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## Policies

### **China to close all live poultry markets gradually**

[Xinhua, 03-07-2020] China will close all live poultry markets in a step-by-step manner in a bid to reduce public health risks.

China will crack down on the illegal wildlife trade, ban the consumption of wild animals, and impose restrictions on the trade and slaughter of live poultry, an official with the State Administration for Market Regulation, told a press conference.

Authorities will step up supervision over farmers' markets to ensure food safety amid the COVID-19 epidemic.

China has 44,000 farmers' markets nationwide, including more than 4,100 wholesale markets.

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### **China to scale up investment in agriculture, rural areas**

[Xinhua, 13-07-2020] China will prioritize the development of agriculture and rural areas and advance a batch of major projects to facilitate production and consumption, according to the guideline jointly issued by seven departments, including the Ministry of Agriculture and Rural Affairs.

China will speed up the development of high-standard farmland, cold-chain storage and logistics facilities for agricultural products and modern agricultural industrial parks.

Efforts will also be made to strengthen the protection of fauna and flora, improve the rural living environment, and enhance water supply and sewage treatment in rural areas, according to the document.

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### **China invests heavily to quicken hog production recovery**

[Xinhua, 19-07-2020] China's top economic planner has allocated 4.55 billion yuan (649.6 million U.S. dollars) from the central budget to help pig farms improve facilities, and accelerate the recovery of the country's hog production.

According to a statement by the National Development and Reform Commission, the funds will be used to support the construction of waste treatment and utilization facilities in major livestock production counties and counties with a stock of more than 100,000 hogs.

The funds will also be used to assist major pig farms and breeding farms in building facilities for purposes ranging from epidemic prevention to automatic feeding.

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### **MARA issues national plan for rural industrial development (2020-2025)**

[MARA, 18-07-2020] The Ministry of Agriculture and Rural Affairs (MARA) recently issued the 2020-2025 National Plan for Rural Industrial Development, calling for efforts to accelerate the development of rural industries and lay a solid foundation for modernization of agriculture and rural areas and all-round rural revitalization.

The Plan articulates that rural industries should seek integrated development featuring farmer-centered, market-oriented, environment-friendly, and innovation-driven.

The Plan also identifies priorities of rural industries development, including upgrading agricultural product processing industry, expanding rural specialty industries, improving agricultural tourism, developing new-type rural service industries, promoting synergies

between vertical integration of agriculture and rural industries development, and advancing entrepreneurship and innovation in rural areas.

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### **New measures to stop illegal use of farmland**

[China daily, 1-07-2020] Two ministries recently issued notifications prohibiting the illegal use of farmland for real estate projects and ensuring reasonable land use for the construction of houses in rural areas.

The two notifications, jointly released by the Ministry of Natural Resources and the Ministry of Agriculture and Rural Affairs, aim to further protect the country's farmland.

The notifications listed eight major kinds of illegal farmland use and said "no tolerance" would be shown to those activities.

China will establish a national territory planning system by the end of this year guided by three "red lines". The line designating permanent farmland — about 103 million hectares — aims to bolster safety, improve quality and prevent farmland from being used for other purposes.

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### **New epidemic control precautions announced for produce markets**

[China daily, 31-07-2020] Large agricultural markets in China, especially those selling frozen meat and seafood or containing damp environments, will be subject to regular tests for novel coronavirus as several COVID-19 outbreaks in China are believed to be tied to markets selling or processing seafood.

Major food markets — those providing fresh or frozen products in particular — will be tested once a week, while other markets will be tested once a month according to a technical guideline released by the State Council's Joint Prevention and Control Mechanism.

Testing samples will be taken from surfaces of stalls, refrigerators and tools. Throat swab samples of vendors in the market, as well as samples collected from their clothing and hands, will also be tested.

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### **China agrees to 'intensive' WTO talks on fisheries**

[Reuters, 21-07-2020] China is ready to “fully engage” in intensive negotiations agreed on Tuesday 21 July by the World Trade Organization to cut subsidies on fishing by year-end, sources following the talks said.

The body has been trying to reach a deal for the past 20 years on ending the subsidies which environmentalists say are contributing to a worrying decline in global fish stocks.

The WTO's 164 members are set to start “continuous negotiations” in September based on a draft text with a view to getting a deal by December. One source said four week-long negotiating rounds were planned with all parties and other talks on the sidelines.

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## **Science, Technology and Environment**

### **BeiDou adopted in unmanned farm machines in Xinjiang**

[Xinhua, 20-07-2020] The BeiDou Navigation Satellite System (BDS) has been adopted in more than 10,000 unmanned farm tractors and spraying drones in northwest China's Xinjiang

Uygur Autonomous Region, according to the regional agriculture and husbandry machinery administration.

Xinjiang has been promoting tractors, harvesters and other agricultural machinery equipped with BDS in recent years, and techniques such as precision sowing, fertilization, and pesticide spraying, based on the system to improve the working quality of the machines.

The region currently has over 5,000 spraying drones using BDS with a total operation area - exceeding 1.33 million hectares. The navigation system has greatly raised the working efficiency of the drones, the administration said.

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### **China says G4 swine flu virus not new; does not infect humans easily**

[Reuters, 04-07-2020] China's Ministry of Agriculture and Rural Affairs said on 4 July that the so-called "G4" strain of swine flu virus is not new and does not infect or sicken humans and animals easily, rebuffing a study published earlier this week.

That study, by a team of Chinese scientists and published by the U.S. journal Proceedings of the National Academy of Sciences (PNAS), warned that a new swine flu virus, named G4, has become more infectious to humans and could become a potential "pandemic virus".

However, China's agriculture ministry said in a statement that the study has been interpreted by the media "in an exaggerated and nonfactual way."

An analysis by the ministry concluded that sampling of the published study is too small to be representative, while the article lacks adequate evidence to show the G4 virus has become the dominant strain among pigs.

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### **Chinese researchers construct high-quality soybean genome**

[Xinhua, 18-06-2020] Chinese researchers have constructed a high-quality genome map of diverse soybean varieties, which could help improve soybean breeding and cultivation.

Researchers from the Institute of Genetics and Developmental Biology under the Chinese Academy of Sciences carried out in-depth resequencing and structural analysis on 2,898 soybean accessions from major soybean-producing countries in the world, and carefully selected 26 representative soybeans, including three wild soybeans, nine farm species and 14 modern cultivated varieties.

Then they assembled and accurately annotated the genomes of the 26 soybeans and constructed a high-quality graph-based soybean pan-genome, which contains almost all the genetic information of soybeans and includes the unique gene structure variation of some important varieties. The information could help analyze the regulation mechanism of important agronomic traits such as the brightness and color change of soybean seed coats.

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### **China urges implementation of Yangtze River fishing ban**

[Xinhua, 08-07-2020] China called for solid efforts to implement the fishing ban in the Yangtze River basin, and ensure the livelihoods of affected fishermen after they bid farewell to nets and boats, according to a circular released by the General Office of the State Council.

As the fishing ban in the Yangtze River basin is an important measure to protect the river and improve the ecological environment, local governments and related departments should roll out specific policies and measures to ensure its implementation, the circular said.

China began a 10-year fishing moratorium from the beginning of this year in 332 conservation areas in the Yangtze River basin, which will be expanded to all the natural waterways of the country's longest river, and its major tributaries, from no later than January 1, 2021.

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### **Yunnan prevents spread of locust swarms**

[Xinhua, 10-07-2020] Southwest China's Yunnan Province is beefing up efforts to prevent the spread of locust swarms that have been reported in some parts of the province since June 28.

The provincial forestry and grassland bureau said locust swarms had been monitored in an area of 7,840 hectares in Pu'er City. After treatment measures were taken, the affected area was reduced by about 3,613 hectares.

The pest has also been found in some areas of Xishuangbanna, where the damages are still under investigation.

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### **China reports skin disease outbreaks in cattle due to virus**

[Reuters, 15-07-2020] China is facing outbreaks of a debilitating virus in cattle that causes a condition called 'lumpy skin disease', following an incident on a farm in the eastern province of Zhejiang this week, the agriculture ministry said on Wednesday.

On its website, the Ministry of Agriculture and Rural Affairs said five cases were found during June in the southern provinces of Guangdong and Fujian and the eastern provinces of Jiangxi and Anhui.

"The local area has effectively dealt with the epidemic," the ministry said of this week's incident. "It has killed two diseased cattle and disposed of them, and (the farm) has been thoroughly and completely disinfected."

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### **Sea cucumber farms inspected for pesticides**

[China daily, 21-07-2020] The Ministry of Agriculture and Rural Affairs launched a nationwide campaign on Monday 20 July to crack down on the illegal use of pesticides and other banned drugs in raising sea cucumbers after some aquaculture farms in East China were recently found to have used dichlorvos, a highly toxic insecticide.

The ministry stressed that only approved veterinary drugs and feed can be dispersed at aquaculture farms, according to a notice published on its website.

Concerted efforts will be devoted to conducting thorough inspections at farms rearing sea cucumbers — which are sought after in China for their nutritional and medicinal value — and targeting the illegal use of pesticides, such as dichlorvos and weed killers, as well as banned or suspended drugs, the ministry said.

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### **Floods highlight importance of food security**

[China Daily, 22-07-2020] The floods in the southern parts of China have triggered fresh concerns about whether the country will face a food shortage and nutrition crisis. Although China's food (especially cereal) stock and supply are adequate, concerted efforts are needed to ensure food and nutrition security for all citizens, particularly those in the flood-affected areas.

The measures taken to prevent and control the spread of the novel coronavirus outbreak disrupted food production, processing, transportation, marketing and trade in February and March, posing a threat to food security. Fortunately, the novel coronavirus has been largely controlled in the country, and the economy, including the agricultural and food sector, has mostly recovered. And various government policies including green channels for transportation of fresh foods and workers in the food sector have helped minimize the impact of the shocks.

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### **China's food delivery boom may undercut plans to reduce plastic bags**

[SCMP, 27-07-2020] China – one of the world's biggest users of plastics – will ban non-degradable plastic bags in supermarkets, shopping centres and flourishing food delivery services in its major cities from next year. At the same time, non-degradable, single-use plastic straws, plastic cotton buds, and foam plastic disposable dinnerware will no longer be allowed nationwide, according to a plan issued earlier this year.

China's ubiquitous express delivery industry consumed more than 9 million tonnes of packaging materials in 2018, according to a report by environmental group Greenpeace and two other NGOs.

The new plastics directive aims to reduce consumption of non-degradable utensils in the food delivery service by 30 per cent in major cities by 2025.

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## **Trade and Business**

### **China has record summer harvest on higher wheat yields**

[Yicai Global, 15-07-2020] China reaped a record harvest of crops during the summer, despite the area planted being slightly less than last year, as better pest control and favorable weather conditions allowed for higher yields.

This year 142.8 million tons of summer crops were harvested, up 0.9 percent from last year, of which 131.7 million tons were wheat, according to the National Bureau of Statistics.

Some 26.2 million hectares were planted, a drop of 0.7 percent from the year before. The yield per hectare was up 1.6 percent to 5,456.5 kilograms. Wheat yields were up 1.8 percent to 5,798 kg.

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### **China adds 76,000 pig farming firms in H1**

[Xinhua, 26-07-2020] China added 76,000 pig farming enterprises in the first half of 2020, a rise of 109 percent from the same period last year on government stimulus to boost production, Securities Times reported.

As of July 20, China had around 760,000 pig farming businesses in operation, the paper said, citing information from Tianyancha.com, an online query platform for company information.

Since last year, China has implemented a slew of policies to encourage hog production and stabilize pork prices affected by African swine fever and other factors.

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## **China's H1 grain imports spike, on path to use up annual quotas**

[Reuters, 24-07-2020] China has accelerated grains buying from abroad in the first half of 2020 and may fully use up its annual quotas for corn and wheat imports for the first time ever, traders and analysts said. China, the world's top agricultural market, imported 3.66 million tonnes of corn from January to June, 51% of its annual quota for the grain set at 7.2 million tonnes, according to customs data released on Thursday 24 July. Wheat imports came at 3.35 million tonnes, 35% of its yearly quota at 9.64 million tonnes, the data showed.

Last year, China only used 67% of its annual quota for corn and one-third of its yearly wheat quota.

The import surge has increased expectations that China will fully use up its corn and wheat quotas for the year for the first time, said a source with knowledge of China's agricultural buying.

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## **China H1 meat imports up 73.5%**

[Reuters, 14-07-2020] China imported 4.75 million tonnes of meat including offal in the first six months of the year, customs data showed on Tuesday, up 73.5% on the same period a year ago.

Chinese buyers boosted overseas meat purchases after a collapse in domestic pork production caused by an epidemic of African swine fever that has swept the country since 2018.

China imported 896,000 tonnes of meat including offal in June, the data from the General Administration of Customs showed, up 9.8% from 813,000 tonnes in May. Customs did not provide comparable year-ago June meat import figures.

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## **China's soybean imports from Brazil rise to record in June**

[Reuters, 26-07-2020] China's soybean imports in June from top supplier Brazil soared to a record high, according to customs data, driven by growing demand for soybeans as China's pig herd recovers after deadly outbreaks of African swine fever.

The world's top soybean buyer brought in 10.51 million tonnes of the oilseed from the South American country in June, up 91% from 5.5 million tonnes in the previous year, data from the General Administration of Customs showed. The June figures were also up 18.6% from May imports from Brazil at 8.86 million tonnes.

China's overall soybean imports in June were a record 11.16 million tonnes as Chinese processors also made the most of lower Brazilian prices as better weather facilitated exports.

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## **European salmon sales to China slowly recovering after virus scare**

[Reuters, 13-07-2020] European exports of farmed salmon to China are gradually restarting after a temporary halt due to a coronavirus scare, two exporters and Norway's seafood marketing organisation said on Monday 13 July.

Many Chinese buyers halted imports of salmon and the fish was removed from supermarket shelves after the novel coronavirus was found on a chopping board used to cut salmon at a large food market in Beijing last month.

Officials in China and Norway, one of the world's top farmed salmon exporters, later concluded that imported salmon wasn't the source of the contamination.

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### **China's food delivery market expands in H1**

[Xinhua, 05-07-2020] China's food delivery market saw rapid expansion in the first half of this year as more people chose to order food online in an effort to curb the spread of COVID-19, an industry report showed.

Food delivery is estimated to account for about 20 percent of China's catering industry in 2020, said the report released by the Meituan Research Institute and the China Hospitality Association.

The report predicted that the market will continue to expand within the next three years to reach 1 trillion yuan (about 142 billion U.S. dollars).

Affected by the novel coronavirus outbreak, restaurants saw fewer dine-in customers and had heavy rent and payroll burdens, a survey conducted by the Meituan Research Institute showed.

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### **China suspends meat imports from various origins amid COVID-19 pandemic**

[Reuters, 06-07-2020] China has banned meat imports from various processing plants in several countries in the past month, a customs document showed, as the global coronavirus pandemic hit the world's top meats processors.

China most recently banned imports from two more Brazilian pork processing plants and a pork plant owned by German meat producer Westfleisch, according to a list on the website of the General Administration of Customs, updated over the weekend.

China's customs office had already suspended pork imports from plants owned by German meat producer Toennies, and imports of poultry products from a plant owned by U.S.-based meat processor Tyson Inc.

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### **China's millennials drink more milk to boost immune system**

[Bloomberg, 24-07-2020] One debate fueled by the virus is about whether to have steamed buns and congee (porridge) for breakfast, or milk and toast. It's a serious question in China, where the government is pushing people to drink milk to get more protein, a vital ingredient in building the body's immune system.

Because of its large population, China is already second to the U.S. in dairy sales and is forecast to take the top spot by 2022. It's also the third-largest producer of cow's milk. Yet it has a lot of room to grow. Annual per capita consumption has risen to about 34 liters, according to China's State Administration for Market Regulation -- that's still a fraction of the 100 liters the average Australian consumes.

By 2025, China's government expects milk production to reach 45 million tons, 30 times what it was in 1980. That will mean dedicating more farmland to raising and feeding cows, both at home and abroad.

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### **China's Dalian exchange starts simulated trading for live hog futures**

[Reuters, 10-07-2020] China's Dalian Commodity Exchange began simulated trading for its live hog futures contract on Friday as it plans to launch what will be the world's second such contract after lean hog futures in the United States.



The Dalian exchange said the simulated trading will help establish the rules and regulations of live hog futures trading, and help market participants become familiar with the trading mechanism before the formal listing.

China's Securities Regulatory Commission, which announced the contract's approval in April, said China's pig industry was worth nearly 1 trillion yuan (\$143 billion) and the futures contract would help market players manage risk.

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### **China's farm produce trade deficit expands in Jan.-May**

[Xinhua, 11-07-2020] China's trade in agricultural products reported a deficit of 36.67 billion U.S. dollars in the first five months of 2020, up 20.6 percent year on year, official statistics show.

Farm produce imports increased by 8.8 percent year on year to 65.98 billion U.S. dollars, while exports fell 3 percent to 29.31 billion U.S. dollars, according to the Ministry of Agriculture and Rural Affairs.

China's total farm produce trade volume rose by 4.9 percent year on year to 95.29 billion U.S. dollars during the January-May period.

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### **China plans wheat, rice sales to tame surging corn prices**

[Reuters, 21-07-2020] China plans to sell rice and wheat from state reserves to animal feed producers who are struggling with high corn prices, which have soared more than 20% in some areas this year amid tightening supplies, three sources familiar with the matter said.

Beijing may offload about 10 million tonnes of rice in the first batch of sales, according to one of the sources who was briefed on the plan.

The plan to sell stocks from reserves comes as Chinese corn prices hit five-year highs and inventories dwindle following years of government efforts to whittle down a previously massive corn stockpile.

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### **China's pork output slides for 7th straight quarter in shadow of African swine fever**

[Reuters, 16-07-2020] China's pork production fell for the seventh consecutive quarter in the April-June period as the world's top pig producer continued to reel from the effects of the deadly African swine fever that decimated its pig herd.

Second-quarter pork output fell 4.7% compared with the same period a year ago to 9.6 million tonnes, according to Reuters calculations based on data released on 16 July by the National Bureau of Statistics that showed a 19.1% drop for the first six months of the year.

Though it represents some progress from the nearly one-third slide seen in fourth-quarter 2019 output, the first-half drop underlines the huge task China still faces in rebuilding its hog herd since African swine fever swept through the country's farms at the end of 2018. Some analysts believe the herd shrank by as much as 60%.

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## **As "Made in Italy" brand prepares for relaunch, agricultural exporters eye Chinese market**

[Xinhua, 20-07-2020] As Italy seeks to boost its agriculture sector and the "Made in Italy" brand as it relates to high-quality foodstuffs, analysts say the Chinese market will play an important role in the sector's recovery.

Earlier this month, government officials and private sector representatives held a special meeting -- mostly with online participation -- focusing on updating and modernizing the "Made in Italy" brand, through promoting products and innovation, such as the use of blockchain technology as a way to guarantee authenticity and freshness.

Analysts said the export sector would be a key part of the recovery, with trade to China a key aspect.

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