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Policies

China allocates funds to develop eco-agriculture

[Xinhua, 22-08-2017] China has earmarked 605 million yuan (around 90 million U.S. dollars) from the central budget to bolster eco-agriculture.

The funds will be used for 61 circular projects, projects which create economic development through environment and resource protection, including water recycling and standardized production, in 23 provincial areas to develop a sustainable rural economy, the Ministry of Finance (MOF) said.

The MOF plans to build agricultural demonstration zones with a total area of 670,000 mu (nearly 45,000 hectares), where 92 percent of waste can be recycled and the use of chemical fertilizers and pesticides will be reduced by 32 percent.

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China begins development of rural land for rental housing

[Xinhua, 28-08-2017] China will allow the development of rental housing projects on rural land on a trial basis, authorities said on 28 August.

Rural collective economic organizations can build and rent housing on rural construction land by themselves or through joint ventures, according to the Ministry of Land and Resources and the Ministry of Housing and Urban-Rural Development.

The program will be tested in 13 cities, including Beijing, Guangzhou and Shanghai, with many projects envisaged by the end of 2021, before expansion elsewhere.

The move is an attempt to increase rental options and establish a housing system that is fair to both owners and tenants.

Arable land should not be used for development, while farmers' wishes should be respected, the plan said.

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China promotes livestock farming in northeast to digest corn stocks

[Reuters, 10-08-2017] China wants to turn its grain basket in the northeast into a national meat and dairy production base, said the agriculture ministry on 10 August, as part of a broader plan to create stronger demand for the region's main crops.

Heilongjiang, Jilin, Liaoning and Inner Mongolia account for around a quarter of China's total grain output, but most of it has to be shipped to feed mills further south to supply the country's hog and poultry farms.

"Accelerating the development of modern animal husbandry in the main producing areas of northeastern China is an urgent need to digest corn stocks and optimize the agricultural structure," said the ministry in new guidelines on its website.

Bringing more pig, beef and dairy farms further north would also help reduce the impact of farm pollution in more populated regions along the coast, another major priority for the agriculture sector.

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China launches first round of marine inspections

[Xinhua, 23-08-2017] China has begun a first round of marine inspections to deal with land reclamation problems.

According to the State Council, inspections will focus on reclamation processes as well as marine resource exploitation and utilization.

China's State Oceanic Administration sent two inspection teams Tuesday 22 August to Liaoning and Hainan provinces, and another four will start on-site investigations into Guangxi Zhuang Autonomous Region and the provinces of Hebei, Jiangsu, Fujian.

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China to limit overseas investments in real estate, sports clubs

[Xinhua, 18-08-2017] Overseas investments in areas including real estate, hotels, cinemas, the entertainment industry, and sports clubs will be limited, while investments in some sectors such as gambling will be banned, according to a document released by the State Council.

In the meantime, investments in line with the Belt and Road Initiative and those conducive to the country's industrial upgrade, including high-tech and advanced manufacturing industries, will be encouraged, according to the document.

Outbound investments in agriculture and fishing, oil and mining exploration, and certain areas within the service industry were also given the greenlight.

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China to promote foreign investment growth

[Xinhua, 16-08-2017] The State Council, China's cabinet, on Wednesday 16 August made public a series of measures for ensuring the steady growth of foreign investment.

China should make its foreign investment environment "more law-based, internationalized and convenient" to promote growth and raise the quality of foreign investment, according to a document from the State Council.

It will roll out nationwide a negative list for foreign investment that has been tested in pilot free-trade zones as soon as possible.

China will expand market access to allow foreign capital to enter sectors including new-energy vehicle manufacturing, ship design, aircraft maintenance and railway passenger transportation, the document said.

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Expert: China should open market to country's self-developed GM fish

[People's Daily, 15-08-2017] China should promote market access to its self-developed genetically modified (GM) carp, said Zhu Zuoyan, a researcher and academician at the Institute of Hydrobiology under the Chinese Academy of Sciences, Xinhua reported .

The academician made the statement against the backdrop of U.S. regulators' decision to allow genetically modified salmon, making it the first GM animal destined for human consumption recently.

Zhu noted that China's GM carp not only meet regulatory requirements of the U.S. Food and Drug Administration, World Health Organization, and Food and Agriculture Organization of the United Nations on GM animals, but have been comprehensively studied.

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China fights for final victory over poverty

[Xinhua, 13-08-2017] China has set 2020 as the target year to complete the building of a moderately prosperous society, which requires the eradication of poverty. The task has

become more difficult and costly as the process approaches its end. According to global experience, the most difficult phase in poverty eradication is when the population living in poverty accounts for less than 10 percent of the overall population. As of the end of 2016, there were still 43.35 million people in China living below the country's poverty line of 2,300 yuan (344.30 U.S. dollars) of annual income as constant with 2010 prices, accounting for about 3 percent of China's population.

To achieve the target in 2020, China needs to bring more than 10 million people out of poverty every year, meaning nearly one million people per month or 20 people per minute.

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Science, Technology and Environment

AI to boost China's growth, with manufacturing and agriculture to benefit, says report

[SCMP, 07-08-2017] Artificial intelligence (AI) could add as much as 1.6 percentage points to China's economic growth rate by 2035, with industries like manufacturing, agriculture and retail seeing the most value from the technology, according to a recent report.

As China's economic growth slows, a report by consultancy firm Accenture suggests that the advent of AI could give the country a much-needed boost in productivity and growth, especially as the number of working-age population in the country continues to decline.

According to Accenture, AI will have the largest impact on industries such as manufacturing, retail and agriculture in China, as well as allowing labour-intensive sectors such as health care to become more productive over time by allowing workers to focus on more critical tasks, while AI handles the more mundane ones.

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How China's cutting-edge drones are transforming the nation

[SCMP, 12-08-2017] From monitoring pollution to displaying 'fireworks' to revolutionising farming, the sky's the limit for these hi-tech flying machines.

A major application for drones is in agriculture. Liu Jun, a farmer from the village of Dongan, Yanshou county, in northern China's Heilongjiang province, said that this summer it was almost impossible to cross a field without hearing the buzzing of drones.

"Overnight, their performance [in the agriculture sector] has changed farmers' suspicions of new technology. Now almost every farming family in our village has either bought or hired a drone."

Employing drone pilots saves farmers money, too, as they don't need to recruit lots of people to spray pesticides. Also, as awareness of the hazards of chemicals has grown, fewer young people have been willing to do the job the traditional way.

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Energy hogs: China targets farm waste as a 'clean' power source

[Reuters, 30-08-2017] China will pay farmers to turn animal poo into fertilizer and power, the Ministry of Agriculture said on Wednesday, as Beijing cracks down on agricultural pollution that has for years leaked into rivers and lakes, angering Chinese residents.

China will give farmers subsidies to build animal waste processing facilities to make fertilisers or to treat manure so it's safe for disposal, and to install biogas plants that use methane to generate electricity, according a government plan announced on Aug. 1.

The plan includes setting up recycling programs by 2020 in 200 major counties that have livestock farms. That's less than half the 586 major counties the government says have hog and poultry farms.

In China, how to better dispose of animal waste has become a particular problem due to the fast growth of poultry and hog farming over the past decade to meet demand for higher quality meat. Chinese livestock farms generate nearly 4 billion tonnes of waste annually, according to the agriculture ministry.

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Farm produce quality improves in China

[Xinhua, 18-08-2017] Farm produce quality has improved steadily over the past five years as more than 96 percent of the output passed a quality check. In the first half of this year, the number reached 97.6 percent, said Guang Defu, director of the Bureau of Quality and Safety Supervision for Agro-products of the Ministry of Agriculture.

The ministry has laid out comprehensive safety standards including more than 6,000 quality standards in pesticide and veterinary residue and more than 5,000 other industry standards. Green and organic food standards have been applied in a greater scope, he told a press briefing on farm produce safety.

A national safety monitoring network has been established with 117,000 superintendents on duty, and they have intensified the crackdown on illegal use of ractopamine and other restricted pesticides.

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Chinese Eden Projects to begin construction this year

[China daily, 17-08-2017] Chinese visitors will be able to visit their own version of Cornwall's Eden Project in Qingdao in Shandong, where construction is scheduled to start this year.

It will be one of three versions due to be built in China.

Eden selected Jinmao, a Shanghai-based real estate developer, which provided a site on the outskirts of Qingdao, Shandong Province, in 2015. Following planning and design, construction on the 100 million-pound (\$131.3 million) build will begin this year.

A second project will restore a degraded site outside the city of Yan'an, Shaanxi Province. A third will be based at Sheng Lu Vineyard in Beijing, where Eden will run education programs on the environment and sustainable agriculture.

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Ecological restoration to Inner Mongolia's grassland

[Gov.CN, 07-08-2017] Inner Mongolia is known for its vast grasslands that stretch for thousands of kilometers. However, human activity, especially mining and pollution, has caused degradation of the grasslands, leading to rise of ecological restoration projects.

Using local plants which are more resilient to cold and dry environments is the key to the efforts of turning Hohhot back to green.

Researchers have studied more than 2,000 plant species to see which ones work best for restoration. They chose 180 that are ideal for jump-starting new growth, according to local conditions.

A vault was established to store seeds of these plants, as well as water and soil samples. Moreover, big data was applied in ecological restoration to show hydrology and weather conditions in different locations and what kinds of plants and methods should be used.

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China's green food companies exceed 10,000

[Xinhua, 18-08-2017] China has more than 10,000 accredited green food companies producing more than 26,000 types of products, latest statistics showed.

China's green food industry is growing fast, and gradually expanding its market share, said Wang Yunhao, director of China Green Food Development Center (CGFDC) which oversees the country's organic food standards.

For a company or product to be accredited as green food, it has to meet standards set by the CGFDC under the Ministry of Agriculture in relation to the reduction in use of agriculture chemicals.

China has reduced 34 million tonnes of carbon dioxide and 2.68 million tonnes of urea on average annually since 2011, thanks to promotion of standardization of green food production.

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Young urbanites enticed by customized farm produce

[Xinhua, 21-08-20-17] As Chinese pay more attention to food safety, customized farm produce, grown without using pesticides or fertilizers, is attracting growing interest from well-off urban consumers, especially the young.

The Internet is assisting supply-side reform in agriculture. Customers can rent a piece of land online and choose which varieties of vegetables they want to have grown there. Many farms have cameras so that customers can monitor the growth of their produce on their mobile phones or computers.

The Chinese government has required deepening of supply-side structural reform in agriculture, improving of the sector's structure, promoting of green production and innovation, and extending of the sector's industrial and value chain.

According to a report released last year by Ali Research Institute affiliated to e-commerce giant Alibaba, China had 65 million "online green consumers" in 2015, 15 times as many as in 2011.

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China and Scotland to build £3 million potato laboratory

[China Daily, 17-08-2017] Scottish potato experts have joined forces with China's potato processor Xisen Potato Industry Group to create a 3 million-pound (\$3.87 million) potato research facility in Shandong Province.

Xisen and the Chinese government will fund the lab which will be run in collaboration with potato scientists from the James Hutton Institute, an agricultural research center based in Dundee, Scotland.

The lab will look to breed new varieties of potato and conduct research into storage, processing, pests and disease.

Last year the Chinese government set out guidelines to promote potato consumption and production in China in order to bolster food security.

Scotland's potato crop is recognised within the European Union for its high health status.

James Hutton researcher Ian Toth said both Chinese and Scottish researchers will work together and results will be shared.

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World Bank finances China's farmland pollution control

[Xinhua, 23-08-2017] The World Bank is to lend 100 million U.S. dollars to a program to reduce heavy metal pollution in China's largest rice-producing province.

The program will make plans for about 8,000 hectares of arable land in central China's Hunan Province and develop a monitoring database and risk management tool.

The lending will cover most of estimated 112 million U.S. dollars required and the rest will come from the Hunan provincial government and counties where the program is carried out from 2017 to 2023.

The program will also contain studies on sustainable financing and to be transferred to other parts of China.

Hunan produces one tenth of the country's rice production but is also home to many polluting industries. Farmland has long been polluted by industrial waste and mine tailings.

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EU selects 20 young farmers for free study trip to China

[Xinhua, 06-08-2017] The European Union (EU) is currently calling for 20 young farmers to join an exchange program to share knowledge and farming experience with Chinese young farmers, said a press release published on EU's official website.

The scheme is open to any EU-based farmer aged under 40, and the deadline for applications is Sept. 10 for two study trips to China in November 2017 and June 2018.

Besides the maximum age limit, applicants should also have good knowledge of English, high level of experience and interest in sustainable agriculture and high level of interest in Chinese agriculture, said the EU.

The joint program was announced by EU agriculture and rural development commissioner Phil Hogan and Han Changfu, Chinese minister of agriculture, on April 21, in EU headquarters and is designed to help young farmers on both sides deal with their common challenges by sharing knowledge and information.

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Indian scholar believes India, China can cooperate in various fields

[Xinhua, 03-08-2017] In a recent interview with Xinhua, Varaprasad S. Dolla, a professor from Jawaharlal Nehru University, said, "The domains where both India and China can collaborate and cooperate are limitless provided that both of them are willing to take up this issue of collaboration, which of course they have been doing."

"We can actually learn some lessons from Chinese experience, both in terms of the good experiences, the best practices as well as the challenges that China encountered in the process," said the expert.

Another area in which the two countries enjoy cooperation potential is agriculture, said Varaprasad.

"Agriculture production in China has been more or less quite stable, but we (Indians) have been facing a lot of grave crises. Therefore we need to see how the Chinese have been able to address the agriculture growth and then see whether we can pick up some lessons."

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China approves 10 international agricultural parks

[Reuters, 07-08-2017] China has approved plans to establish international agricultural demonstration zones in 10 countries, the agriculture ministry said on Monday, as Beijing looks to extend its influence in the global farm sector.

The projects include an agriculture technology park in Laos, an agricultural products processing zone in Zambia and a fisheries park in Fiji, the ministry said in a statement on its website.

China also approved 10 pilot agricultural parks at home, which will be open to overseas investment. They are located in coastal, river and border regions to help encourage overseas cooperation and local connections.

The agricultural parks are part of China's Belt and Road initiative, an ambitious plan to expand infrastructure and trade links between Asia, Africa, Europe and beyond.

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Trade and Business

Chinese urban consumers gobble up crayfish as industry booms

[FT, 25-08-2017] Chinese diners hungry for fresh seafood and eager for an unconventional dining experience are gobbling up crayfish, spurring an economic bonanza for once-impooverished rural counties, where farmers have developed new cultivation techniques to satisfy demand.

Production of crayfish more than tripled in China from 2007 to 850,000 tonnes last year, according to a report on the industry commissioned by the ministry of agriculture. As Chinese policymakers seek to promote domestic consumption in order to reduce the economy's reliance on fixed-asset investment and exports, the growth of industries such as crayfish is a welcome development.

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Ningxia's wine industry goes global

[China daily, 29-08-2017] China's emerging wine region in the northwestern Ningxia Hui autonomous region is rapidly gaining global attention, as local authorities seek to pool international experience and techniques with local resources, to turn the region into a notable spot on the world wine map.

The region has laid out an ambitious plan of investing at least 2 billion yuan (\$300 million) to boost wine production to 200 million bottles a year with a sales value of 6 billion yuan in 2017, according to the Ningxia Grape Industry Development Bureau.

The local authority has been inviting international winemakers and experts to Ningxia to work with local wineries and participate in winemaking competitions.

Ningxia is the first region in China to set up a wine industry administration at the provincial level. In 2012, it joined the International Organization of Vine and Wine (OIV) as an observer.

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Huge export win to China for UK food producers

[Defra, 11-08-2017] A new export deal with China will bring a £200 million boost to the UK food industry and support 1,500 jobs, Food Minister George Eustice announced on 11th August.

Taking advantage of the growing demand for our food and drink in China, seven new businesses in England and Northern Ireland have secured access to export pork – including three producers who, in a first for the UK, will export pig trotters.

These new agreements will support around 1,500 jobs across the country and come after it was revealed this week UK food and drink exports reached £10 billion for the first half of 2017.

Food Minister George Eustice said: “British food is produced to the very best standards of welfare, quality and safety and this growth in exports to China is creating more jobs and opportunities for our premium pork producers who can guarantee quality from farm to fork.”

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UK food and drink exports to China up 35 percent

[China Daily, 22-08-2017] UK food and drink exports to China from January to June totalled 274.3 million pounds, a 35 percent increase on the same period last year. This represents the third-largest growth for an individual market, behind South Korea and Belgium where exports grew by 77 percent and 39 percent respectively.

Valued at 45.2 million pounds, salmon was the UK's top food and drink export product to China in the first half, a 60.1 percent increase. In descending order, pork, milk and cream powders, whisky, beer, crustaceans, milk and cream liquids, waters, coffee and wine rounded out the top export products from the UK to China this year.

In terms of growth, beer was the outstanding performer. Britain exported 23.7 million pounds worth of beer to China in the first half of 2017. Crustacean and wine exports registered 179.8 percent and 98.7 percent growth respectively.

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UK pet food maker takes bite out of growing market

[China Daily, 07-08-2017] The Chinese pet-care industry is one of the world's fastest-growing and a United Kingdom company that specializes in fish-based animal food is targeting the nation's rapidly expanding middle-class, and its love for pets.

Fish4Dogs from England's Worcestershire county, in the West Midlands, has been using e-commerce platforms to find Chinese customers who want good-quality food for their pets.

Fish4Dogs started selling pet food in the world's second-largest economy in 2010, after it was approached by Ocean Star at a time when the online Chinese company wanted to expand its business, from selling local pet-food brands to specializing in Western brands on its websites and in stores.

Fish4Dogs also sells on JD.com, one of China's major e-commerce platforms.

In 2017, Fish4Dogs was awarded the Queen's Award for its export success and rapid development of international markets.

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As China's appetite for steak grows, Beijing ends its beef with imports

[Reuters, 24-08-2017] China, the world's top meat market, is loosening longstanding restrictions on beef imports from major suppliers to feed the appetite of the country's growing middle class for steaks and ribs.

Over the past few decades, Beijing banned imports of beef from European countries and the United States during outbreaks of mad cow disease.

Worries about the disease are subsiding following more stringent inspections on foreign arrivals, while Chinese people are seeking healthier sources of protein and adopting more Western eating habits.

Beef is now the fastest-growing meat in China, outstripping stagnant demand for more widely eaten pork as consumers look to reduce fat in their diets.

But supplies are unlikely to keep up with demand given the high cost of raising cattle in China, prompting the government to rethink its import restrictions.

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US beef producers facing challenges in return to Chinese market

[Food Drive, 15-08-2017] After 14 years, China has reopened its doors to U.S. beef exports. But it seems as if Chinese consumers are not necessarily excited to buy U.S. beef. As reported by Bloomberg, American beef is trickling into stores, but a Sam's Club shopper remarked that the U.S. meat was "only available in little strips meant to be stir-fried rather than in larger hunks that can be sizzled on a cast-iron skillet." This is in stark contrast to some cuts available from other countries like Australia, which provides marbled rib-eye steaks and fatty oxtail chunks.

These difficulties shouldn't come as a surprise to beef producers that have an understanding of Chinese consumer tastes and have been watching what happened in the world's most populous country since the U.S. ban started in 2003. Still, it appears the inroads made by foreign competitors likely will impede U.S. beef's re-entry into China for some time to come.

There could be some political undertones at play in the U.S.-China beef relations, too.

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China commodities trader COFCO shakes up European operations

[Reuters, 11-08-2017] Chinese food commodities trader COFCO International is restructuring operations in Europe which will involve relocation and job cuts, as the state owned firm continues to integrate businesses it bought three years ago, sources say.

COFCO group, which owns trading arm COFCO International, agreed in 2014 to acquire Rotterdam-headquartered grain trader Nidera and the agribusiness of Singapore-listed Noble Group for more than \$3 billion, but has struggled to integrate them.

The overall aim of the integrated COFCO International is to directly challenge the "ABCD" quartet of agricultural commodity traders - Archer Daniels Midland, Bunge, Cargill and Louis Dreyfus Company - that have long dominated the global business.

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China's Feihe invests 234 million U.S. dollars in Canada's agri-food

[Xinhua, 09-08-2017] Feihe International Inc., a top manufacturer of infant formula in China, is building a manufacturing plant valued 300 million Canadian dollars (234 million U.S. dollars) in Kingston, Canada.

Xia Xiang, Economic and Commercial Counselor of Chinese Embassy in Ottawa, said this would be China's biggest investment in Canada's agri-food sector so far and it is also Canada's largest-ever foreign investment in the field.

According to Xia, Canada hasn't made its own baby formula for more than 20 years. The Canadian Dairy Commission tried for a couple of years to find a domestic processor, but no Canadian processors were interested in expanding into formula.

Feihe has been in the infant formula industry since 1954 and has six manufacturing facilities in China.

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