

China Agri-food News Digest February 2013

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Policies

China raises state procurement price for rice

BEIJING, Jan. 30 (Xinhua) -- China will lift the minimum state procurement price for rice produced this year to encourage farmers to grow more grain and boost production, the country's top economic planner said Wednesday.

The National Development and Reform Commission (NDRC) said in a statement that the minimum procurement price for early indica rice will be raised to 2,640 yuan (420 U.S. dollars) per tonne, up 10 percent from the price set for 2012.

Meanwhile, the minimum procurement prices for mid-and-late indica rice and japonica rice will be set at 2,700 yuan and 3,000 yuan per tonne, up 8 percent and 7.14 percent, respectively.

The policy will be applied to China's 13 major grain-producing provinces and regions, including Liaoning, Hebei, Shandong, Jilin, Inner Mongolia, Jiangxi, Hunan, Sichuan, Henan, Hubei, Jiangsu, Anhui and Heilongjiang.

China has set minimum procurement prices for grain, including wheat and rice, since 2004. Under the scheme, the government buys grain from farmers at the state-set price when the market price falls below it.

The country's grain output hit nearly 590 million tonnes in 2012, marking the ninth consecutive year of growth.

More details click here

No.1 central document targets rural issues

The Chinese authorities on Thursday issued its first policy document for 2013, underlining the importance of accelerating modern agricultural industry and rural areas' development.

Ensuring grain security and an effective supply of farm products will always be a top priority in China's development of modern agriculture, according the policy document.

China should never slacken agricultural production, said the document, adding that works should be done to accelerate the development of modern agricultural industry and strengthen both material and technical support for agricultural development.

The document also underlined the need to help rural migrant workers become urban residents, calling it an important task for the country's urbanization.

China will accelerate reforms in its rural land expropriation system to better protect the legal rights of those living in rural areas. Farmers should be entitled to a higher proportion of the value increases of expropriated land, and their long-term interests should be ensured.

The document promises to improve registration systems for farmer's management rights of contracted land and aims to complete the work in five years. The registration is intended to offer legal proof to farmers in cases of land transfers.

More details click here

Companies urged to help boost agriculture

China will encourage industrial and commercial enterprises to be active in the agricultural sector to accelerate its development, senior officials said.

Such enterprises will be supported in helping farmers in several areas, such as the supply of agricultural machinery and processing and marketing of agricultural products, said Chen Xiwen,

director of the Office of the Communist Party of China Central Committee's Leading Group on Rural Work.

Investments in facility agriculture and large-scale animal husbandry are also being encouraged as enterprises always have strong finances and technological superiority to ordinary farmers, he said.

Chen was speaking at a news conference organized by the State Council Information Office on Friday, a day after the CPC Central Committee and the State Council - China's cabinet - jointly issued the first document of the year. This stressed the significance of developing modern agriculture and enhancing the vitality of rural areas.

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China's agricultural performance in 2012

The national Bureau of Statics of China released "Statistical Communiqué of the People's Republic of China on the 2012 National Economic and Social Development" on 22nd February 2013.

Agriculture

In 2012, the sown area of grain was 111.27 million hectares, an increase of 690 thousand hectares compared with that in the previous year; the sown area of cotton was 4.70 million hectares, a decrease of 340 thousand hectares; the sown area of oil-bearing crops was 13.98 million hectares, an increase of 120 thousand hectares; the sown area of sugar crops was 2.03 million hectares, an increase of 90 thousand hectares.

The total output of grain in 2012 was 589.57 million tons, an increase of 18.36 million tons or up by 3.2 percent over the previous year. Of this total, the output of summer crops was 129.95 million tons, increased by 2.8 percent, and that of the early rice was 33.29 million tons, increased by 1.6 percent over the previous year. The output of autumn grain was 426.33 million tons, an increase of 3.5 percent. Among the main grain crops, the output of rice was 204.29 million tons, up by 1.6 percent; that of wheat was 120.58 million tons, up by 2.7 percent; and that of corn was 208.12 million tons, a rise of 8.0 percent.

In 2012, the output of cotton was 6.84 million tons, an increase of 3.8 percent over the previous year, that of oil-bearing crops was 34.76 million tons, up by 5.1 percent and that of sugar crops was 134.93 million tons, an increase of 7.8 percent, that of tobacco was 3.20 million tons, up by 11.5 percent, and that of tea was 1.80 million tons, up by 11.2 percent.

The total output of meat for the year reached 83.84 million tons, up by 5.4 percent over the previous year. Of this total, the output of pork was 53.35 million tons, up by 5.6 percent; that of beef was 6.62 million tons, increased by 2.3 percent; and that of mutton and poultry was 4.01 and 18.23 million tons, increased by 2.0 percent and 6.7 percent respectively. At the end of the year, 474.92 million pigs were registered in the total stocks, up by 1.6 percent, and 696.28 million pigs were slaughtered, up by 5.2 percent. The total output of eggs was 28.61 million tons, up by 1.8 percent. The production of milk was 37.44 million tons, up by 2.3 percent.

The total output of aquatic products was 59.06 million tons, up by 5.4 percent. Of this total, the output of cultured aquatic products was 43.05 million tons, up by 7.0 percent; and that of fished aquatic products was 16.01 million tons, up by 1.3 percent over the previous year.

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A New Crop of Farmers

Rapid development of collective farming creates demand for well-educated modern farmers

Du Mingzhen, 60, has been a farmer all his life in Sijiazhuang Township in Shijiazhuang, capital city of north China's Hebei Province, but was overloaded by cultivating his family's hectare of land during the past few years.

"I used to work in the fields all day long with my wife and both of us were always exhausted. We considered renting machinery during the harvest season, but it was too expensive," Du said. "The dilemma really gave me a headache."

Around one year ago, Du transferred the operating rights of his family's land to a local farming cooperative and also works there as a farmhand. "I still work every day, but now I'm finally earning a salary," Du said, adding that his income has increased and become more stable.

After joining the cooperative, Du has received about 10,000 kg of grain annually in return. He also receives a salary from the cooperative as an irrigation technician. The family's income is also supplemented by the pay Du's wife receives from a job in a nearby city.

Du Yongfeng, chairman of the cooperative, said that many farmers in Sijiazhuang have moved to cities to earn a better living since the salaries are much higher than the income from farming their own land. In 2008 he took advantage of the brawn drain to set up the cooperative, which has incorporated more than 15,000 households and nearly 10,000 hectares of land.

The cooperative hires more than 300 people, who were trained for sowing, irrigation and pest control jobs before being assigned to respective posts. All land is farmed according to the same technical standards on crop management and pest control, and workers are required to wear badges with numbers on them to facilitate responsibility tracing if some work is found below standard.

Du Yongfeng said that the training of these employees for their posts and the model of collective farming have greatly increased the output per unit of area while reducing water and fertilizer consumption by 20 percent.

Across China, the boom in farming cooperatives has significantly changed the agricultural production model in the country. In 2012, China had 680,000 rural cooperatives, a 30 percent year-on-year increase, according to the Ministry of Agriculture. They covered more than 46 million rural households, or 18.6 percent of China's total. In Hebei alone, more than 20,000 farmers work for cooperatives.

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China's rural poor population declines

BEIJING, Feb. 26 (Xinhua) -- China's impoverished population has declined for the first time since the poverty line was raised in 2011, although poverty alleviation work remains arduous, a government office said Tuesday.

The poverty-stricken population in rural areas stood at 98.99 million people around the end of 2012, down 23.39 million compared with 2011, the poverty alleviation office of the State Council said Tuesday.

The impoverished population in rural areas accounted for 10.2 percent of the country's total rural population, 2.5 percentage points lower than in 2011, according to the office.

The central government allocated 299.6 billion yuan (47.7 billion U.S. dollars) in 2012 for poverty alleviation efforts, surging 31.9 percent from the previous year.

Rural people with an annual net income per capita of 2,300 yuan or less are classified as poor under the current poverty standard adopted in 2011, an increase from the 1,274-yuan standard used previously.

But the current poverty line, which is equivalent to just 1 U.S. dollars a day, is still lower than the World Bank poverty line of 1.25 U.S. dollars a day.

At the same time, the income gap between China's rich and poor is wide.

The National Bureau of Statistics said in January that China's Gini coefficient, an index used to indicate a given country's wealth gap, reached 0.474 in 2012, higher than the warning level of 0.4 set by the United Nations.

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Science and Technology

Rice of ages

An heirloom species of this staple grain thrives only in a tiny pocket of East China, but scientists say its potential could be huge, Jin Zhu reports in Wannian, Jiangxi province.

A kind of rice that locals call Wuyuanzao has been grown in Wannian county in northeastern Jiangxi for more than 12,000 years.

The age-old rice variety is precious in the eyes of agriculture professionals. But Wu-yuanzao, commonly known today as Wannian rice, can only thrive in the county's Heqiao and Longgang villages, which are near Poyang Lake.

Experts believe this is because of the combination of cold spring water, special soil conditions and microclimate that are particular to the two villages. The surrounding forests also play a crucial role in soil and water conservation, experts say, while the precious farmland planted with ancient rice is crowned by mist thanks to the moisture in the air.

Wannian rice has some advantages over other rice species. It can reach 1.8 meters while ordinary rice grows less than 1 meter high. Also, there is no need for pesticides or chemical fertilizers since this "heirloom" rice variety has proven resistant to insects and over centuries has adapted to low soil fertility. Wannian rice also delivers richer nutrition than many other varieties, since it contains high levels of protein and vitamin B.

Its growing period is 160 to 175 days - much longer than the 130-day period for ordinary rice varieties. But scientists hope that cross-breeding the ancient rice with varieties that grow faster and adapt to more climates can produce commercially viable hybrid rice that can feed many more people.

More details click here

Room remains for China's grain output increase: official

BEIJING, Feb. 1 (Xinhua) -- China still has potential to increase its grain output as long as it increases efforts to boost agricultural infrastructure construction and technology, an official said on Friday.

Although China's grain imports increased last year, its major cereal products were basically selfsufficient because of balanced market supply and demand, Tang Renjian, deputy director of the office of the leading group on rural work under the Central Committee of the Communist Party of China (CPC), said at a press conference. China's grain imports will see changes in terms of product variety, but import volumes will stay stable for a relatively long time in the future, Tang said.

Continuous increases in grain output in past years have mainly been attributed to technological advances, said Chen Xiwen, deputy director of the leading group on rural work.

Chen said the construction of water conservancy infrastructure and an emphasis on advancing agricultural technology will help ensure greater yields on limited farmland.

Customs data showed that China's rice imports more than quadrupled from the previous year to reach 2.32 million tonnes in 2012, triggering worries regarding their possible impact on the global grain market.

In the context of economic globalization, moderate imports of short-supplied grain products will help stabilize domestic prices, which is beneficial to both China and overseas sellers, Chen said.

Chen said lower grain prices on the overseas market have made imports more beneficial to domestic buyers, which led to an increase in imports of grain, especially rice, last year.

In south China's Guangdong Province and Guangxi Zhuang Autonomous Region, imported rice prices were about 20 percent lower than those in the domestic market last year, according to Chen.

The share of rice imports accounted for less than 2 percent of China's rice output, meaning a higher self-sufficiency rate, Chen said.

The rise in rice imports will not threaten global food security because the imports only account for a small share of international rice trade, as well as domestic production and consumption, the Ministry of Agriculture said last week.

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China targets \$287b resource recycling industry

BEIJING - China will boost the annual output value of its resource recycling industry to 1.8 trillion yuan (287 billion US dollars) by 2015 as part of the country's bid to develop a circular economy.

The government will also increase the resource productivity, or economic output per unit of resource use, by 15 percent as of the end of 2015, according to the National Development and Reform Commission (NDRC), China's top economic planner.

The goals were written in a national plan on spurring the development of a circular economy recently released by the State Council, or China's cabinet, the NDRC said in a statement on its website.

Major tasks listed in the plan include building nationwide industrial and agricultural systems that are cleaner and allow more recycling of renewable resources and promoting green consumption.

It's imperative for China to speed up developing the circular economy as the country sees continuously growing energy and resource demand, piling waste and rising pressure in tackling climate changes, the statement quoted an unnamed NDRC official as saying.

China pins hopes on circular economy, an economy highly efficient and recyclable in resource use, to shift its growth pattern to a more sustainable and greener one.

Click here for more details

Emerging technologies benefit Chinese farmers

JINAN, Feb. 24 (Xinhua) -- Wang Chenfu has spent nearly four decades growing wheat. Being a traditional farmer most of his life, he is thrilled at the sight of how technology has helped increase production on his land.

"Thanks to new fertilizer techniques, wheat yield per mu (0.067 hectare) now reaches 550 kg. I never would have dreamed of that," said the 55-year-old villager of Yishui county in east China's Shandong Province.

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As rapid urbanization and industrialization squeezes farmlands, technology breakthroughs are deemed as a way out to protect farmers' income and feed the country's population.

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In China, contribution of science and technology to agricultural growth rose to 54.5 percent in 2012, according to Chen Chuanhong, an official in charge of rural affairs under the Ministry of Science and Technology.

Meanwhile, farming activities using machinery is 57 percent, while more than 95 percent of the farmland nationwide is sown with superior strains, Chen said.

"Breeding is critical to enhancing agricultural productivity growth. In Shandong, selective seeds can contribute 30 to 40 percent of grain output growth. Technological progress will be the main driver for more food production," said Liu Jianjun, a wheat breeding expert with Shandong Academy of Agricultural Sciences.

The new wheat strain "Jimai 22" nurtured by Liu and his colleagues set a record of 789.9 kg per mu for China's winter wheat output, and marked the country's most planted variety.

However, experts said there is still room to improve the application of agricultural technologies.

A slew of research results have not been put into use in the field, restricted by inefficient promotion, farmers' poor education levels and fragmented operation styles, said Qin Qingwu, a Chinese Association of Agricultural Economics member.

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Soil pollution survey a 'state secret'

[Shanghai Daily, February 26, 2013] A SURVEY into soil pollution in China is a "state secret," according to the country's environmental authorities, which have refused a Beijing lawyer's request for it to be published.

The lawyer, Dong Zhengwei, told the Legal Daily newspaper that he e-mailed the Ministry of Environmental Protection on January 30 asking it to publish information about its survey, including testing methods, results, causes of soil pollution and its prevention.

The survey dated from as early as 2006 but its conclusions have never been made public, the newspaper said.

Dong said he received a reply from the ministry on Sunday, a 22-page letter that didn't include any information about the survey's results.

The ministry wrote that it refused to publish the survey results because the information was a state secret.

Dong told the newspaper: "The ministry has claimed to Chinese media several times that it would publish data covering its survey of China's soil pollution after it is permitted to do so by the State Council.

"Now it seems like the soil pollution in China is so serious that the environment authorities dare not publish the result."

Dong said the ministry's refusal may have violated the rules governing the publication of government information.

Ma Jun, director of the Institute of Public and Environmental Affairs, told the newspaper that soil pollution in China was directly linked to residents' health and the ministry could not deprive residents' right to know by simply labeling the information as a state secret.

"Soil pollution may directly damage residents' health while it would also affect food, crops and underground water to pose a danger to health. The public has the right to know about soil pollution," Ma said. He said that compared with other pollutions such as air and water, soil pollution is much more difficult to judge by members of the public, which is one reason why the ministry should publish the information to keep them informed.

"The country has never made public any information about soil pollution. Questions such as what buildings are set up above polluted earth or what crops are still being cultivated in polluted soil may spark panic among residents," said Ma. "But this should not be a reason for the ministry refusing to publish."

Ma called on the ministry to publish at least part of its survey result with explanations of how pollution came about and what measures should be taken to prevent it in future.

So far, there has been no response from the ministry.

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International Relations

China's import and export value of agricultural products up by 13% in 2012

According to statistics of the Customs, from January to December 2012, China's import and export value of agricultural products amounted to 173.95 billion USD, up by 13% over the same period of last year. Among that, the export was 62.5 billion USD, a 4% year-on-year increase, while the import was 111.44 billion USD, a 18.7% year-on-year growth. The trade deficit of agricultural products amounted to 48.94 billion USD, a 44.9% increase over the same period of last year. The growth rate of agricultural trade was 6.8% higher than the growth rate of the nation's total foreign trade. The growth of agricultural import was 14.4% higher than that of the nation's total import, while the growth of agricultural products accounted for 3.1% of China's total export value, while the import of such products accounted for 6.1% of the country's total import.

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China seeks extra testing of US pork for feed additive

China wants a third party to verify beginning March 1 that US pork shipped to the country is free of a feed additive used to promote lean muscle growth, a US Meat Export Federation spokesman told Reuters.

The step comes on the heels of Russia barring imports of US meat worth \$550 million a year due to the same feed additive.

Officials from the China's quarantine bureau, which oversees the safety of food imports, declined to make immediate comment, while a spokesman said the country's commerce ministry was unaware of the move.

There was concern that China's requirement for third-party testing could hurt US pork exports to the Chinese mainland and Hong Kong, valued at \$886 million last year.

"We have just been notified (by US suppliers) and are checking details with the quarantine authorities," said a trader with a large State-owned pork importer in China.

Beijing maintains that there are serious concerns about ractopamine, despite scientific evidence that it is safe. The United Nations has agreed on acceptable levels.

The quarantine bureau in May rejected a consignment of US pork after tests found traces of the drug.

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