 86-year-old man, bought live poultry, health authorities said.

This is the first time that Shanghai will shut all the 117 markets for a period of time after a new provision on the management of live poultry trade was introduced in the city last June. The suspension will be an annual feature for the next five years after its success is evaluated, authorities said.

Residents need to buy and store poultry before the markets close on the first day of the Spring Festival.

But many elderly residents said the closure will dampen the festive atmosphere of the Chinese New Year.

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International Relations

Quality watchdog gives imported food priority

[China Daily, 07-01-2014] Imported food and agricultural products will remain a top priority for supervision by the country's quality watchdog in 2014, a senior official said on Monday.

Zhi Shuping, minister of the General Administration of Quality Supervision, Inspection and Quarantine, made the call in the wake of more than 600,000 metric tons of US corn being rejected in late 2013 for containing unapproved genetically modified materials.

In 2013, the administration rejected 2,030 shipments of disqualified food products and detected 530,000 shipments containing a total of 4,509 pest species in 2013.

It also rejected 601,000 tons of imported corn from the United States during November and December after detecting a genetically modified variety, known as MIR 162, which has not been approved by agricultural authorities in China.

The quarantine of animals and plants, hazardous chemicals, waste materials and nuclear hazards in cargo will also continue to be key priorities.

The watchdog will also focus on quality checks of children's products, food-related products, textiles and clothing, electronics and e-commerce products.

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Wal-Mart adds DNA tests in China after donkey-meat recall

[Bloomberg, 03-01-2014] Wal-Mart said it's adding DNA tests of meat it sells in China after recalling donkey products from a local supplier that authorities said contained fox DNA.

Wal-Mart withdrew all products from vendor Dezhou Fujude Food Company Ltd., after fox DNA was identified in samples, the retailer said yesterday in a statement. Yucheng, China authorities put Dezhou Fujude officials in "criminal detention," and Wal-Mart is considering legal action, according to the statement.

Wal-Mart said it's offering compensation to customers and that the testing it's adding goes beyond what is legally required in China. The world's largest retailer had previously increased safety measures after contamination and mis-labeling incidents, including a 2012 citation by regulators for selling sesame oil and squid with hazardous levels of chemicals.

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Syngenta awaits China's approval for gene-modified corn

[Reuters, 08-01-2014] Switzerland-based Syngenta AG is waiting for China to approve a strain of gene-modified corn present in several U.S. cargoes turned away from Chinese ports in recent months, the company said.

Since November, China has rejected about 600,000 tonnes of corn from United States, the world's largest exporter, after detecting traces of MIR 162, also known as Agrisure Viptera, which is still awaiting approval from China's farm ministry.

Syngenta has responded to all requests from the Chinese government for information, but has not yet been informed on the progress of its application, the company said in a statement.

"As far as the status of the approval, we are doing everything we can to find out what, if any, questions the Chinese Ministry of Agriculture has about our dossier for the Agrisure Viptera trait," Syngenta said in the statement, emailed to Reuters.

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China to end soya, cotton stockpile policy

[Business Recorder, 31-12-2013] China, the world's top buyer of soya and cotton, will scrap its controversial scheme to stockpile the commodities and replace it with direct subsidies to farmers, the official Xinhua news agency reported. This would bring an end to a system

blamed for distorting the market to such a degree that it has been cheaper for mills in China to import cotton rather than buy domestic produce.

Global cotton prices, which have climbed around 12 percent this year, could come under pressure as the change in policy will free up more locally grown cotton, denting China's imports of the fibre in the short term. Finance Minister Lou Jiwei was cited by Xinhua as saying the ministry would set up target prices and offer subsidies to soya and cotton farmers on a trial basis, but he did not give any details on the time frame.

The market was widely expecting the cotton, soya and rapeseed stockpile programme to end next year. The ministry would also establish a mechanism to use imports to refill state reserves to help ensure domestic supplies, Lou was cited as saying at a Thursday meeting of financial sector officials. China has already been buying corn, wheat and sugar for its state reserves.

China would make full use of both domestic and international markets and "expand the trade volume in some agricultural products", Lou was further quoted as saying. There were no further details. Beijing stockpiled about 10 million tonnes of cotton over the past two years, accounting for 60 percent of global stocks, while its soya stocks are at about 4 to 5 million tonnes.

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China eyes foreign farms to fill its kitchen cupboard

[Caixin, 08-01-2014] As has been the case since the Mao era, self-sufficiency in staple foods is a primary objective of the Communist Party.

The country's National Medium-Term Priority Framework in 2013 promotes 95 percent self-sufficiency in grain (corn, wheat and rice, specifically) in the coming decade. But the limiting effects of urbanization, pollution and climate change on arable land, as well as concerns about food price volatility, are leading officials and firms to look overseas for agricultural investment opportunities. This is especially true in the case of soy, which is not included in the self-sufficiency planning. The result is a "two markets, two resources" approach to food security, wherein the country works to improve domestic production capacity in staple foods while seeking to control production, processing and logistics for commodities, like soy, that cannot be supplied domestically in sufficient quantities.

While China is committed to increasing domestic agricultural output (and there is much that can be done in this regard), the country's need to complement internal production with foreign agricultural goods is becoming more urgent. This has obvious implications for Latin America, especially in terms of soy imports and related investment.

As was evident over the past decade, even relatively small changes in China's consumption patterns can have a major influence on global agricultural commodities market. Latin America should expect growing interest from China in agriculture and in specific foods in particular. China is inclined to project its food deficits abroad. The extent to which its investments and other agreements are successful will continue depend, however, on popular, foreign government and interest group reactions to enhanced Chinese agricultural engagement.

Click [here](#) for details

Chinese bun brand to buy US coffee chain

[Global Times, 08-01-2014] Goubuli, a renowned Chinese food brand known for its steamed stuffed buns, announced on Wednesday it expects to buy a well-known American coffee chain in the first half of this year.

Goubuli did not reveal the name of the American coffee chain.

"The negotiation has entered the final stage," said Zhang Yansen, Goubuli board chairman. "It's not convenient for us to disclose the details."

But he did say that the coffee chain currently runs hundreds of shops in more than 40 countries and regions in Europe, the United States and southeast Asia.

Goubuli can use the coffee chain's business network to promote high-quality Chinese cuisine to the overseas market, according to Zhang.

Although Chinese food is popular worldwide, it is generally considered low-end fare, he said.

"Goubuli is one of the most famed and oldest Chinese dining brands," he added. "The status of Chinese food overseas makes me embarrassed."

Goubuli, established in 1858 and headquartered in the northern port city of Tianjin, has gained momentum in its expansion overseas in recent years.

It forged a partnership with Singapore-based food manufacturer Tee Yih Jia in October 2013 to sell Goubuli products in over 50 cities in the Asia Pacific market.

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Wine opinion: are the Chinese really the world's biggest drinkers?

[SCMP, 09-01-2014] A recent report by Morgan Stanley, predicting a shortfall in global wine production, says that the US and China are "the main drivers of consumption globally".

We've heard that often, but is it true? In fact, China is only the world's fifth-largest wine market.

Mainlanders are also often said to be driving the world market in spirits as well, propelled by the popular image of businessmen downing brandy at convivial banquets. The British government and delegations from the Scottish parliament have successfully lobbied the Chinese government into giving Scotch legal protection - if it says Scotch on the bottle, the contents must be made in Scotland.

Clearly, British politicians thought that looking after their constituents was a high priority, but are the Chinese really driving growth in the world's drinks industries? The latest figures seem to suggest not.

Whisky exports are certainly important to Scotland, making up £4.27 billion (HK\$54.31 billion) of the £5.31 billion in food and drinks exported in 2012, according to official figures. But China accounts for only £71.5 million of those sales, despite an increase in sales of 70 per cent over the 10 years from 2002. It may surprise you to learn who is drinking all that Scotch, across the several hundred brands produced by just 100 distilleries.

The same 10 year period saw exports to the United States rise to £758 million, an increase of 150 per cent, but it is the French who have the real thirst for Scotch. The Americans drink the expensive stuff but the French are the largest export market by volume, growing to around 55 per cent to £434m in the decade to 2012. Clearly, they have more economic woes to drown, something that may also account for the category's good showing in Spain.

In fact, China is not even the largest market in Asia. Singapore takes that honour, although much of what they import is re-exported to China, Taiwan and South Korea.

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French agriculture insurance provider to seize opportunities from rural land reform

[Global Times, 27-01-2014] While China may have lost the lure for some foreign insurance companies that had reportedly withdrawn due to a long cycle of investment and low prospect of profit, it is presenting market opportunities for others.

China's urbanization as well as rural reforms aimed at improving productivity of its agricultural system presented great opportunities for an agriculture insurer like Groupama, Yuri Narozniak, deputy CEO of Groupama AVIC Insurance, told the Global Times during a recent interview.

Chinese policymakers said they would further push forward the modernization of agriculture in 2014 during the Central Rural Work Conference held in December, and would allow the transfer of contracted land and encourage massive scale of farming.

Unlike French farmers who are usually rich and own large farms, Chinese farmers are generally low-income earners.

Half a century ago, Groupama, a leading French and European agriculture insurance provider, was insuring French farmers with modest premiums like it is now in China.

"Because of rural exodus, farmland ownership has consolidated into the hands of fewer, thus increasing the size of farms, allowing higher investments in machinery and productivity and thus increasing the insurance premium," he said. "China is experiencing the same evolution which European countries have experienced."

Groupama established a wholly owned company in Sichuan in 2003 and started operation in 2004. Even before that, GAN, a subsidiary of Groupama, set up a representative office in China in 1994.

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