

China Agri-food News Digest

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Policies

Chinese farmers upset by rising rice imports

[WUHAN, June 4, Xinhua] Veteran farmer Fu Huoshan is expecting another bumper rice harvest this year, which is adding to the 70-year-old's anxieties amid sluggish rice sales.

"The harvest will come soon, but the stock from last year's harvest has barely been sold and the price of rice has continued to fall," said Fu, a farmer in Huangmei County, central China's Hubei Province.

Jiang Xin, general manager of Hubei Jiangshan Grain and Oil Co. Ltd., said sales of local rice have fallen as a result of last year's surging rice imports.

Due to price advantages for rice imported from Pakistan, Thailand and Vietnam, rice from these countries currently holds a 40-percent share in Hubei's rice market, said Jiang.

His company was forced to halt half of the machines in its grain mill amid weak demand.

On Hubei's grain market, the price of Vietnamese rice averages 3.14 yuan (0.5 U.S. dollars) per kilogram, and rice from Pakistan sells for 3.4 yuan per kg on average. In comparison, local rice products are priced between 3.8 yuan and 4 yuan per kg on average.

Aside from his concerns about sales, Fu has no place to store whatever he reaps in his bumper harvest, as roughly 5,000 kg of rice harvested last year is still in one of his rooms.

Statistics from the China National Grain and Oil Information Center show that the country's rice imports soared 190 percent year on year in the first quarter to hit 692,000 tonnes.

Last year, China, the world's largest grain consumer, imported 2.3 million tonnes of grain, marking the greatest import volume since 2000.

In addition to price concerns, recent reports of a scandal involving tainted rice in central China's Hunan Province have turned many domestic consumers off of Chinese rice.

China has set its rice import quota at 5.32 million tonnes. Compared with last year's import volume, there is still a lot of room for more growth in imports.

The country is likely to mark its tenth consecutive year of reaping a bumper harvest of summer grain crops in 2013, the Ministry of Agriculture forecast Monday.

The ample market supply will continue to keep rice prices down, further squeezing farmers' profits.

To boost the competitiveness of domestic rice, Cheng Guoqiang, a researcher with the Development Research Center of the State Council, China's cabinet, has advised the central government to increase grain subsidies and help reduce obstacles in the grain transportation and distribution sectors.

Click [here](#) for details

China to maintain food self-sufficiency: report

[BEIJING, June 6, Xinhua] China will remain self-sufficient in the main food crops, though output will slow in the next decade under increasing resource and rural labor constraints, according to a new forecast by two international agencies.

China will import more oilseed and livestock, for both the meat and dairy sectors, as consumption growth will outpace production during the 2013-2022 period, the Organization for Economic Cooperation and Development (OECD) and the Food and Agriculture Organization (FAO) said in a joint report released here on Thursday.

The country's imports of oilseed are expected to rise by 40 percent in the next decade, accounting for 59 percent of global trade, while dairy imports are projected to rise 20 percent, according to the [OECD-FAO Agricultural Outlook 2013-2022](#).

The report also predicted rising prices for both crop and livestock products in the next decade due to a combination of slower production growth and stronger demand, including for biofuels.

It said limited expansion of agricultural land, rising production costs, growing resource constraints and increasing environmental pressures will pressurize agricultural production, which is expected to grow 1.5 percent annually in the period, down from an annual growth of 2.1 percent between 2003 and 2012.

Click [here](#) for details; click [here](#) to read the report.

Food waste hinders China's sustainable development

The growing food waste in China, soon to be the largest consumer market in the world, has largely undercut the country's green transformation amid economic restructuring while seeking sustainable development, experts said Friday in Beijing.

"Food waste has become a major part of urban landfill in China, which largely erodes the country's ecological environment and sustainable development," said Liu Xiaojie, an expert with the Research Institute of Geographic Sciences and Resources under the Chinese Academy of Sciences, at the Sustainable Consumption Forum 2013 held Friday in Beijing.

The latest statistics from the State Grain Administration show that food wasted annually in China is valued at more than 200 billion yuan, with an equivalent value of 80 billion kilograms of grains that can feed about 250 million people a year.

Click [here](#) for details

What China can learn from America's Hot Dogs

[June 1, 2013, The Wall Street Journal] Behind the planned takeover of Smithfield Foods Inc. by China's biggest meat processor is an intensifying push by the Asian nation to industrialize its archaic food-production system to address rampant health problems and feed an increasingly wealthy population.

In addition to Smithfield's enormous distribution network and market share in the U.S., owning the American company would enable Shuanghui International Holdings Ltd. to borrow from Smithfield's playbook to speed the development of hog farms and processing plants in China that mirror the U.S. system.

The meat business in the U.S. has been refined over decades into a system of mass production similar to making cars or televisions. Last year, 62% of the hogs in the U.S. were raised on farms with at least 5,000 head, according to the U.S. Department of Agriculture. They're often housed in vast, climate-controlled buildings, fed specialized diets of corn and soybean meal, and processed into bacon and ham by big companies like Smithfield in highly mechanized factories designed to ensure the meat is free of disease and contamination.

China, the world's largest consumer of pork by far, has made strides in modernizing its system, but much of its meat production remains small-scale and outmoded. As of 2010, some 70% of pork in China still came from farms that produced fewer than 500 hogs a year, and 38% from farms with fewer than 50 hogs, according to the U.S. Meat Export Federation. Conditions on smaller farms can be squalid, with a lot of physical contact between farmers and animals, which can transmit disease. And meat processing is equally fragmented: China had some 14,720 pig slaughterhouses by the end of 2012, compared with about 600 in the U.S.

Chinese authorities and experts say the disjointed system is much harder to regulate and makes it more difficult to avoid bad practices. They have blamed the problem in large part for scandals that have gutted Chinese consumers' confidence in the nation's food supply, from tainted milk formula that killed six infants and poisoned some 300,000 others in 2008, to a series of incidents involving meat contaminated with illegal additives and frequent outbreaks of foot-and-mouth disease, swine flu, and other illnesses. This year, thousands of dead pigs were found in rivers around Shanghai—a spectacle authorities blamed on irresponsible farmers.

China's government has pushed modernization, in part by offering subsidies for farmers to build their herd sizes. Chinese companies such as China Mengniu Dairy Co. and Shuanghui International have increased the scopes of their operations. And big multinational food companies like Yum Brands Inc. are also urging consolidation of farming in China. Yum, which runs its KFC and Pizza Hut chains in China, pledged in February to cut all small scale chicken farmers from its supply chain after negative publicity over one of its suppliers caused sales to plummet. Bright Dairy & Food Co.'s 2010 purchase of a 51% stake in New Zealand's Synlait Milk Ltd. marked an effort to adopt modern dairy processing techniques following China's infant formula scandal.

Click [here](#) for details

China gives approval to GM soybeans

[China Daily, 2013-06-14] China's agricultural authorities issued biosafety certificates to three new overseas varieties of genetically modified soybeans on Thursday, allowing them to be imported as raw materials for domestic processing.

According to a statement from the country's biosafety committee in charge of agricultural genetically modified organisms, the newly approved genetically modified soybeans included CV127 from German chemical producer BASF and MON87701 and MON87701 x MON89788 from Monsanto Far East Ltd.

The three new varieties of genetically modified soybeans, which fare better against insect attacks and herbicide, have been approved for commercial planting or consumption in many countries, it said.

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Huang Dafang, a researcher from the Biotechnology Research Institute at the Chinese Academy of Agricultural Sciences, said on Thursday that China began to import some varieties of genetically modified agricultural products as early as 2003 or 2004 to satisfy domestic demand.

"At present, besides the United States, a substantial proportion of genetically modified agricultural products such as soybeans and corn have been imported from Brazil and Argentina," he said, without providing specific data.

Local demand is mainly driven by increasing domestic need for fodder and food processing, Huang said.

"Besides meeting domestic needs in terms of quantity, imported genetically modified agricultural products are always better than domestic traditional varieties in terms of quality," he said.

For instance, compared with domestic soybeans, imported genetically modified crops have higher oil and protein content, he said.

Click [here](#) for details

Revisions to food safety laws 'urgently' needed

[China Daily, 2013-06-15] China is considering revisions to its Food Safety Law, according to its top food and drug regulator.

An official from China Food and Drug Administration, who preferred to remain anonymous, told China Daily on Friday that the administration has gathered opinions from experts on revising the Food Safety Law. However, no specific timetable was revealed.

Amendment of the current Food Safety Law, which took effect in June 2009, is "urgently necessary" as some of its articles fail to meet the changes of the food safety situation, such as the adjustment of food safety supervision and the development of food industry and technology, the administration revealed in a statement released on June 6 on its website.

Liu Peizhi, deputy director of China Food and Drug Administration, said revisions may include harsher punishments for law violations and new regulations on areas uncovered by the current law, such as online food businesses.

Click [here](#) for details

Political advisors target soil pollution control

[BEIJING, June 18, Xinhua] Chinese political advisors have urged legislative efforts against soil pollution, calling for an overall shift from GDP obsession to industrial restructuring.

At the ongoing second meeting of the Standing Committee of the 12th Chinese People's Political Consultative Conference (CPPCC) National Committee, Qian Guanlin, a senior national political advisor, said, "Soil pollution is covert, long-term and hard to rehabilitate... it threatens national grain safety, people's health and social stability."

China's soil environment has been an issue of concern, and its pollution of plowland is especially worrisome.

Official figures show that about 150 million mu (10 million hectares) of plowland in China has been polluted, or 8.3 percent of the country's total.

Qian noted that south China, eastern metropolis Shanghai and its surrounding areas as well as regions with a long history of industrial construction suffer more from soil pollution.

In a recent case, experts believe soil pollution was the reason behind cadmium-tainted rice produced by three rice mills in central China's Hunan Province in May.

Click [here](#) for details

China to enhance financial support for agricultural sector

[BEIJING, June 27, Xinhua] China's top banking regulator said on Thursday that the country will provide more financial support for agriculture.

Financial institutions will be encouraged to lend more to the agriculture, forestry, husbandry and fishery industries, prioritizing the country's central and western areas, as well as major grain-producing regions, the China Banking Regulatory Commission (CBRC) said in a report presented to the country's top legislative body.

It also vowed to increase credit for agricultural infrastructure construction, agricultural technology research and development, as well as the development of new types of agricultural business entities.

Outstanding loans for agriculture-related sectors totaled 17.6 trillion yuan (2.84 trillion U.S. dollars) at the end of 2012, representing an average annual increase of 23.6 percent from 2008. The growth was 4 percentage points higher than the average growth of other loans, according to CBRC statistics.

According to the report, the country will beef up efforts to promote the clarification, registration and transfer of rural land management rights while carrying out pilot programs for rural people who wish to mortgage their lands.

Rural land in China is either state-owned or collectively owned.

Click [here](#) for detail

Science, Technology and Environment

Technology raises farm productivity

[2013-06-04, China Daily] For Bai Qiangguo, 53, life on the wind-blown plains of central Ningxia Hui autonomous region was like being frozen in time: the use of excessive pesticides and fertilizers to farm the reluctant land took its toll on the little fertility there is in the soil. The land became sandier and sandier, increasingly prone to dust storms.

But science is bringing the cycle to an end and giving farmers a harvest for the future.

"Now I work on the land during the day, and use the Internet to sell my wolfberries in the evening," Bai Qiangguo said. "I never thought I would have anything to do with high technology."

Bai and the other farmers who benefited from wolfberry planting technology in Ningxia are only a part of a much more ambitious plan of the government to boost agriculture through technology.

"If we bring technology into agriculture in the Ningxia Hui autonomous region, one of the country's poorest rural regions, we can do it in any region in China," Zhang Laiwu, vice-minister of science and technology, told China Daily.

This does not mean just adding new technology into crop planting, or to replacing labor with machines.

Instead, it is a more complex systematic reform: farmers working in commercialized farms, using high-tech equipment to improve both production and quality of the crop. On top of this, the entire community will benefit through the processing industry, logistics, and financial services system. The result will be that skilled talent will be attracted to agriculture.

"The essential factors in traditional agriculture include land, natural resources, like water and labor. But now we will integrate new productive factors like technology, modern management theory and social services," he said.

Although the methods of industrial agriculture, such as techniques for achieving economies of scale in production, are common in developed economies and increasingly prevalent worldwide, China's agriculture remained "old-fashioned", Zhang said.

Click [here](#) for details

Minister Han calls for agricultural sci-tech innovation

[2013-06-07, MOA] The 4th Global Forum of Leaders for Agricultural Science and Technology (GLAST-2013) and Workshop on the 30th Anniversary of China-CGIAR Collaboration was officially opened in Beijing on June 5th, 2013.

The event was jointly sponsored by Chinese Academy of Agricultural Sciences (CAAS), Food and Agriculture Organization (FAO) of the United Nations, the Consultative Group on International Agricultural Research (CGIAR) and Beijing Municipal Science and Technology Commission.

The GLAST-2013 was themed on “Science Innovation and Technology Transfer for Agribusiness Development”. The GLAST serves as an important platform for the leaders of agricultural academies or institutions worldwide to explore solutions to the challenges facing agricultural development. This year’s GLAST focused on global coordination in agricultural sci-tech innovation, capacity building in innovation for developing countries, public-private partnership in agricultural innovation, increasing productivity through technology transfer, and strategies and new initiatives for the “South-South” and “North-South” cooperation in agricultural sci-tech.

In his speech, Minister Han emphasized that not a single country can develop without interacting with the rest of the world including in agriculture. He called on agricultural institutes, international organizations and agribusinesses presented at the GLAST to jointly boost agricultural sci-tech innovation to secure agricultural development and food security. Click [here](#) for details

The Lancet – China themed Issue

China's rapid emergence as a global power has coincided with a series of unprecedented challenges to Chinese people's health. Our fourth China themed issue provides a picture of the complex health issues facing China, and looks at how better health outcomes for Chinese people can be achieved.

The findings presented in this issue emphasise that the challenges to achieving better health outcomes are not just limited to the health sector. Collaboration between sectors such as agriculture, education, and environmental protection is needed to address problems such as China's immense tobacco industry, hazardous air pollution, and recurring food safety issues.

Click [here](#) for details

FAO experts express pollution concerns

[BEIJING, June 9, Xinhua] Experts from a United Nations agency have applauded China's efforts in ensuring food safety but expressed concerns over potential risks posed by soil contamination.

In an exclusive interview with Xinhua, Jose Graziano da Silva, director-general of the Food and Agricultural Organization (FAO) of the United Nations said, "We have seen a lot of improvements in China but there is much more to be done."

The FAO chief said, "We're concerned about pollution in general," adding that food safety does not only require less use of fertilizers but also better management of water resources.

In May, three rice mills in central China's Hunan Province were investigated after rice was found to be contaminated with cadmium, a carcinogenic industrial chemical.

A food safety inspection conducted in the first quarter showed that 44.4 percent of rice and rice products in the city of Guangzhou in south China's Guangdong Province also contained

excessive amounts of cadmium, according to a Guangzhou Food and Drug Administration statement on May 16.

Although the source of the pollutants has not yet been found, heavy metal contained in fertilizers has contaminated irrigation water and arable land.

Agricultural authorities in Hunan said in 2012 that heavy metal pollution has been spreading from urban agricultural production bases to rural areas.

"It's not exactly true that the more fertilizers you use, the more output you get," according to the FAO chief.

China produced about 6.21 million tonnes of fertilizer in 2011, accounting for about 20 percent of global output and making the country the world's largest fertilizer producer, National Bureau of Statistics (NBS) data showed.

China, as the world's largest fertilizer user, consumed about 30 percent of total global output annually.

But its effective utilization rate of pesticides is still lower than that of developed countries, with a 10 to 20 percentage points gap, according to the NBS statistics.

Overuse of fertilizer will increase soil's dependency on pesticides, said Pan Genxing, an agricultural expert with the Nanjing Agricultural University.

Click [here](#) for details

China conducts soil pollution survey

[BEIJING, June 12, Xinhua] The government plans to conduct a nationwide soil pollution survey, the Ministry of Land and Resources said Wednesday.

Soil samples will be collected at multiple depths in order to find both the natural condition of the soil and the impact that human activity has had on it, the ministry said.

Samples taken at both deep and shallow depths will reveal how chemical elements have affected the soil, the ministry said.

The ministry did not give a precise date for releasing the survey results.

The ministry said previous investigations indicate that some regions are heavily polluted, particularly near the middle and lower reaches of the Yangtze River.

Comparing the investigation results to survey results from 1994 and 1995 indicates that soil pollution is spreading to China's more densely populated eastern areas, the ministry said.

A recent food safety scandal involving cadmium-tainted rice has stirred public concerns over worsening soil pollution. The public has asked authorities to issue soil pollution data, as well as detailed measures to handle the problem.

Click [here](#) for details

China's polluted farmlands carry the seeds of change

[South China Morning Post, June 18, 2013] From poisonous rice to melamine-infused milk, reports of tainted food are a regular occurrence in China. Just last month, farmers in Shandong province were found to be using an illegal and highly toxic pesticide to grow ginger. And a food safety inspection earlier this year showed that almost half of the rice for sale in Guangzhou contained excessive cadmium, a hazardous metal.

Not surprisingly, the farmland that produces this food is equally contaminated.

According to a 2011 report by the Ministry of Environmental Protection, 21.5 per cent of soil samples from 364 rural villages failed to meet national soil quality standards. There is widespread belief that the real extent of the pollution may be far worse. Earlier this year, when a Beijing lawyer asked the ministry to release its soil pollution data, the ministry refused, stating that the data is a state secret.

Last week, the Ministry of Land and Resources announced that it is compiling a nationwide map of soil contamination. But the ministry did not reveal if the findings would be made public.

These incidents have helped to focus public attention on the alarming truth about agricultural pollution and food safety in China.

Click [here](#) for details

Liuzhou pushing cleaner agricultural production

[Chinadaily.com.cn, 2013-06-27] The city of Liuzhou, in the Guangxi Zhuang autonomous region, has improved its food safety while raising farmers' incomes by promoting 'clean production' technology that uses less chemical fertilizer and fewer pesticides. Local authorities report that the city has 41 eco-agricultural pilot zones with an annual turnover of 104 million yuan (\$16.92 million) and profits of as much as 47 million yuan.

Safety in agricultural products has been a major concern in China recently, especially questions about how to reduce the use of chemical fertilizers and pesticides, as a key to sustainable development.

Luo Zeke, of the Liuzhou agriculture bureau, commented that the city has tried hard to promote two major clean production methods: one, the integration of water and fertilizer applications; the other, doing soil tests for tailor-made fertilizer mixes.

Liuzhou agriculture statistics show about 60 percent of its 213,000 hectares of arable land now being tested to help improve rice and sugarcane yields. The city uses 1,500 tons of pesticide, 100,000 tons of nitrogen fertilizer, and 40,000 tons of phosphate fertilizer annually.

Click [here](#) for details

UNESCO declares China's Hani Rice Terraces World Heritage Site

[PHNOM PENH, June 22, Xinhua] The UNESCO's World Heritage Committee inscribed China's cultural landscape of Honghe Hani Rice Terraces onto the prestigious World Heritage List on Saturday, bringing the total number of World Heritage Sites in China to 45.

The inscription decision was made during the 37th session of the World Heritage Committee.

"In the name of the entire committee, I would like to extend congratulations to China for the inscription of the beautiful site of Honghe Hani Rice Terraces on the World Heritage List," Cambodian Deputy Prime Minister Sok An, chairman of the session, said during the meeting after the site was listed.

Tong Mingkang, deputy director of China's State Administration of Cultural Heritage, thanked the 21-member World Heritage Committee for inscribing the site on the List and vowed to provide the best conservation for this site.

"Hani people will take today as their honey day," he said during the session.

He said with the iconic beauty of the landscape, the site is the product of the particular way of farming, together with the unique tradition and religion behind.

China's State Administration of Cultural Heritage nominated the Hani Terraces for the inscription on March 28, 2008.

The deep mountains-hidden cultural heritage site is located in Yuanyang County in Honghe Prefecture, southeastern Yunnan Province of China.

According to the UNESCO's document, as a property of cultural landscape, the property is comprised of the forest at the hilltop, the stockaded villages below the forest, the terraced fields below the villages and the Honghe water system below the terraced fields.

The reservation zone of Honghe Hani Terraced Fields Property covers 13,190 hectares and has a buffer zone of 14,810 hectares.

Click [here](#) for details

International Relations

Changing China food safety key to Shuanghui on Smithfield

[Bloomberg News, June 03, 2013] Wan Long, who helped turn a single hog processing plant into China's largest producer, explains the reasons for his \$4.7 billion swoop on Smithfield Food Inc. (SFD) as he adjusts six miniature porcelain pigs on his desk.

The 72-year-old chairman of Shuanghui International Holdings Ltd., who last week won Smithfield's acceptance for what would be the largest Chinese acquisition of a U.S. company, is not just reordering the pink and blue swines in front of him. He's seeking to tap foreign expertise and technology to help reshape food safety and production in China's pork industry.

"The question of food safety, whether it's to American consumers or Chinese consumers, is a big deal," Wan said in interview at his office in Luohe city in Henan province, about 800 kilometers (500 miles) south of Beijing, sitting in front of a world map that hangs behind him. "Our nation has a tighter and tighter grip over food safety."

Chinese consumers spend about \$183 billion on pork a year, favoring pig head, feet and offal that aren't popular on U.S. menus. The nation's farms are mostly small who combined produce about five times more pig meat than the U.S. China's food industry had been wracked by scandals ranging from tainted milk to the illegal dumping of hogs in rivers.

Smithfield accepted Hong Kong-based Shuanghui's offer of \$34 a share on May 29, priced at a 31 percent premium to the close the day before, the companies said that day. The U.S. producer has 30 days to continue talks with possible buyers Charoen Pokphand Foods Pcl (CPF) and JBS SA (JBSS3), according to a person familiar with the matter.

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If Britain wants greater prosperity, we need to look East to China

The Prime Minister is fond of saying that the UK now competes in "a global race". The problem is that it's a race we're losing, as our competitors streak ahead. We need to rebuild Britain as a mighty trading nation, fit for the new world taking shape around us.

Yet, despite the massive fall in the value of the pound since 2007, exports have risen by between just 1 and 2 per cent. Net trade is a drag on growth, not a growth booster, and around us our old markets in America and Europe aren't in much better shape.

Over the eastern horizon, however, the picture is very different. China is industrialising at 10 times the speed of Britain and on 100 times the scale. It was long predicted that this might be the "Asian century". But it has arrived 20 years earlier than anyone expected. The message is

obvious: Britain is simply not going to win a race to the bottom, competing in the world as a low-skill, low-wage economy. If we want to trade our way back to prosperity, we had better start looking east.

Click [here](#) for details

Lessons from China's success in reducing hunger

[BEIJING, June 3, Xinhuanet] The latest undernourishment figures estimate that there are 868 million hungry people in the world today, 132 million fewer hungry people than there were in 1990/92, a reduction of 13.2 percent.

China is the biggest single factor for this result, having rescued almost 100 million people from hunger, a reduction of 37.6 percent over the past two decades that puts it in track to achieving the Millennium Development Goal of halving the prevalence of hunger by 2015.

The progress that countries have made against hunger and extreme poverty show that we can reach the hunger-free and sustainable world that we are committed. To get there, we need to reinvigorate broad-based economic growth by creating the conditions for development of the productive sectors, including smallholder agriculture. It will also mean designing, financing, and implementing social protection for the most vulnerable since the main cause of hunger today is not insufficient production but lack of access to food.

The experience of China offers valuable lessons in this regard.

Click [here](#) for details

China contributes to African food security

[Sudan Vision, 5th June, 2013] If we want to describe Africa as a continent we can say that Africa is a fertile and beautiful continent. Even though most African countries are agricultural countries, most of them still have to address issues of food security due to a weak foundation for agriculture and backward agricultural technology. Self-sufficiency on food is still an unreachable dream for them. Since the 1960s, China has provided agricultural technical assistance to many African countries, supporting them to develop agriculture and train local technical and management personnel for them.

Since the founding of the Forum of China -Africa Cooperation in 2000, the Sino- African relationship has seen a boom with more comprehensive cooperation on agriculture , trade and other aspects. Besides, under the guidance of Chinese government going global, more and more Chinese agricultural companies are developing agricultural projects in Africa through favorable loans and other foreign -aid preferential policies. This develops local agricultural productivity and trains local agricultural technical and management personnel while improving overseas management of Chinese agricultural enterprises and their global competitiveness.

Chinese companies have invested on some agricultural projects in Africa, aiming to improve the development level and food productivity of African countries. Their investment serves as a goodwill gesture to Africa. The continent natural resources and climate conditions make it possible to improve agriculture and Chinese agricultural technology in food production has some advantages.

Click [here](#) for details

China aims at Europe's wines after solar panel action

[HONG KONG, June 5, 2013] — China's nouveaux riches millionaires, wealthy princelings and bribing business executives may soon find their wallets a little thinner:

The price for French Champagnes and Burgundies, Italian Barolos and pinot grigios and other European wines may soon rise in mainland Chinese stores.

Less than a day after the European Union said it was imposing preliminary import tariffs on Chinese solar panels, China's Ministry of Commerce announced Wednesday that it had begun a trade investigation of wines imported from the European Union. The investigation could lead to the imposition of steep tariffs by China.

The European Union's trade commissioner, Karel De Gucht, announced Tuesday in Brussels that he was imposing preliminary tariffs of 11.8 percent on solar panels imported from China, saying the panels were being "dumped," sold for less than they cost to make, in Europe.

If China was trying to send a retaliatory signal to Mr. De Gucht personally, wine might be a good target. He owns a 50 percent stake in a wine-producing estate in the Tuscany region of Italy.

The Chinese commerce ministry carefully avoided linking the solar panels to Wednesday's announcement that it would investigate European wines for improper duties or subsidies, saying instead that it was acting in response to a complaint from Chinese wineries.

But the ministry issued a separate statement expressing "resolute opposition" to the decision on solar panels. "We hope the E.U. will further show their sincerity and show flexibility, through consultations to find mutually acceptable solutions," the statement said.

Click [here](#) for details

Imported strains diversify China's crop output

BEIJING, June 7 (Xinhua) -- An international agricultural organization has provided China with nearly 50,000 wheat, corn, potato, and rice strains, greatly boosting crop diversity in China.

These have made up one-eighth of the country's crop gene strains thanks to the assistance from the Consultative Group of International Agricultural Research (CGIAR), China's largest international partner in agricultural research and development, according to data released by the Chinese Academy of Agricultural Sciences (CAAS).

With the imported strains, China has developed 252 new crop species.

Li Jiayang, president of CAAS and vice minister of agriculture, said that since China joined the CGIAR in 1984, the two sides have made fruitful achievements in research, exchanges and high-level decision making.

CAAS and CGIAR signed a declaration Friday pledging to step up cooperation in cultivating new species, developing biological technology and protecting natural resources.

Click [here](#) for details

Chinese investors look to broaden their African portfolios

[Chinadaily, 2013-06-17] Mahamat Mouta Djirabi, a Chadian, walks through the hotel lobby of the New York Forum Africa conference carefully searching for participants to connect with. He stops at a group of Chinese people and starts pulling out promotional materials from his suitcase.

Djirabi looks prepared as he talks slowly in English to the Chinese. After briefly introducing himself as an investment promotion director with Chad's Ministry of Trade and Industry, he gets right down to business.

"There are three Chinese companies in my country," he says. "We are resource-rich and we welcome more Chinese investors.

"Their projects help us create jobs, we need that. They do things in our country, and they don't take them away later," Djirabi said. "Our cultures are similar to each other in some ways, because they never impose their traditions on us like some Western investors do."

Djirabi was one of several African networkers actively searching for Chinese connections during the forum in Libreville, Gabon this past weekend. He said meeting Chinese investors was the main reason he came to the event - dubbed the largest business conference in the Pan-African area - which gathered more than 1,000 business leaders, politicians, and policy-makers from around the world with the intent of turning economic opportunities in Africa into a realities.

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Agriculture, for example, offers a multi-billion-dollar opportunity for investors. Agriculture is a key growth driver for the continent. Investment in agriculture will help Africa alleviate hunger, one of the most pressing issues in many African countries.

"China in reality discovered Africa and created this new wave of optimism," said Ivor Ichikowitz, founder of the South Africa-based Paramount Group, a group of companies operating in the global defence, internal security and peacekeeping industries.

But creating a win-win situation also means figuring out how to get Africans to contribute to China, said Ichikowitz, who is also a philanthropist.

"Africa has always been there and opportunities in Africa have been there," he said, "the only thing that changed is that China woke up to the opportunity in Africa before anybody else did. China had the courage of its convictions to put its money behind this discovery of Africa and now the whole world is following, and Africa has a lot to be thankful for.

"The next wave of investment needs to be about a win-win partnership - how Africa can contribute to China as well as how China can contribute to Africa - otherwise China is going to be accused of trying to colonize Africa, which we all know is not the case," said Ichikowitz.

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The UK and China sign Sterling/renminbi currency swap line

Governor Zhou Xiaochuan and Governor Mervyn King signed an agreement to establish a reciprocal 3 year, sterling/renminbi currency swap line.

The maximum value of the swap is RMB 200 billion. The swap line may be used to promote bilateral trade between the two countries and to support domestic financial stability should market conditions warrant.

Commenting, the Governor of the Bank of England said: "It is a testament to the outstanding working relationships between the Bank of England and the People's Bank of China (PBoC) that this swap line has now been signed. The establishment of a sterling/renminbi swap line will support UK domestic financial stability. In the unlikely event that a generalised shortage of offshore renminbi liquidity emerges, the Bank will have the capability to facilitate renminbi liquidity to eligible institutions in the UK. On behalf of the Bank, I am grateful to Governor Zhou and the staff at the PBoC, with whom it has been a pleasure to work."

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Seeds of revolution sown on the farm

[2013-06-28 09:08, China Daily] Investment and technology transfer have the potential to bring great changes in Africa. China's new going-out policy will intensify its economic ties with Africa not only in trade but also in agriculture, in which there has been increasing joint activity in recent years.

Sound and sustainable agricultural cooperation between China and African countries needs to be based on both sides coming out ahead. A strong profit potential is the driving force for Chinese companies investing in African agricultural projects.

Yet most Chinese companies that have invested in Africa in things such as animal feed, rice and other agricultural products are producing mainly for the local markets in Africa.

The reason is that the high transport cost due to poor infrastructure means Chinese agricultural investors in Africa are not looking to export to China. So large investments will be needed to raise agricultural production and build rural roads.

China's agricultural move in Africa has indeed brought new, great investment to the agriculture of many countries and has the potential to change agriculture significantly on the continent.

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Sudan: China, Sudan sign agricultural agreement

June 29, 2013, (KHARTOUM) - Sudan's minister of agriculture Abdel Halim al-Mutafi, announced that his government signed an agricultural cooperation agreement with Beijing which gives Chinese companies several options to operate in Sudan.

According to the agreement Chinese companies could directly invest in Sudan, engage in partnerships with local partners, or fund agro-processing and food production projects.

The accord aims at promoting Sudan self-sufficiency and exporting surpluses to China and the rest of the world to contribute to solving the world's food shortage, the minister said.

Al-Mutafi added in statements to Chinese media on the sidelines of the second session of the strategic dialogue between China and Sudan on Saturday that Sudan seeks to transfer the Chinese experience and advanced technologies to boost agricultural production.

He added that China's increasing food consumption and Sudan's large fertile land enhance opportunities for agricultural cooperation between the two countries.

Last year Sudan granted China permission to set up a free-trade zone for agricultural products and livestock to boost bilateral transactions.

Once hoped to be the breadbasket of the Arab world, Sudan's agricultural sector has continued to deteriorate over the years mainly as a result of negligence, drought,

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For more information about UK China Sustainable Agriculture Innovation Network (SAIN), please visit: <http://www.sainonline.org/English.html>

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