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Policies

Chinese Ministry of Agriculture holds press conference on GMO

[MOA, 14-04-2016] MOA gave a press conference and briefed the media on China's developments of GMO in Beijing on April 13, 2016. Director General of the General Office and spokesperson of MOA Ye Zhenqin chaired the press conference. Director General of Department of Science, Technology and Education Liao Xiyuan as well as the Academician of the Chinese Academy of Engineering and GMO expert Wu Kongming attended the conference.

China has mapped a plan for the future of genetically modified crops, giving priority to development of non-edible cash crops.

Liao Xiyuan noted that next in line comes indirectly edible and then edible crops, reflecting China's prudent attitude to genetically modified crops.

"China's safety evaluation system on genetically modified crops is the world's strictest in terms of technical standards and procedures," said Wu Kongming.

For genetically modified crops, China currently only allows the plantation of insect-resistant cotton and antiviral papaya for commercial purposes, Wu said, adding that genetically modified imports include soybean, corn, rape-seed oil, cotton and sugar beet.

Industrialization of genetically modified crops will focus on cash crops and industrial crops from 2016 to 2020, while beefing up the R&D and promotion of insect-resistant cotton and corn, Liao added.

China could push forward with the commercial cultivation of pest resistant, genetically modified corn over the next five years.

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2016 China Agriculture Outlook Conference held in Beijing

[MOA, 25-04-2016] The 2016 China Agriculture Outlook Conference was held in Beijing on April 22-23, providing the outlook of the market trends of major agricultural products for the next 10 years in China. The Conference highlighted the supply side reform in agriculture driven by market demand and released the *China Agriculture Outlook Report (2016-2025)*.

In his speech for the Conference, Minister Han Changfu emphasized that agricultural development should be market-oriented while we should bear in mind both domestic and international markets. He called for the adjustment of the product mix and agricultural structure, improvement of product quality and development of more diversified and flexible supply channels to respond to the demand of consumers. He also urged the constant enhancement of the quality, efficiency and competitiveness of China's agriculture. He stressed innovation in management to keep pace with the times, pledged to introduce more active, forward-looking and well-targeted policies and measures to balance supply and demand, and use big data to improve decision-making.

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China faces grain supply shortfall

[Global Times, 27-04-2016] China's long-term grain situation is worrisome as the country's grain imports grow despite the nation's increasing annual grain yields, said authorities on Tuesday, 26th April.

"China's grain security situation does not look good as it will continue facing dual challenges, namely rigid growth of food consumption and inflexible restraints on food production, in the long run," Ren Zhengxiao, head of the State Administration of Grain, told a press conference.

Since 2004, China's annual grain production has experienced extraordinary growth for 12 consecutive years, with the government's purchase volume and stock of grain rising accordingly, Ren said.

However, China's grain production failed to meet the demand in 10 of the 12 years, causing an annual gap of 9.9 billion kilograms, Ren noted. Meanwhile, the huge price advantage of foreign grain underpins China's mounting grain imports.

According to National Grain and Oil Information Center statistics, the price of domestic wheat is 823 yuan (\$126.74) per ton higher than that of imported wheat of the same quality. The price difference between domestic and foreign rice is 790 yuan per ton.

China's grain prices now are relatively high in the global market due to the high cost of production and government policies to control grain stocks and support prices, Ren said.

Ren said it is unrealistic and impossible for China to solve its food problem through imports, considering the country's huge grain consumption and food shortage in over 70 countries around the globe.

Agriculture experts backed the official's view, suggesting that promoting genetically modified (GM) technology might help improve the domestic grain's competitiveness.

Earlier in April, China's Ministry of Agriculture said the country will push ahead with the industrialization of GM cash and industrial crops, including corn and cotton between 2016 and 2020.

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China working on tiered agricultural water pricing

[Xinhua, 30-04-2016] China has begun reorganizing and adding to its irrigation and water conservation facilities to facilitate a tiered pricing mechanism encouraging more economical water use by farmers.

"Some facilities have no anti-leak designs and in many cases irrigation water is not measured. All these need to be fixed before we bring in the tiered pricing mechanism," said Wang Aiguo, a senior official of the Ministry of Water Resources at a press conference Friday, 29th April.

Wang said China will establish a pricing mechanism that better reflects water costs with water prices higher for cash crops that yield high added value and for livestock breeding.

Water pricing will increase when water use passes a certain level. In regions where water use varies in different seasons, prices will reflect this, Wang added.

The government will reward entities and farmers that save water, said Wang.

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China aims to cut corn planting in parts of farming belt by a third

[Reuters, 07-04-2016] China aims to reduce corn planting in parts of its farming belts by around a third over five years, representing an area larger than Belgium, and switch to crops such as soybeans or potatoes after ending policies to support corn prices.

China intended to boost domestic soybean production for human consumption, but the world's top soy buyer would still need to import for feed, said one agriculture ministry official.

Corn acreage will be reduced in areas by about 8.2 million acres (3.3 million hectares) by 2020, the ministry said.

The pledge comes after China late last month said that it would abolish its corn stockpile system to free up prices. The policy set domestic price 3050 percent above the global market, leading to record imports of corn substitutes like sorghum and huge stockpiles of corn.

In 2015, China harvested a record 224.6 million tonnes of corn on 94.2 million acres (38.12 million hectares) of land.

Beijing's corn stockpile policy since 2008 had spurred farmers to shift to corn, even in non-traditional growing areas, leading to huge surpluses, with state warehouses said to hold as much as 250 million tonnes, the equivalent of more than a year of consumption.

Farmers in arid areas would be encouraged to shift to silage corn and alfalfa, while parts of the northeastern cornbelt provinces would resume the rotation of corn with soybeans in bid to make agriculture more sustainable, the ministry said.

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As China reforms its corn market, farmers switch to growing soybeans

[Reuters, 03-04-2015] China announced it will stop its corn stockpiling program and allow markets to set prices - a move that should transform the agricultural landscape as farmers shift to more lucrative crops like soybeans, rice and peanuts.

Rising demand for a protein-rich diet in China has since 2001 triggered a six-fold jump in imports of soybeans, which are crushed to make soymeal, an animal feed ingredient, and cooking oil.

Higher output in China, the world's top soybean importer, will hit farmers in top producers Brazil, the United States and Argentina. The trio have presided over a soybean boom, helping nearly double world production over 15 years.

In 2016, China's soybean output is expected to rise by up to 2 million tonnes and increase faster in future years with improved seed technology and a bigger acreage, analysts and traders said.

China's support for corn saw the area under cultivation hit 37 million hectares last year, up from 23 million hectares in 2001, according to U.S. Department of Agriculture data.

In contrast, soybeans was grown on 6.8 million hectares in 2015, down from 9.3 million hectares 15 years ago.

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Farmers to be encouraged to plant more soybeans

[China daily, 07-04-2016] China is planning to increase its soybean acreage over the next five years, and will encourage more farmers to switch from corn to the more lucrative crop, an agricultural official said Thursday, 7th April.

Corn acreage will be cut by nearly 666,700 hectares this year as part of an effort to reduce huge stocks of the grain, according to a Ministry of Agriculture guideline issued in November.

Pan Weibo, deputy director with the Department of Crop Production under the Ministry of Agriculture, told a news conference that authorities will roll out a plan to encourage farmers to switch to soybean cultivation in the former corn areas.

The new guideline, expected to be issued by the end of the month, will include measures to help improve per unit area yields, quality and efficiency in soybean production.

The government also said it will subsidize corn farmers in the main production areas, including Liaoning, Jilin and Heilongjiang provinces and the Inner Mongolia autonomous region.

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China increasing soybean production to meet demand

[Xinhua, 12-04-2016] China will plant more soybean and improve yield to fill a gap between supply and demand, the Ministry of Agriculture (MOA) said on Tuesday.

By 2020, China will have 140 million mu (9.33 million hectares) of soybean planting areas, 40 million mu more than in 2015, and these areas will produce 135 kg of soybean per mu, 15 kg more than the current level, according to an MOA statement.

The government will invest in technology to improve yield and strengthen policy support for soybean farmers, it said.

Impacted by imports, China's soybean production has decreased in recent years as profit margins dwindled. However, demand for the protein-rich grain is increasing.

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China's farmland drops slightly in 2015

[Xinhua, 21—4-2016] The total area of China's farmland dropped slightly last year, but remains well above a government red line, official data said on Thursday, 20th April.

China's total area of arable land stood at 2 billion mu (around 135 million hectares) at the end of 2015, down by 990,000 mu from a year ago, but still well above the official lower limit of 1.8 billion mu, said the Ministry of Land and Resources (MLR).

In 2015, around 4.5 million mu of arable land was lost to construction, disasters, environmental protection and agricultural restructuring, while 3.5 million mu of new farmland was opened up, the MLR said.

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China making progress in IP protection: British official

[Xinhua, 27-04-2016] -- Intellectual property (IP) protection has improved hugely in recent years in China as the country's creative industry has developed rapidly and more products have been delivered across the world, Lord Clement Jones, member of Britain's House of Lords, told Xinhua in an exclusive interview.

He said progress has been made as local courts in China have begun to improve the way they deal with IP issues. Certain local courts, for example, in east China's Zhejiang Province, have launched online e-courts to handle cases related to disputes over e-shopping, copyright and online financial services.

Furthermore, China's biggest online trader Alibaba also signed a memorandum of understanding to combat online counterfeits, which shows IP protection has improved a lot, he added.

Jones said in the past years, China and Britain have established bilateral cooperation in IP protection between government departments, and also in the field of justice and private companies.

However, he thought that the challenge of China-UK IP cooperation focuses on law enforcement in the local courts. He said IP protection is a permanent battle across the world, and efforts need to be made step by step to fight with IP crimes.

Jones said he expected more dialogue between China, Britain and western countries over IP issues as China registers more patents in western markets.

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Science, Technology and Environment

Public complaints about food, medicine increase in China

[CRI, 02-04-2016] Data released by the China Food and Drug Administration shows public complaints about food and medicine reached a new high last year.

"Public complaints about food and medicine hit 770,000 last year in China, an increase of 36.94 percent over the previous year. Complaints about regular food account for some 78 percent of registered cases, an increase of close to 65 percent year on year."

Lyu Fuquan, the director of the China Food and Drug Administration also says fake products and false advertising are among the common complaints.

"The complaints were mainly for production or operation without a license, selling substandard or fake products, fraudulent advertising and irregular labeling. Complaints were especially common against those selling online or via WeChat and other mobile phone applications."

Meanwhile, Lyu Fuquan has attributed the high proportion of food-related complaints to the importance of food in daily life, problems in the operation of small eateries and food vendors, and the variety and relatively low-tech nature of the food industry.

He has also noted that public tip-offs have led to the discovery of more than half of the major cases investigated.

Lyu Fuquan adds that the government is vowing more rewards for whistleblowers of food and medicine related cases in the future.

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DuPont unit strikes licensing deal with China's Origin Agritech

[SCMP, 06-04-2016] DuPont Pioneer, the seed improvement and genetics unit of American chemicals giant DuPont, has struck a deal with Chinese crop seed technology firm Origin Agritech to develop new seeds to meet the needs of Chinese farmers spurred by Beijing's call to improve crop productivity.

The two firms said they have come to a "commercial licensing agreement" to develop new seed technologies for the China market, without elaborating.

"This combined effort will contribute to the modernisation of China's agriculture system and improved food security, which the government has set as priorities," DuPont Pioneer said in a statement.

The pact came two months after state-owned China National Chemical Corporation (ChemChina) agreed to buy DuPont's rival Swiss crop seeds and pesticides firm Syngenta for US\$43 billion, in what would be China's largest overseas acquisition deal if completed. It is pending regulatory approvals.

The deal was widely seen as a move for China to acquire know-how to boost food productivity and security.

Beijing has not generally allowed the cultivation of genetically modified crops except for cotton and papaya, and many Chinese consumers are suspicious of foreign crop technology

after a string of food safety scandals at home over the years. But the nation imports a large amount of genetically modified soya beans, mainly from the United States.

But in this year's first directive, China's cabinet, the State Council, for the first time said genetically modified crops should be "cautiously promoted" provided public safety is ensured. This came soon after President Xi Jinping voiced his support for developing genetically modified crop technology.

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Tropical Agricultural Technology Transfer Center and International Training Center established

[MOA, 11-04-2016] The Tropical Agricultural Technology Transfer Center and the Tropical Agriculture International Training Center of the Chinese Academy of Tropical Agricultural Sciences (CATAS) were established in Haikou on April 6, 2016. This is an important step of CATAS to implement the national Belt and Road Initiative, with an aim to accelerate the transfer and application of tropical agricultural technologies at home and abroad and tap domestic and overseas talent resources.

In recent years CATAS has vigorously promoted technology transfer and application in tropical areas around the world. CATAS has dispatched over 100 experts for foreign-aid training programs, providing advanced technologies to countries and regions in Southeast Asia, Africa, Latin-America and the South Pacific Islands. Meanwhile, CATAS has made remarkable achievements in international training activities. It has organized over 60 international workshops for nearly 2000 students from more than 100 developing countries, and held over 20 outbound training courses in Congo-Brazzaville, Tanzania, Mozambique, and so on.

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Long-term field application of sewage sludge increases the abundance of antibiotic resistance genes in soil

[EI, in press] Sewage sludge and manure are common soil amendments in crop production; however, their impact on the abundance and diversity of the antibiotic resistome in soil remains elusive.

In a study carried out by scientists at the Institute of Urban Environment, Chinese Academy of Sciences, by using high-throughput sequencing and high-throughput quantitative PCR, the patterns of bacterial community and antibiotic resistance genes (ARGs) in a long-term field experiment were investigated to gain insights into these impacts. A total of 130 unique ARGs and 5 mobile genetic elements (MGEs) were detected and the long-term application of sewage sludge and chicken manure significantly increased the abundance and diversity of ARGs in the soil. Genes conferring resistance to beta-lactams, tetracyclines, and multiple drugs were dominant in the samples. Sewage sludge or chicken manure applications caused significant enrichment of 108 unique ARGs and MGEs with a maximum enrichment of up to 3845 folds for *mexF*. The enrichment of MGEs suggested that the application of sewage sludge or manure may accelerate the dissemination of ARGs in soil through horizontal gene transfer (HGT).

These results may shed light on the mechanism underlining the effects of amendments of sewage sludge or manure on the occurrence and dissemination of ARGs in soil.

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China pollution: Over 80% of rural water in north-east 'undrinkable'

[BBC, 12-04-2016] More than 80% of rural wells in China's north-east contain water unsafe for drinking, water ministry officials say.

But they insisted that the water being supplied to urban areas across the country was still safe.

The figures come amid rising concerns for the environment affecting water and air quality, with the government seeking to cut down on pollution.

Much of that focus is targeted on the industrial north, which is one of the country's most heavily polluted areas.

The water ministry last week released a report showing most of the samples drawn from over 2,000 shallow underground wells in the north and east in 2015 were of poor quality:

- More than 30% were of Grade IV quality, which is suitable only for industrial and agricultural use
- Nearly 50% were Grade V, which is water unfit for human consumption of any type

The report, covered widely by local media, drew concern about drinking water in general.

The ministry clarified in a statement that the result only pertained to shallow wells serving those in the rural north-east.

It said it had focused on testing that region as it was known to have "comparatively acute water problems".

The ministry said drinking water for urban areas across the country came from deep underground aquifers which had water of "overall good quality", with 85% meeting national water quality standards.

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China's drinking water not threatened, ministry says

[China Daily, 12-04-2016] China's deep underground drinking water sources are safe, an official at the Ministry of Water Resources said on Monday in response to a news report suggesting that more than 80 percent of the water in China's aquifers is too polluted for human consumption.

The official, Chen Mingzhong, said monitoring does not show that underground sources of drinking water are threatened, since most of the country's water for human consumption is extracted from deep underground, not near the surface.

Monitoring by the ministry shows that 85 percent of the 1,817 groundwater sources used to extract drinking water meets quality standards, and the 33 sources that supply drinking water to cities with a population larger than 500,000 all meet water quality standards, Chen said.

Ma Jun, director of the Institute of Public and Environmental Affairs, a non-governmental environmental protection organization, said most cities in China are using water from deep underground - which is not easily contaminated - for drinking.

"However, many people in rural areas are still drinking shallow groundwater. Contamination could affect them," he said.

Incidents of water contamination have increased over the past several years, with more than 1,700 reported annually. At least 140 million urban people have been affected.

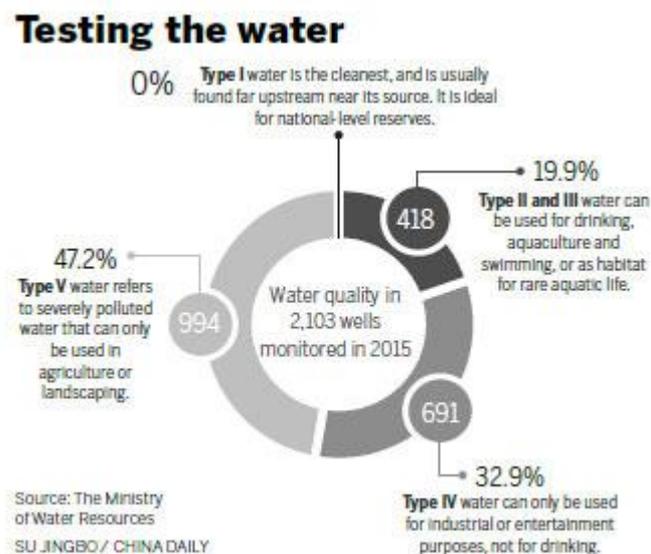
According to the report released by the ministry last week, groundwater quality is far from satisfying. Water in one-third of the non-drinking-water wells monitored was classified as Type IV, which is suitable only for industrial or entertainment purposes.

Water in 47 percent of the wells was listed as Type V, referring to more polluted water suitable only for agriculture or landscaping.

The ministry's report captured public attention after National Business Daily said more than 80 percent of China's groundwater is threatened by pollution.

The ministry's finding was based on its monitoring of water in more than 2,100 wells - none of them used for drinking water - in various places in China. The effort began last year. Areas monitored included the Songliao Plain in the northeast, Huang-huai-hai Plain in the north, Jiangnan Plain in Central China and basins and plains in the west.

Data from the Ministry of Land and Resources show that among 657 Chinese cities, more than 400 were using groundwater for drinking. More than 70 percent of people nationwide drink groundwater.



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Online shopping in rural China nearly doubles in 2015

[Xinhua, 09-04-2016] Online shopping is thriving in rural China, with last year's transactions nearly double the 2014 amount, a Ministry of Commerce official said.

Online purchases in rural areas were up 96 percent year on year to 353 billion yuan (55 billion U.S. dollars) in 2015, said assistant minister of commerce Wang Bingnan, at a briefing.

China now has more than 3,000 commercial websites specifically targeting rural areas, Wang told reporters, but acknowledged that a lack of properly trained people, poor competitiveness, an incomplete marketplace and weak infrastructure were hindering expansion. The ministry hopes to improve the logistics network and train more people.

Despite an economic slowdown, online retail sales in China remained strong, jumping 33.3 percent year on year to 3.88 trillion yuan in 2015.

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Obesity on rise in rural China

[Xinhua, 30-04-2016] A new study has highlighted rising obesity rates among children in rural China.

The study, published in the latest issue of the European Journal of Preventive Cardiology, found children and adolescents in the countryside of Shandong Province to be much fatter in 2014 than they were in 1985.

It was based on a survey tracking nearly 28,000 students from rural schools in Shandong, a predominantly agricultural area, over the 29 years.

The students were aged from seven to 18 when they were surveyed.

Some 17.2 percent of the boys surveyed in 2014 were obese, while the rate was only 0.03 percent in 1985, according to the thesis.

The obesity rate among girls was 9.11 percent in 2014, while in 1985, the percentage was 0.12 percent.

Meanwhile, the proportions of overweight boys and girls climbed to 16.35 percent and 13.91 percent respectively in 2014. In 1985, the proportions were 0.74 percent and 1.45 percent, said Zhang Yingxiu, one of the co-authors of the thesis.

He said the increase was even more apparent among children aged from seven to 12.

The authors attributed the growing obesity rate to the country's social and economic development, as well as lifestyle changes that had led to excessive energy intake and lack of physical exercise among youngsters.

Doctors warn that child obesity can lead to hypertension, diabetes and even cardiovascular diseases.

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Trade and Business

EU wants to sell more agriproducts to China

[Xinhua, 16-04-2016] China is a crucial market for EU agriproducts and has seen considerable growth in recent years, EU Commissioner for Agriculture and Rural Development Phil Hogan said Friday 15 April as he embarked on a six-day campaign accompanied by a group of European business leaders.

During the trip, part of an EU program to boost agricultural sales inside and outside the EU, Hogan will meet with Chinese agricultural and commerce ministers and attend a series of promotion events.

Hogan said he would highlight the quality of Europe's products in hopes of stimulating further demand from China, which is now the second largest importer of EU agriproducts.

Describing bilateral agricultural cooperation as "excellent," Hogan said he looked forward to showing Europe's openness to business, in particular for agriproducts.

Business delegates of 44 agriculture-related enterprises and organizations from more than 15 EU member states will join Hogan to seek more business opportunities in China.

China purchased 8 percent of all EU agricultural exports in 2015, only lower than that of the United States. On top of China's shopping list were infant food, pork, offal, wine and spirits, and dairy products.

The EU is the fifth largest importer of Chinese agricultural exports, mostly buying fresh and processed vegetables and fruits.

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China's corn inventory to remain high, says USDA

[China Daily, 24-04-2016] China's corn inventory will stay at a high level for a long time with the abundant supply expected to keep downward pressure on the price in the foreseeable future, an economist with the United States Department of Agriculture said on Saturday, 23 April.

Fredrick Gale, an economist with the USDA Economic Research Service, said in a panel speech at the 2016 China Agricultural Outlook conference that China's corn stockpile will continue to increase this year despite intensified efforts by authorities to reduce the stocks.

"Our projections show that even after this year, there will be an increase in corn inventory in China," he said, adding that the USDA expects that China's corn inventory will peak in the 2017/18 market year.

China's corn stockpile has already reached a historic high of 200 million metric tons in April, the amount the country can consume in one year.

The State Administration of Grain announced last month that it will phase out its corn stockpiling scheme and allow markets to set prices for the grain, as part of an effort to narrow a gap between local and international prices and to reduce the corn stockpile.

The government will instead provide subsidies to the corn farmers directly.

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Chinese businessman outlines plans for Aust'n dairy giant after sale finalized

[China Daily, 01-04-2016] The sale of Australia's largest dairy farm, Van Diemen's Land Company (VDL), to Chinese businessman Lu Xianfeng has received final clearance, and Lu unveiled on Friday his grand plans for the business.

VDL, situated in the northwest of Tasmania, has now been officially turned over to Lu's Moon Lake Investments company for \$215 million.

Lu, who made his fortune in China's seafood industry, said he had big plans for VDL's future.

The Tasmanian company, which has never been Australian owned since being established on a land grant by New Zealand's New Plymouth District Council 190 years ago, was subjected to a fierce bidding process last year.

Lu's deep financial resources eventually saw him stave off bids from two rival Australian companies to secure VDL's 13 farms, 19,000 hectares and 18,000 milking cows.

As part of the deal, Lu not only has promised to keep the company's 140 existing staff and honor all current milk contracts, but also plans to expand its workforce and entire operation.

This will involve Lu adding at least 95 new jobs and investing more than \$75 million in developing VDL farm's currently only used as breeding grounds for heifers.

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Legend Holdings to set up Australian seafood JV

[Xinhua, 07-04-2016] Legend Holdings Corp., a Chinese investment group, has announced a joint venture with Australia's KB Seafoods.

The partnership is an important step for Legend Holdings' agriculture and food business, with seafood as its pillar, said Chen Shaopeng, senior vice-president of Legend Holdings and chairman of KB Food, the new joint venture.

The Kailis Bros' seafood processing, wholesale and export business forms the base of KB Food.

KB Seafoods Group, owned by the Kailis family and including Kailis Bros and National Fisheries, and its New Zealand business will be absorbed by the new company.

Legend Holdings will take a 90 percent stake in the new entity while the Kailis family owns the rest.

The KB Seafoods is a supplier to supermarkets and restaurants in Australia and exports high-end products to Southeast Asia. The new company will expand its seafood business in the Asia Pacific region.

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Change in China's corn policy could hurt U.S. farmers

[AgWeb, 05-04-2016] China's plans to end its corn stockpiling program this year could mean bad news for American farmers hoping to export their surplus crops.

Facing increasing reserves, China, which is the world's second-largest corn producer, announced on March 29 that it would replace its stockpiling program with subsidies for Chinese corn growers. The move was aimed at stemming the tide of cheaper imports that were filling the gap between higher local prices and lower international prices.

For American farmers, China's move means "direct competition in world competition for selling corn," says Andy Shissler, partner at S&W Trading in Downers Grove, Ill.

Analysts quoted by Reuters suggest that China is likely to sell more than 40 million tons of corn from stockpiles this year.

China's plan also will make it harder to know exactly where China is sending its corn in the world, according to Shissler.

Even for China itself, the change in policy is not without risk, according to market observers. Such a move could make China vulnerable to financial losses if falling prices devalue the country's large stockpiles of about 250 million tons—which represent more than half of the world's corn supplies.

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China trader COFCO seeks N. America expansion

[Mailonline, 13-04-2016] Chinese state-owned agricultural trader COFCO is in talks over potential partnerships or acquisitions in North America, its president said, as it builds on deals that have already catapulted it into the league of top global traders.

COFCO has embarked on an aggressive expansion into international grain trading, having invested over \$3 billion to buy Noble Group's agribusiness and a large stake in Dutch grain trader Nidera, giving it assets in some of the world's top grain and vegetable oil producing regions.

It is now looking to build on that as China seeks greater access to food.

COFCO's top priority was gaining export capacity in North America and it was already in talks for potential partnerships or acquisitions in the region, COFCO President Patrick Yu told Reuters in an interview on the sidelines of the FT Commodities Summit.

COFCO's growth plans coincide with a government policy shift away from hoarding so-called buffer stocks, towards using land and water resources carefully, owning more infrastructure in grain and oilseed exporters to secure China's food needs.

"Where China is importing it makes a lot of sense if they have global origination capacity so that's why strategically you need COFCO Agri to expand into those areas to serve COFCO demand from China," Yu said.

Yu said the government will release its strategic stocks in agricultural products from corn to cotton over the next three to five years.

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Brazilian businesses tap China's growing food market

[Xinhua, 30-04-2016] Brazilian businesses are increasingly eyeing China as a growing market for premium food products, Brazil's Trade and Investment Promotion Agency (APEX) has said.

Numerous Brazilian companies are going to showcase premium food products at SIAL China 2016, which runs from May 5 to May 7 in Shanghai and has been touted as "Asia's largest food innovation exhibition," the agency said.

The South American country will be promoting select products it has been known for, including coffee, processed meats, honey and sparkling wines. The exhibition is going to feature a Brazilian pavilion with cooking demonstrations, including barbecuing meats, and taste tests.

First held in 2000 as an overseas edition of France's International Food Exhibition (SIAL), SIAL China has grown fast.

Braga said SIAL China is important as "a display platform for all of Asia." Brazil has previously attended SIAL Paris, where some Brazilian firms explored potential business opportunities in China.

APEX has two offices in China, one in Beijing and the other in Shanghai. Brazil's exports to China are largely iron ore, soy beans, poultry and leather, which together represent 80 percent of the total exports to China.

SIAL China is expected to feature 3,000 exhibitors from 67 countries. Brazil is one of 10 countries to have a large pavilion at the trade show.

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China-funded agri-industrial park starts construction in Uganda

[Xinhua, 28-04-2016] The construction of a multi-million U.S. dollar agri-industrial park in the central Ugandan district of Luweero was launched on Tuesday.

The project is funded by Chinese investors under cooperation between governments of China and Uganda.

A ceremony was held to mark the start of work on it, attended by President Yoweri Museveni, Vice President Edward Ssekandi, government officials and the investors.

President Museveni said the agri-industrial park, some 50 km north of the capital Kampala, would promote production and increase earnings of farmers.

He said the government had started building several industrial parks, which he said were critical in transforming the economy.

Chinese investors said the park would focus on crop cultivation and processing of farm produce, poultry and livestock, to meet the "domestic and regional demands".

It will create 25,000 jobs and provide training for the local people, they said.

Before the ceremony, the Chinese investors and the Ugandan government signed a memorandum of understanding on promoting agricultural production through the project.

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Compiled by Yuelai Lu, SAIN Secretariat (UK).

If you have any further enquiries, please contact Yuelai Lu at: y.lu@uea.ac.uk; for more information about SAIN, please visit: www.sainonline.org/English.html