

# China Agri-food News Digest

## July 2013 (Total No 7)

### Contents

.....	1
Policies.....	2
China pumps 2.58b Yuan into agricultural industrialization.....	2
China works to enable easier use of chemical substances in food packaging.....	2
Don't judge China food safety on international standards, says official.....	2
Gov't pumps more funds into H7N9-hit poultry sector.....	2
Chinese premier tours Guangxi, pledges policy support.....	3
China announces rules for food safety.....	3
Beijing is delicately super-sizing the country's farms.....	4
First family farm opens up in Pingtan.....	4
China to develop vocational education for farmers.....	5
Cooperatives can ensure safe food.....	5
Science, Technology and Environment.....	6
Balancing food security and environmental quality in China.....	6
China's domestic pig breeds at risk of dying out.....	6
Evidence on the impact of sustained exposure to air pollution on life expectancy from China's Huai River policy.....	7
Jiangsu seaweed farming linked to algae bloom in Qingdao.....	7
China asks EU for aid in curbing pollution.....	7
Investing in agricultural robots.....	8
China's Bad Earth.....	8
MOA, FAO held workshop to enhance biosecurity at live poultry markets.....	9
International Relations.....	9
China willing to work with int'l community to help Africa eradicate poverty, hunger.....	9
China's grain imports seen surging as global crop prices decline.....	10
New Zealand eyes China's high-end dairy product market.....	10
Tesco's Chinese customers get taste for Thai goods.....	11
Tate & Lyle forms joint venture with leading food systems business in China.....	11
Strengthening EU-China cooperation in field of agriculture.....	12
China's hunger for wheat to lift prices by 10 pct, curb supply.....	12

## **Policies**

### **China pumps 2.58b Yuan into agricultural industrialization**

[CRI, 2013-07-05] The central government has set aside a 2.58 billion yuan (\$417.31 million) subsidy to boost the amount of loans for the agricultural industrialization, the Ministry of Finance said on Thursday.

The money is designed to cut lending interest rates for agricultural industrialization projects so as to boost farm produce supply and farmers' income.

Thirty provinces, autonomous regions and provincial-level municipalities will benefit from the money, together with Dalian, Ningbo and Qingdao cities.

Also, 100 million yuan will be provided for food safety risk surveillance in 20 provinces, regions and municipalities, including Shanxi, Inner Mongolia, Chongqing and Sichuan, the ministry said.

Click [here](#) for details

### **China works to enable easier use of chemical substances in food packaging**

[July 9, 2013, Environmental Leader] The China Ministry of Health (MOH) recently added 258 substances to the approved list of substances that can be used in food packaging materials. The new additives include substances such as 2-diethylaminoethanol, caprolactam, and 12-hydroxystearic acid. The move is considered to be the Chinese government's attempt to ease administrative burdens on producers or importers of food containers and package materials.

Click [here](#) for details, click [here](#) to see the list of substances

### **Don't judge China food safety on international standards, says official**

[Jul 12, 2013, SCMP], China's status as a developing country should be taken into account when evaluating the country's food safety standards, said a senior food safety official.

"If we were to take European Union air quality standards and apply them to Beijing, we would fail every day," Wang Zhutian, assistant to the director at the National Centre for Food Safety Risk Assessment, told China National Radio on Wednesday.

Wang stressed China was "still developing" and thus needed to base its own food safety standards on "national conditions" rather than blindly following international ones.

He said the country needed to use its own risk assessment methods to establish its own food safety standards because this would be good for the entire food industry.

Click [here](#) for more details

### **Gov't pumps more funds into H7N9-hit poultry sector**

[BEIJING, July 11, Xinhua] The Chinese government has injected more funds into the poultry sector, which has been reeling from the effects of the H7N9 avian influenza virus since March.

The government has allocated another 300 million yuan (48.54 million U.S. dollars) to boost the poultry sector, the Ministry of Finance said Thursday. The move came after the government had injected 600 million yuan into the sector in May and another 300 million yuan in June.

The subsidies will mainly be used to cut interest rates for short-term loans to poultry enterprises.

The latest figures from the China Animal Agriculture Association show that the industry has recorded more than 40 billion yuan in losses since the H7N9 outbreak in March.

In addition to the subsidies from the central government, 10 provinces, including Henan, Shandong and Guangdong, have issued preferential policies to help poultry breeders.

Click [here](#) for more details

### **Chinese premier tours Guangxi, pledges policy support**

[NANNING, July 10, Xinhua] During a research tour to south China's Guangxi Zhuang Autonomous Region from Monday to Wednesday, Premier Li Keqiang pledged policy support to help stabilize growth and improve people's lives in this relatively underdeveloped region.

The three-day tour saw Premier Li visit ports, companies, plantations and villages, where he talked with local workers, businesses and farmers to better grasp the current economic conditions in the world's second-largest economy.

Li urged the region to further open up to the outside to capitalize on the opportunities created during the ongoing industrial transfer from the east to the west.

In a conference with small- and micro-sized enterprises, the premier pledged continuing policy support for them as their success, which would create a massive number of jobs, can facilitate China's economic growth and transformation.

After talking with farmers and impoverished villagers, Li promised that the government will help them increase income and improve the infrastructure through various channels.

During the research tour, he also visited local economic planning agencies to inquire about the effects of the government's move to transform functions.

"The central government will continue to streamline administrative procedures and delegate powers to lower levels, and local authorities should also free up approval items in more sectors," Li urged.

Click [here](#) for details

### **China announces rules for food safety**

[Beijing, July 15, Xinhua] A fresh regulation on the safety assessment of foodstuff was released by the National Health and Family Planning Commission on Monday.

Foodstuff specified in the regulation include animals, plants and microorganisms that are not in the country's traditional recipes, and includes components extracted from them.

According to the regulation, if the safety of the licensed foodstuff does not meet science and technology updates or if there is evidence showing the food not to be safe, the commission must assess the safety of the substance for a second time.

If the licensed food material fails to meet safety rules in the re-examination, the commission will revoke the licenses for such foodstuff, it adds.

The regulation also mandates that those to be found providing false documents when applying for licenses of foodstuff will not be eligible to file an application of the same food substance within a year.

The regulation is set to come into effect on Oct. 1, replacing the previous one which was released on Dec. 1, 2007.

Click [here](#) for details

### **Beijing is delicately super-sizing the country's farms**

[China Economic Review, July 15] In the northwestern Chinese town of Wuliming, farms are being consolidated into a vast tract, the likes of which haven't been seen since collective farms under Mao Zedong.

But the plots aren't being combined under the directives of commune leaders as they were in the late 1950s. Farmers won't be eating gruel in communal dining halls. And there will be little need for them to sweep across the fields *en masse* turning up soil or harvesting crop.

Rather, most farmers will leave their plots behind as they are subsumed by large factory farms. Giant tractors will take their place. Those that stay will answer to a combination of investors, banks, local government and private corporations.

Wuliming, in Heilongjiang province, is home to one of the country's first and largest factory farms. With the central government behind it, one farm in the town has swallowed up household farming plots, growing from about 460 hectares to nearly 1,420 hectares, larger than 600 American football fields, in less than four years.

Heilongjiang is at the heart of an ongoing series of experiments that are super-sizing farms with money from banks and private corporations. Substantial reforms started in the province in 2011, but guidelines issued by the state council in April brought the pieces of a somewhat scattered experiment together.

But there are also worries – and convincing examples – about how big farm production pushes people off the land with few places to turn besides city slums.

Click [here](#) for details

### **First family farm opens up in Pingtan**

[China Daily, 15-07-2013] Lin Xichun, a 57-year-old farmer, has become a part of Pingtan's agricultural history by running the county's first family farm.

The concept of a family farm was first brought up in a central government document issued in February. According to the Ministry of Agriculture, a "family farm" would engage most members of a single family in agricultural production, allowing them to make farming their main source of income.

This move seeks to prevent young rural residents from migrating into cities in search of better-paid work, after a separate Ministry of Agriculture report highlighted a shortage of both young farmers and farmers specializing solely in agriculture.

Encouraged by the idea, Lin Xichun registered the first family farm in June with a registered capital of 500,000 yuan (\$81,467) and 133,333 square meters of cropland located in Xibianliao village in Luyang township, Pingtan county. The farm grows pumpkins, sweet potatoes and peanuts.

Now Lin says his biggest wish is for the central government to roll out more favorable policies supporting the development of family farms.

The local industrial and commercial administrative bureau said it has opened a green channel to provide farmers with one-stop consultation services.

Click [here](#) for details

### **China to develop vocational education for farmers**

[BEIJING, 23-07-2013] The Ministry of Education (MOE) said on Monday that it will accelerate the development of vocational education for professional farmers in order to safeguard food security and promote agricultural modernization.

Lu Xin, vice minister of MOE, said at a symposium on vocational education in rural areas that establishing and improving a vocational education system for professional farmers will be a major task for the ministry in the future.

Lu added that the focus of the work will be training foregoers and production management talents.

A joint study by the MOE and the Ministry of Agriculture has found that China's rural labor force is both shrinking and aging.

The study also found that 70 percent of rural laborers have a primary and junior middle school education. The number of junior and senior high school graduates who choose to study agriculture is declining sharply.

As of the end of 2012, there were 12,663 secondary vocational schools in China, with 21.13 million students. About 2.19 million students were majoring in agriculture, forestry and fishing, accounting for only 10.35 percent of the total.

Click [here](#) for details

### **Cooperatives can ensure safe food**

[China Daily, 2013-07-30] There is no doubt that China has a problem with food safety and that it is in the interest of everyone other than the few causing it to see an end to the threat. So why has the problem persisted? The answer, unfortunately, is: Because the risk of those responsible for food safety scandals getting caught is low and the possible profits are high. As long as this situation continues, basic economic theory dictates that the problem will continue.

The solution is obvious, though. Producers and consumers should be directly connected in a manner that will make the production process transparent and identify those responsible for tampering with food products to make more profits. Of course, one or two small farmers cannot do this. But imagine the following scenario:

Residents of a village who produce a variety high quality vegetables and meat products decide to form a cooperative to ensure that their production process is safe, even environmentally friendly, and they hire an agricultural specialist to advise them how to do it most effectively.

To sell their products, they set up a shop in a nearby city, and take turns to man it. The shop carries the name of the village, and consumers are invited to visit the village to inspect the production process. Since the village's reputation and everyone's livelihood are at stake, all the villagers will be obliged to make sure that the production takes place in an orderly fashion. An open invitation to consumers to come and observe the production process would only strengthen this tendency.

The guarantee of getting absolutely safe food products will prompt quality-minded consumers to buy from the village's shop, which will enable the villagers to charge higher prices for their products in the long run and make more profit without resorting to illegal means.

Over time, other villages decide to follow the model to get a slice of the pie, and some villages even start to cooperate with each other in order to make their production more efficient and to diversify their sales by opening secondary sales and production facilities such as restaurants using only self-produced products, or starting their own dairy.

In the end, even the larger producers get pressured into ensuring the quality of their products or to lose out in the competition. Some supermarket chains, too, may get interested in setting up their own food production line to attract consumers looking for absolutely safe food.

Could this work? The market for this kind of "guaranteed food" is most likely there, because many people in China are willing to go to great lengths - from asking relatives in the countryside to supply homegrown products to buying foreign products (especially milk powder) online - to get safe products.

Click [here](#) for details.

## **Science, Technology and Environment**

### **Balancing food security and environmental quality in China**

In many ways, the evolution of Chinese agriculture over the past 40 years is a remarkable success story. Spurred by investments in research and government subsidies for fertilizers and other farm technologies, China now feeds 22% of the world's population on just 9% of its total arable land.

But as a special collection of papers in the July-August issue of the *Journal of Environmental Quality (JEQ)* points out, these achievements have come at a cost. Massive losses of nutrients from croplands and manure from concentrated animal feeding operations (CAFOs) have polluted the country's streams, rivers, soil, and air. In pursuit of food security, China has also dipped deeply into global resource supplies, using in recent years more synthetic nitrogen fertilizer than all of North America and Europe combined.

"As the country has transitioned over the past four decades from an undeveloped nation into the world's second largest economy, very hefty tolls have been placed on China's natural resources and the environment," says Fusuo Zhang of China Agricultural University, an author on several papers in the collection, "with some of the most serious pollution problems linked directly to injudicious use of nutrients for crop and animal production." And the trend is expected to continue given China's economic might and its booming population of 1.3 billion.

Click [here](#) for detail

### **China's domestic pig breeds at risk of dying out**

[08 July 2013] *CHINA* - 150 sows and 1,300 hogs are all that remain of the Wulian black pig, which in the 1980s numbered 3 million, according to Shandong's Department of Agriculture.

The pig, distinctive for its short legs, short neck and bright hooves, was listed among the province's endangered species of poultry and livestock in April 2009.

China is the world's biggest pork producer. The country's production last year was 53.3 million metric tons, almost 50 per cent of the global total.

But research has found that more Chinese native pigs are dying out.

Wang Linyun at Nanjing Agricultural University said native species account for just 5 to 10 per cent of the 50 million or so sows in China, while other experts estimate that 31 species are on the verge of extinction.

A Ministry of Agriculture survey from 2004 to 2008 showed four breeds, including the Shenxian in Hebei province and the Xiangcheng in Henan province, have already disappeared.

To reverse the trend, the government has placed 34 species under State-level protection, which means they cannot be slaughtered.

Click [here](#) for details

### **Evidence on the impact of sustained exposure to air pollution on life expectancy from China's Huai River policy**

[PNAS, 03-07-3013] This paper's findings suggest that an arbitrary Chinese policy that greatly increases total suspended particulates (TSPs) air pollution is causing the 500 million residents of Northern China to lose more than 2.5 billion life years of life expectancy. The quasi-experimental empirical approach is based on China's Huai River policy, which provided free winter heating via the provision of coal for boilers in cities north of the Huai River but denied heat to the south. Using a regression discontinuity design based on distance from the Huai River, we find that ambient concentrations of TSPs are about  $184 \mu\text{g}/\text{m}^3$  [95% confidence interval (CI): 61, 307] or 55% higher in the north. Further, the results indicate that life expectancies are about 5.5 y (95% CI: 0.8, 10.2) lower in the north owing to an increased incidence of cardiorespiratory mortality. More generally, the analysis suggests that long-term exposure to an additional  $100 \mu\text{g}/\text{m}^3$  of TSPs is associated with a reduction in life expectancy at birth of about 3.0 y (95% CI: 0.4, 5.6).

Click [here](#) for details

### **Jiangsu seaweed farming linked to algae bloom in Qingdao**

[South China Morning Post, Jul 17, 2013] A rapid expansion of seaweed farming in Jiangsu might be behind the annual "green tide" of algae that engulfs the popular seaside resort city of Qingdao each year, a study suggests.

Qingdao, in Shandong province, has suffered a huge algal bloom every summer since 2008, when a massive clean-up had to be carried out as the city prepared to host sailing events for the Beijing Olympics.

The outbreak in the Yellow Sea reached record levels this year, covering 28,000 square kilometres.

The cause of the bloom has long been mysterious. Research published in the journal *Estuarine, Coastal and Shelf Science* says the swathes of algae may be a byproduct of seaweed farming in Jiangsu, south of Shandong.

The study by a team from the Yantai Institute of Coastal Zone Research under the Chinese Academy of Sciences suggests that relatively small quantities of the seaweed species *Ulva prolifera* are cut loose from rafts used in the seaweed industry and swept into the Yellow Sea, where they quickly proliferate due to favourable conditions: abundant sunlight and mild temperatures, and rich nutrients in seawater - a result of wastewater discharged into the sea.

The study has proved controversial, with researchers reluctant to discuss their findings. Scientists fear that until the impasse in finding the cause of the bloom is broken, little will be done to tackle the algae, which has little effect on humans but can damage the marine ecosystem.

Click [here](#) for details

### **China asks EU for aid in curbing pollution**

[Reuters, BEIJING, July 18] - China has asked the European Union to help it tackle some of its most severe pollution problems, the EU's environment commissioner said on Thursday, underscoring Beijing's concerns about addressing a key source of social discontent.

The European Union and China, the world's biggest carbon dioxide emitter, have frequently clashed over climate policy. But both sides recently agreed to cooperate, striking a deal last September to cut greenhouse gases through projects including the development of Chinese emissions trading schemes.

Janez Potocnik, the EU Commissioner for the Environment, told Reuters in an interview that China had asked the European Union for help in tackling pollution related to heavy metals and water and waste treatment.

"That's one of the projects through which we try to help China to address and solve some of the problems, which they have identified as the core problems we are focusing on at home," Potocnik said during a two-day visit to promote green economic growth.

"We are focusing on three areas, one will be pollution with the heavy metals, one is water pollution, and one is waste treatment."

Potocnik, also accompanied by more than 50 European and national industry associations and companies, said the EU was investing about 10 million euros (\$13 million) in this scheme, known as the EU China Environmental Sustainability Project, to be launched on Friday.

Click [here](#) for details

### **Investing in agricultural robots**

[Energy & Capital, July 19<sup>th</sup>] Agricultural robots are making a push to become a daily part of the agricultural landscape, yet there is still a long road to hoe.

Much of the efforts being made are centralized around the design of robots that address agricultural mechanization, not processing. This is because many of the fruits and vegetables destined for fresh markets are sensitive to bruising.

The U.S. agricultural climate is leading the way, but China is also projecting major expansion efforts in its agricultural machinery sector. In the coming years, it is expected to average growth of 18.1 percent, according to Novus Light. Under its 12<sup>th</sup> Five-Year Plan and government stated objectives, agricultural mechanization will rise 52 percent in 2012, 60 percent in 2015, 70 percent in 2020, and 82 percent by 2030.

If this happens, it will be the second fastest growing segment in Chinese machinery, falling only behind industrial robotics. Other aspects of machinery aren't expected to see nearly the amount of growth.

Click [here](#) for details

### **China's Bad Earth**

[WSJ, 27-07-2013] In Dapu, a rain-drenched rural outpost in the heart of China's grain basket, a farmer grows crops that she wouldn't dare to eat.

A state-backed chemicals factory next to her farm dumps wastewater directly into the local irrigation pond, she says, and turns it a florescent blue reminiscent of antifreeze. After walking around in the rice paddies, some farmers here have developed unexplained blisters on their feet.

"Nothing comes from these plants," says the farmer, pointing past the irrigation pond to a handful of stunted rice shoots. She grows the rice, which can't be sold because of its low quality, only in order to qualify for payments made by the factory owners to compensate for polluting the area. But the amount is only a fraction of what she used to earn when the land was healthy, she says. The plants look alive, "but they're actually dead inside."

The experiences of these farmers in Dapu, in central China's Hunan province, highlight an emerging and critical front in China's intensifying battle with pollution. For years, public attention has focused on the choking air and contaminated water that plague China's ever-expanding cities. But a series of recent cases have highlighted the spread of pollution outside of urban areas, now encompassing vast swaths of countryside, including the agricultural heartland.

Estimates from state-affiliated researchers say that anywhere between 8% and 20% of China's arable land, some 25 to 60 million acres, may now be contaminated with heavy metals. A loss of even 5% could be disastrous, taking China below the "red line" of 296 million acres of arable land that are currently needed, according to the government, to feed the country's 1.35 billion people.

Rural China's toxic turn is largely a consequence of two trends, say environmental researchers: the expansion of polluting industries into remote areas a safe distance from population centers, and heavy use of chemical fertilizers to meet the country's mounting food needs. Both changes have been driven by the rapid pace of urbanization in a country that in 2012, for the first time in its long history, had more people living in cities than outside of them.

Click [here](#) for more details

### **MOA, FAO held workshop to enhance biosecurity at live poultry markets**

[MOA, 2013-07-26] MOA and FAO jointly held a workshop to enhance biosecurity at live poultry markets, followed by a field visit to Jiangcun wholesale market in Guangdong Province on July 23, 2013. These activities are aimed to seek ways of improving biosecurity management and reducing the risk of animal disease infection and transmission at live poultry markets.

Since Highly Pathogenic Avian Influenza (HPAI) was detected in China, the Chinese government has rolled out a number of efficient control measures. However, as long-term surveillance and research data suggested, live poultry markets still remained a major source of AI and other animal diseases.

Early in April 2011, MOA and FAO launched a pilot program of "public-private partnership (PPP)" management model at Jiangcun live poultry wholesale market.

The program focuses on developing schemes for biosecurity facility upgrading and construction, promoting participation of both public and private sectors, mobilizing resources of multiple stakeholders and maintaining sustainability of concerning measures, in order to substantially reduce the risk of animal disease transmission at live poultry markets.

Click [here](#) for details

## **International Relations**

### **China willing to work with int'l community to help Africa eradicate poverty, hunger**

[Global Times, 2013-07-01] China is willing to work with the international community to resolve problems of poverty and hunger as well as to address food security issues in Africa, said Qin Jian, Charge D'affaires of Chinese Embassy in Ethiopia.

The diplomat made the remarks on Sunday at the African ministerial meeting on the premises of the African Union (AU) Headquarters in Addis Ababa, Ethiopia, which opened a High-Level Meeting on ending hunger in Africa by 2025.

The ministerial session, which was preceded by multi-stakeholder meeting on Saturday, will be followed by the meeting of heads of states on Monday to deliberate on ways of eradicating hunger from the African continent by 2025.

The High-Level Meeting is convened jointly by the AU, the UN Food and Agriculture Organization (FAO), and Brazil's Lula Institute for a unified approach to eradicate hunger from Africa.

During the day-long ministerial meeting, China, Brazil and Vietnam along with African countries shared their successful experiences in the agriculture and food security sectors.

Speaking on the occasion, the Chinese diplomat said it is common responsibility of the international community to eliminate poverty and hunger in developing countries.

He said the international community should promote technology transfer and improve capacity building of developing countries.

Click [here](#) for details

### **China's grain imports seen surging as global crop prices decline**

[Bloomberg News - Jul 5, 2013] Grain imports by China, the biggest consumer, are on course to surpass last year as a slump in global prices encourages purchases even as farmers across the country prepare to increase harvests for a 10th straight year.

Inbound shipments of wheat, corn and rice are projected to rise, while domestic corn and rice output expands and wheat remains in line with last year or falls, according to estimates from state and private forecasters in China and the U.S.

Chinese purchases benefit growers of corn and wheat from the U.S. to Argentina and Ukraine, while Thailand supplies premium rice and coarser varieties of the Asian staple are shipped from Vietnam and Pakistan. Wheat and corn futures slumped more than 20 percent in Chicago the last 12 months while Thai white rice, the regional benchmark, fell 14 percent.

“Imported grains are cheap and some local crops like wheat, which has had issues with quality, are struggling to compete,” Li Qiang, chairman of Shanghai JC Intelligence Co., said by phone today during a crop tour of central Henan province. “It’s conceivable we’ll get a record in combined imports of all grains this year.”

China will buy 4 million metric tons of wheat in the year that began June 1, the most in nine years, while corn imports will rise 67 percent to 5 million tons, the U.S. Department of Agriculture said July 3. Corn purchases in the 12 months starting Oct. 1 may rise to a record 7 million tons, according to a Bloomberg survey last month.

Rising labor costs and policies to boost local prices to aid farming incomes have made Chinese crops less competitive, said Li.

Click [here](#) for details

### **New Zealand eyes China's high-end dairy product market**

[BEIJING, July 2, Xinhua] -- New Zealand's dairy industry sees high-end products as a way to establish itself in China's growing dairy market, New Zealand's primary industries minister Nathan Guy said here Monday.

During his visit to promote agriculture trade from June 28 to July 7, the New Zealand minister projected that Chinese people will consume 60 billion liters of milk annually by 2020, thus creating a "very important market" for New Zealand's dairy industry.

Guy said the opportunities for New Zealand dairy sector in China lie in high-value products, because New Zealand company Fonterra's China farm is able to supply an estimated 2 percent of the 60-billion-liter demand.

The New Zealand minister led a delegation to visit Beijing, Shanghai, Inner Mongolia Autonomous Region and Anhui Province.

The minister said he considers the trip a valuable opportunity to find business opportunities for New Zealand agricultural companies, especially those specializing in pasture and animal husbandry and those involved in general agricultural services and the construction of dairy farms.

Guy said New Zealand's dairy companies are looking to cooperate with Chinese dairy firms, and he welcomed Chinese to conduct business in New Zealand with its food safety systems.

Click [here](#) for details

### **Tesco's Chinese customers get taste for Thai goods**

[Bangkok Post, 9 Jul 2013] SHANGHAI : Tesco Lotus in China has pledged to increase its purchase of fruit and vegetables and other products from Thailand, aiming to double the value of its Thai imports.

Jenny Kian, import food director at Tesco China, said Chinese consumers trust Thai food for safety and quality.

Tesco also plans to import products such as sweet chilli sauces, biscuits, seaweed, jam and Otop products, she said.

Tesco operates 132 outlets in China, with up to 4.4 million customers shopping at its stores each week. Tesco Lotus has partnered the Commerce Ministry over the past five years to promote Thai products with "Taste of Thailand" events, mainly in Britain, the home of the Tesco supermarket chain.

It has also worked with the Department of International Trade Promotion to arrange business matching events between Thai companies and Tesco buyers, said Tesco Lotus corporate affairs director Salinla Seehaphan.

Tesco has recently worked with the department to arrange a Thai fruit and seafood promotion at Tesco stores in China to allow Chinese customers to taste high-quality durian, mango, mangosteen, rambutan, longan and coconut at promotional prices.

Click [here](#) for details

### **Tate & Lyle forms joint venture with leading food systems business in China**

[London, 16 July 2013] Tate & Lyle PLC ("Tate & Lyle"), a leading global provider of specialty food ingredients and solutions, announces that it has signed an agreement with Xuzhou Yitong Food Industry Co., Ltd ("Yitong") to form a Sino-Foreign Joint Venture ("Tate & Lyle Howbetter") through the acquisition of a 51% equity interest in Jiangsu Howbetter Food Co., Ltd ("Howbetter"), a leading Food Systems business in the People's Republic of China.

Under the terms of the agreement, Tate & Lyle will acquire 22% of its equity interest from Yitong and the balance of 29% from S.B International, a wholly-owned subsidiary of a Europe-based global food business (which has been a shareholder in Howbetter since 2009). Tate & Lyle also has an option to acquire Yitong's remaining 49% equity interest in Howbetter at a later stage. The transaction is subject to governmental approval which is expected in the autumn.

Howbetter provides stabilizer systems and ingredient blends for customers across China mainly in the dairy and beverage categories. It operates from a blending facility in Suqian and has application laboratories in the nearby city of Xuzhou, both in Jiangsu Province. Howbetter was one of the first domestic food blending businesses in China to be awarded a license to operate under new regulations put in place in 2010.

Click [here](#) for more details

### **Strengthening EU-China cooperation in field of agriculture**

[Eurasia Review, July 22] The European Commissioner for Agriculture and Rural Development, Dacian Cioloş is in Beijing, China, 22-24 July, to strengthen EU-China cooperation in the areas of agriculture and rural development.

“Agriculture is of strategic importance for both the EU and China in our efforts to address challenges such as ensuring food security, fighting climate change, and achieving a balanced development of rural territories. Based on a long term, trustful and open collaboration, our trade relations in the area of food and agriculture are growing. Following last year’s agreement for a cooperation plan on agriculture, that has already started producing concrete results, I believe there is still an enormous potential for development for the benefit of both parties”, stated Commissioner Cioloş.

The main topics to be addressed during the visit concern enhanced cooperation in the fight against counterfeiting in the wines and spirits sector, as well as in the field of food security and agricultural research with a view to increase agricultural productivity and sustainable management of natural resources. The visit is also aiming to boost the dialogue on trade aspects related to agricultural products as well as the EU– China organic food equivalency arrangement and the agreement on quality food products.

Click [here](#) for more details

### **China's hunger for wheat to lift prices by 10 pct, curb supply**

[SINGAPORE, July 24, Reuters] Soaring Chinese wheat purchases due to weather-related crop damage at home could lift global prices of the grain by about 10 percent in the next few months, a survey of traders showed.

The rush to secure wheat overseas by top consumer China is prompting farmers in the world’s second-biggest exporter Australia to hold back sales of the grain to traders in hopes of higher prices, curtailing supplies.

China's buying spree is also driving up costs for leading wheat importing nations in Asia and the Middle East.

The push for the imports comes as Reuters interviews with farmers and new analyst forecasts showed damage from frost and rains was estimated to have ruined as much as 20 million tonnes of China's wheat crop, equivalent to Australia's annual exports.

Click [here](#) for details

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

***If you have any further enquiries, please contact Yuelai Lu at: [y.lu@uea.ac.uk](mailto:y.lu@uea.ac.uk)***