



UK-China
Sustainable Agriculture
Innovation Network

China Agri-food News Digest

September 2015 (Total No 33)

Contents

Policies	2
Policy Outcomes of the 7th China-UK Economic and Financial Dialogue.....	2
Draft law aims to consolidate China’s chaotic infant food market.....	2
China to let foreign investors participate in SOE reforms	2
China issues guidelines on big data promotion.....	3
China to accelerate integration of Internet, agriculture.....	3
China to promote e-commerce to modernize agricultural sector	4
China protects land rights of rural women.....	4
Premier urges parallel development of urbanization, modern agriculture on Henan trip.....	5
Chongqing Mayor says rural land reform pilot has been just the ticket	5
Science, Technology and Environment	5
Innovation key to China's overall development.....	5
China to investigate illegal domestic GMO crops	6
A rare allele of <i>GS2</i> enhances grain yield in rice.....	6
China's rural road network to reach 3.95 mln km by 2015	7
China's agriculture changed by Internet-savvy youngsters.....	7
Yunnan develops its flower industry through scientific innovation	7
China to launch cap-and-trade system	8
China carbon emissions expected to peak well ahead of 2030	8
Japan, China, ROK OK disease pact	9
Mars opens food safety centre in China.....	9
Trade and Business	10
China-UK cooperation contributes to world development	10
Yili Group, U.S. partners establish SINO-U.S. Food Wisdom Valley	10
China plows big money into Australian agriculture	10
FTA to boost Australia's Chinese wine sales	11
China buys into NZ meat processor	11
Ireland is the second largest exporter of infant formula to China.....	11
China to deepen ties with ASEAN by upgrading free trade agreement	12
China, Arab States to promote tech transfer	12
Kenya eyes Chinese tea market	12
Uganda eyes China's organic food market.....	13
China-funded lab to boost Kenya's agricultural innovation.....	13
Kenya to focus on China to accelerate agricultural transformation.....	14

Policies

Policy Outcomes of the 7th China-UK Economic and Financial Dialogue

[HM Treasury, 21-09-2015] On 21 September, the UK Chancellor George Osborne and Chinese Vice Premier Ma Kai concluded the seventh UK-China Economic and Financial Dialogue. The Chancellor and Vice-Premier Ma Kai agreed a number of outcomes, include: Both sides agree to establish a joint committee to promote on space cooperation including on testing facilities. Both sides agreed to seek ways to enhance research and cooperation in fields including Earth observation for climate science and agriculture, satellite applications, deep space exploration, space science and education. They recognised space co-operation as an important component of our work to tackle global challenges and welcomed two new UK-China programmes: on Remote Sensing for agritech (£12m UK funds plus matched resources from China); and on unmanned agricultural vehicles using space technologies.

Click [here](#) for details

Draft law aims to consolidate China's chaotic infant food market

[Global Times, 09-09-2015] On September 2, China Food and Drug Administration (CFDA) posted a draft law on its website for the registration and management of domestically manufactured baby formula. It is seeking public comment on the draft until October 1.

The draft law restricts the number of baby formula products that manufacturers can sell and creates strict rules about what they can claim on product packaging.

Under the draft law, all baby formula manufacturers in China must register their formula products with the CFDA.

Each manufacturer can apply to register up to 15 products under five product lines, though different formula products for each age group must have "significant differences" in their ingredients.

The new law also includes rules about the marketing claims that companies can make about baby formula products. For example, companies must "clearly state" where imported ingredients were produced, rather than use ambiguous language such as "from overseas pastures."

In addition, manufacturers can't employ language that hints at therapeutic benefits of their products. Much of the product information provided by baby formula companies is misleading, but the draft law will ensure consumers get true information about the products.

Experts pointed out the draft law only targets at baby formula products that are manufactured in China, but the government should also take measures to supervise all such products that are sold in China.

More and more Chinese companies have set up manufacturing plants overseas to produce baby formula for the domestic market. The proportion of baby formula products sold in China that are manufactured overseas has risen in recent years. To strengthen management over imported baby formula products, the Chinese government should set up a cross-border consumer reporting system.

Click [here](#) for details

China to let foreign investors participate in SOE reforms

[Reuters, 24-09-2015] China will allow foreign investors to participate in reforms of state-owned enterprises (SOEs) in "an orderly manner", the cabinet said on Thursday, 24th September, as part of broad efforts to shake up the inefficient sector.

Foreign investment will be introduced into state-owned firms via restructurings and joint ventures, as well as overseas mergers and acquisitions, the State Council said in new guidelines on SOE reforms.

China would "attract foreign investment in mixed ownership reform of state-owned enterprises in an orderly manner", it said.

In a long-awaited reform document published this month, the government said it would introduce "mixed ownership" to its sprawling state sector, heralding its most far-reaching overhaul of SOEs in two decades, a task that has become more pressing as the economy slows.

Click [here](#) for details

China issues guidelines on big data promotion

[Xinhua, 05-09-2015] The State Council, China's cabinet, has issued guidelines to boost the development of big data, an official statement said on 5th September.

The action framework for promoting big data aims to forge a new model for social governance in the coming five to 10 years, highlighting accurate management and multi-dimensional cooperation.

It stipulates that a trans-departmental data sharing platform should be formed by the end of 2017 and a unified platform for governmental data should be established before the end of 2018, which allows citizens to get access to public data resources including credit, transport, public health, employment, culture, education, science, agriculture, and finance and weather service.

China should accelerate the opening and sharing of government data to promote the integration of resources and improve governance, boost industrial innovation and foster new business patterns to support economic restructuring.

To this end, the government will set up an overall coordination mechanism for big data development and application, speed up the establishment of relevant rules, and encourage cooperation between the government, enterprises and institutions, according to the statement.

China aimed to cultivate a batch of international competitive brands in big data industry, 10 world leading enterprises and 500 firms focused on big data application, service and manufacturing.

Click [here](#) for details

China to accelerate integration of Internet, agriculture

[Xinhua, 14-09-2015] More will be done to promote the application of digital technology in the agriculture sector to reinvigorate the rural economy, Vice Premier Wang Yang said on Monday, 14th September.

The government should improve Internet infrastructure and rural logistics in the countryside, nurture tech-savvy farmers, and encourage big data in agriculture, Wang said during an inspection in Beijing.

He encouraged companies to explore sustainable business models and take advantage of the Internet to improve supply, techniques and services.

China's cabinet unveiled its "Internet Plus" action plan at the beginning of July, which aims to integrate digital technology into traditional sectors to make them more efficient. Agriculture was on the top of the list.

Click [here](#) for details

China to promote e-commerce to modernize agricultural sector

[Xinhua, 25-09-2015] China will speed up e-commerce development for the farming and agriculture sector, according to an action plan released Friday, 25th September.

China will establish sound e-commerce infrastructure and policies while nurturing a batch of influential agricultural e-commerce brands in the next three years, according to the joint plan from the ministries of agriculture and commerce and the National Development Reform Commission.

The action plan maps out 20 specific targets including connecting e-commerce platforms to develop agricultural business and expanding market channels to facilitate agricultural e-commerce growth.

According to Alibaba, China's e-commerce heavyweight, there are more than 1.6 million online stores selling farm produce on Taobao and Tmall. Rural e-commerce was worth more than 140 billion yuan last year.

Alibaba plans to invest 10 billion yuan to establish 100,000 village service centers in the next three to five years, mostly to teach rural people how to make best use of the Internet. JD.com wants to hire 100,000 villagers as agents to expand their business in 100,000 villages this year alone.

Click [here](#) for details

China protects land rights of rural women

[CRI, 22-09-2015] China protects the land rights of women in rural areas, and women living in rural areas account for about 70 percent of the total agricultural labor force, according to a white paper issued on Tuesday, 22 September.

As a large agricultural country, China has implemented and improved laws and policies on protecting the land rights of rural women, and established various systems for managing rural collective funds, assets and resources, said the white paper marking the 20th anniversary of the UN's Fourth World Conference on Women that was held in Beijing.

According to the paper, the country also corrected any village regulations and folk conventions for villagers that are in conflict with statutory regulations and the principle of gender equality, so as to ensure that women in rural areas enjoy equal rights of land contract and management, use of homesteads and distribution of collective income.

In the verification, registration and certification of land contract and management rights, it is clearly ruled that women's rights and interests in relation to land must be given expression to in the registration book and land right certificate, so that "women in rural areas are ensured access to the resources necessary for survival and development at source," it said.

Click [here](#) for details

Premier urges parallel development of urbanization, modern agriculture on Henan trip

[Xinhua, 2622-09-2015] Urbanization and agricultural modernization shall run in parallel, Premier Li Keqiang said during his three-day visit to central China's Henan Province, which ended Friday.

Urbanization can stimulate domestic demand and promote economic upgrading in China's highly-populated central provinces, such as Henan, the premier said during his visits to a new area in the capital city Zhengzhou and Xinzheng International airport.

The premier called for more efforts to improve urban infrastructure, including airports and railways, so that transportation costs can be reduced. He also emphasized the coordinated development of both big and small cities with adequate attention to job creation.

Li walked through corn fields and said that this year's bumper harvest was a prime indicator of the improving economy. Regarding agricultural modernization, such as industrial-sized farming, officials should introduce measures that are tailored to the needs of the specific location, he added.

During his time with migrant-worker farmers that had returned to the region to start their own businesses, Li enquired if they had benefited from any of the preferential policies designed for businesspeople like them. He also called on local officials to do as much as they could to help the farmers succeed in their business endeavors.

While visiting a hospital in Luoyang City, where patients' medical bills are partly covered by serious illness insurance, Li talked to medical staff and patients, affirming that farmers had just as much right to medical care as urban residents.

After hearing about the success of the insurance program, Li said the initiative will be rolled out across the country this year and it will cover urban and rural residents alike.

Click [here](#) for details

Chongqing Mayor says rural land reform pilot has been just the ticket

[Caixin, 17-09-2015] The southwestern city of Chongqing has taken a big step toward reforming its system of household registration, known as hukou, by granting urbanites and people living in rural areas the same access to social welfare and public services, the government announced in early September.

The city also promised it would make it easier for farmers to settle in urban area, abolishing some rules that have been blamed for hindering free movement across regions.

However, those moves were just the latest efforts Chongqing has made in the hopes of boosting its growth as the country rapidly urbanizes. The city's government was the first in the country to adopt "land tickets," an experiment that allowed farmers to sell usage rights for idle farmland as long as the authorities gave their permission. The four-year-old program has seen a total of 10,000 hectares of rural land turned over for industrial or commercial development.

Click [here](#) for details

Science, Technology and Environment

Innovation key to China's overall development

[Xinhua, 19-09-2015] As China's economic growth has entered a "new normal", the Chinese government attaches great importance to innovation and is eager to deepen and broaden innovation cooperation with Britain, Chinese Vice Premier Liu Yandong said here Friday.

Liu said this at the UK-China Innovation and Entrepreneurship Forum held in Cardiff University, where she delivered a keynote speech. She was accompanied by British First Minister of Wales Carwyn Jones.

Liu said the Chinese people are good at innovation and that over the past 66 years since the founding of new China, especially during the past 37 years since China's reform and opening-up, China has learned from the advanced experiences of countries like Britain and vigorously pursued the strategy of rejuvenating China through science, education and talent cultivation.

Liu said innovation and development are crucial to China's modernization drive and the realization of the Chinese dream to rejuvenate the nation.

She also said innovation cooperation is an important part of the comprehensive strategic partnership between China and Britain and China-UK people-to-people exchanges.

Click [here](#) for details

China to investigate illegal domestic GMO crops

[Reuters, 11-09-2015] China will launch a nation-wide investigation over the suspected illegal cultivation of genetically-modified (GMO) crops, the agriculture ministry has posted on its website.

The investigation follows a report by an official financial newspaper this week that GMO soybeans have been found in the country's top growing area for the oilseed.

China is the world's top buyer of GMO soybeans, but Beijing has not given the go-ahead for domestic cultivation of GMO crops, although it has spent billions on research.

However, some farmers in the northeast province of Heilongjiang are growing GMO soy crops illegally to seek higher yields, the China Business Journal reported this week.

The report identified an area near the city of Suihua where GMO crops are allegedly being grown, but did not give any further details. The local Heilongjiang agricultural commission has said on its website that it would also investigate whether GMO crops are being grown in the province.

Heilongjiang, which produces about one third of the country's total soybean output, is known for growing protein-rich non-GMO soy crops used to make food products, including tofu and soy sauce.

China exports about 200,000 tonnes of soybeans a year, mainly to South Korea, Japan and United States.

Click [here](#) for details

A rare allele of GS2 enhances grain yield in rice

[MOA, 10-09-2015] According to a joint study between China National Rice Research Institute of Chinese Academy of Agricultural Sciences and Institute of Genetics and Developmental Biology of Chinese Academy of Sciences, an important gene *GS2*, which could significantly boost the yield of super-rice, was successfully separated and cloned from a local rice variety Baodali in Zhejiang province.

The major findings were published in the latest issue of *Molecular Plant*.

The study presents the cloning and characterization of a dominant quantitative trait loci (QTL), *GRAIN SIZE ON CHROMOSOME 2 (GS2)*, which encodes Growth-Regulating Factor 4 (OsGRF4), a transcriptional regulator. *GS2* localizes to the nucleus and may act as a transcription activator. A rare mutation of *GS2* affecting the binding site of a microRNA,

OsmiR396c, causes elevated expression of *GS2/OsGRF4*. The increase in *GS2* expression leads to larger cells and increased numbers of cells, which thus enhances grain weight and yield. The introduction of this rare allele of *GS2/OsGRF4* into rice cultivars could significantly enhance grain weight and increase grain yield, with possible applications in breeding high-yield rice varieties.

The study was funded by National Natural Science Foundation of China and the Ministry of Science and Technology.

Click [here](#) for details

China's rural road network to reach 3.95 mln km by 2015

[Xinhua, 22-09-2015] China is expected to extend its road network in rural areas to 3.95 million km by the end of this year, reaching 99 percent of the country's towns and 93 percent of villages, Minister of Transportation Yang Chuantang announced on Monday.

China will invest 326.5 billion yuan (51 billion U.S. dollars) during its 12th Five-Year-Plan period (2011-2015) on rural road construction, which will bring more than 2.9 million jobs for rural migrant workers, said Yang at a conference in northwest China's Gansu Province.

About 1 million km of roads will be built or renovated in rural areas and 5,000 villages will be connected to roads during the period, he said.

Some 60 percent of the rural road investment focuses on poverty-stricken areas, he said.

Click [here](#) for details

China's agriculture changed by Internet-savvy youngsters

[Xinhua, 16-09-2015] Agriculture is the latest sector of China's economy to attract a herd of young entrepreneurs, eager to marry their modern, cyber-skills with the most ancient of industries.

Farming has long been a cooperative venture in China. Now, tech-savvy farmers are thriving, raising both their own and their neighbors' incomes and bringing practices up to date.

Responding fast to the government's "Internet Plus" strategy, manufacturing and agriculture topped the list of sectors made smarter and more efficient via the Internet.

Farming in China has been booming for more than three decades but has not kept pace with demographic changes and advances in technology. Inefficient sales channels, a shrinking labor force and financing difficulties have been squeezing farmers' earnings and dragging down the rural economy. In 2014, the average per capita disposable income of rural residents rose 9.2 percent to 10,489 yuan (1,720 U.S. dollars), still less than half that of urbanites and under 5 U.S. dollars a day.

The Internet, especially the mobile version, has given farmers a new vision, helping them sell their produce quickly and allowing them to shop around for materials.

According to Alibaba, China's e-commerce heavyweight, there are more than 1.6 million online stores selling farm produce on its Taobao and Tmall. Rural e-commerce was worth more than 140 billion yuan last year.

Established Internet players are also after a bigger slice of the emerging agricultural pie.

Click [here](#) for details

Yunnan develops its flower industry through scientific innovation

[China Daily, 29-09-2015] Thanks to the natural endowment and scientific innovative ability of Yunnan, the flower industry has developed from scratch and has been developing

increasingly rapidly. More than 100 national and provincial flower projects have been approved and funded since 2006, with a total investment amounting to 138 million yuan (\$21.7 million).

The domestic market share of Yunnan's roses, carnations, and chrysanthemums is 60 percent. Yunnan has gradually increased exports of these flowers to Japan, Thailand and Vietnam. The province has also set a total of 59 national and regional standards for the flower industry.

Yunnan has become an incubation center for new species, cultivating a total of 419. The flower industry's scientific innovation has expanded in recent years, creating the highest number of new species in the nation

Yunnan's first national flower engineering technology research Center, the only one in southwest China, was established in May 2013. It has the highest standard in scientific research and innovation in the whole country.

Kunming has become the biggest flower trading market in Asia and is realizing its ambition of becoming Asia's Hub of Flowers.

Click [here](#) for details

China to launch cap-and-trade system

[Nature, 25-09-2015] With US President Barack Obama at his side, Chinese President Xi Jinping announced plans on 25 September for a national trading system to limit greenhouse-gas emissions.

The programme will begin in 2017. Xi's announcement builds on a 2014 climate agreement between the United States and China — the world's two largest emitters — and could help build momentum for a new global climate pact ahead of United Nations talks in Paris in December.

Xi said that China will contribute 20 billion yuan (US\$3.1 billion) to an international fund intended to help developing countries address global warming — an amount that is on par with the US commitment. The announcement comes as countries gather at UN headquarters in New York to adopt new sustainable development goals to guide poverty-reduction efforts through 2030.

This wave of US-China cooperation comes after similar commitments that Xi and Obama revealed at a meeting in Beijing in November 2014. Then, Xi said that China would increase its production of renewable energy and ensure that its greenhouse-gas emissions would peak around 2030.

While questions remain about how high China's emissions could rise between now and then, observers say that the country's adoption of a market-based cap-and-trade approach to control emissions shows that it is serious about tackling global warming and air pollution.

Cap-and-trade systems set an overall limit on emissions and then distribute allowances to emitters. As total emissions decline, companies can buy permits in order to emit more — or make money by selling unused allowances. The goal of such a system is to spur innovation and to allow companies to find the cheapest way possible to reduce emissions.

Click [here](#) for details

China carbon emissions expected to peak well ahead of 2030

[Xinhua, 08-09-2015] A survey of China-based experts and businesses has shown strong confidence that carbon price levels in China will rise over time, and that carbon pricing will increasingly affect investment decisions.

Over 80 percent of the survey respondents expect that China will meet its target of peak emissions by 2030, and many expect that the peak will be reached significantly sooner.

The Chinese government has announced that a national emissions trading scheme (ETS) will be established in early 2017, although many of the survey respondents expect that it could take until 2020 or so before the national ETS will be fully functional across mainland China.

Prices in the national ETS are expected to steadily rise from about 40 yuan (6.29 U.S. dollars) per tonne of CO₂ emitted in 2017, to about 70 yuan per tonne in 2025.

China is quickly gaining experience with carbon trading through the seven ETS pilots, and is making every effort to establish a national ETS by 2017, said Wang Shu of the National Development and Reform Commission's Climate Change Department.

According to the survey by China Carbon Forum, it is expected that the cost of emitting carbon will rise over time. "The policy framework of China's carbon market should factor in this rising carbon price, and establish appropriate market regulation mechanisms, while actively enhancing the capacity of market participants based on their actual needs, to maintain a healthy and stable carbon market," Wang said.

The survey suggests that until 2025, China's mix of policy instruments to control carbon emissions will markedly shift towards carbon trading, tax, and information disclosure, although most respondents expect that a carbon tax will eventually be introduced, there remains much uncertainty over its timing.

Click [here](#) for details

Japan, China, ROK OK disease pact

[Jiji Press, 14-09-2015] Agriculture ministers of Japan, China and South Korea wrapped up their two-day meeting on Sunday, 13th September with an agreement to reinforce the three countries' cooperation in dealing with transboundary diseases for livestock animals, such as avian influenza and foot-and-mouth disease.

In a joint statement adopted at the meeting, the ministers noted that outbreaks of animal and plant diseases could cause "serious damage" to Asian countries, stressing that it is "indispensable to cooperate to address cross-border animal and plant diseases."

Japan, China and South Korea will reinforce cooperation "regarding the exchange of information on the occurrences and control methods of new animal infectious diseases and zoonosis," the statement said.

Click [here](#) for details

Mars opens food safety centre in China

[Mars, 25-09-2015] Mars held the grand opening of the Global Food Safety Center in Huairou China on September 24, 2015. A pioneering, \$15 million facility, the Mars Global Food Safety Center aims to raise global food safety standards through pre-competitive research and training.

The Center will leverage insights and expertise from over 60 Mars partnerships, dedicated to innovative, sustainable and responsible food safety practices. These partnerships, among many others, include the World Food Programme (WFP), the Global Alliance for Improved Nutrition (GAIN), Partnership for Aflatoxin Control in Africa (PACA), and the IBM/Mars Consortium for Sequencing the Food Supply Chain.

Located just north of Beijing, the Global Food Safety Centre is an investment in Mars' ongoing commitment to working with world-leading experts to ensure the safety and security

of food for generations of families. While approximately 30 Associates will work on food safety research and training at the Mars Global Food Safety Centre, the Company said there will be a variety of sabbatical positions open to academic and regulatory researchers. The facility will house analytical chemistry and microbiology laboratories, interactive training laboratories and a conference auditorium to enhance knowledge sharing as 95% of the pre-competitive research conducted at Mars Global Food Safety Centre will be shared on the public domain.

Click [here](#) for details

Trade and Business

China-UK cooperation contributes to world development

[Xinhua, 19-19-2015] Visiting Chinese Vice Premier Liu Yandong met with British Chancellor of the Exchequer George Osborne on Friday 19th September, saying the strong momentum of China-Britain relationship will not only benefit the two peoples, but also bring significant contributions to world development.

The vice premier said that China-Britain relations are evolving strongly, yielding fruitful results from their pragmatic cooperation in various areas.

China will make joint efforts with Britain and take Chinese President Xi Jinping's upcoming state visit to Britain as an opportunity to further enhance the relationship, she said.

Osborne said the current UK-China relationship is going smoothly. China is UK's global significant partner in the areas such as security and economic growth.

"UK hopes to push forward the pragmatic collaboration of the both countries in finance, nuclear power and city development and the like," said Osborne.

Click [here](#) for details

Yili Group, U.S. partners establish SINO-U.S. Food Wisdom Valley

[Xinhua, 25-09-2015] The SINO-U.S. Food Wisdom Valley was established in Seattle, U.S.A. on Wednesday by China's Yili Group and the U.S. collaborative partners.

Based in north China's Inner Mongolia Autonomous Region, the group is the biggest dairy producer in Asia, reaching out to Europe, America, and Oceania.

According to sources, the SINO-U.S. Food Wisdom Valley will effectively promote a wide range of bilateral cooperation between agri-food enterprises, universities, research institutes.

It will force on nutrition and health, product development, food safety, agricultural technology, animal husbandry, veterinary medicine, ecological environmental protection, enterprise management, and personnel training.

Click [here](#) for details

China plows big money into Australian agriculture

[WSJ, 03-09-2015] China became the largest investor in Australia's agricultural sector during the financial year ended June 2014, according to a report from the country's Foreign Investment Review Board, pouring in 632 million Australian dollars (\$450 million), almost twice as much as the year before.

Chinese investment in Australian mining projects fell by a third to A\$5.85 billion during the same period, the latest figures available.

Australia's Seafarms Group is seeking offshore investors to help develop a A\$1.45 billion prawn farm in the country's remote northwest. Nearby, Chinese company Shanghai Zhongfu

last year spent A\$700 million to launch a sugar and sorghum farm. Integrated Food and Energy Development, a private Australian company, is pitching a project to offshore investors that would convert five cattle stations in Queensland state into an A\$2 billion enterprise producing sugar, guar beans and cattle.

Click [here](#) for details

FTA to boost Australia's Chinese wine sales

[Xinhua, 11-09-2015] Australia's Victorian state government believes that China-Australia Free Trade Agreement (ChAFTA) will provide a massive boost in the region's wine sales.

In the 2013-2014 fiscal year, Victoria's wine exports to China were worth almost 40 million U.S. dollars. With expansion of trade following the ChAFTA, the state government believes that figure is set to rise.

In July, data from Wine Australia revealed that Asia is Australia's fastest-growing wine market, with exports to the area rising 26 percent over the previous 12 months.

Wine Australia's chief executive Andreas Clarke said China was a major contributor to the surge in interest, with a 32-percent growth.

Click [here](#) for details

China buys into NZ meat processor

[FarmWeekly, 16-09-2015] China's largest meat processor will invest \$261 million in cash to own half of NZ's biggest beef, lamb and venison processor, Silver Fern Farms.

Silver Fern Farms' deal with Shanghai Maling, China's largest meat processor, is a good deal for the company and not a bad one for New Zealand, Chairman Rob Hewett says.

Bright Food Group, China's largest food company, owns 38 per cent of Shanghai Maling.

Silver Fern Farms' board unanimously recommended the deal in which Shanghai Maling would invest \$261 million in cash to own half of Silver Fern Farms' business, with the co-operative owning the other half.

Silver Fern Farms is New Zealand's largest processor, marketer and exporter of lamb, beef, venison and associated products, selling to more than 60 countries.

As a co-op it represents more than 16,000 shareholding farmers. It owns and operate 21 processing sites throughout New Zealand and eight sales and marketing offices overseas.

Click [here](#) for details

Ireland is the second largest exporter of infant formula to China

[AgriLand, 21-09-2015] Ireland is the second largest exporter of infant formula to China, accounting for a market share of 17%, according to Bord Bia.

In the first half of 2015, it said that Irish exports amounted to 13,100t.

China's imports of infant formula grew strongly in the first six months of the year reaching 74,966t which Bord Bia said is an increase of over 27% on the same period last year.

The Netherlands, is the largest importer of infant formula to China and accounts for a market share of 34%, according to the Bord Bia figures.

South Korea experienced a significant lift in market share to 5%, where it benefited from the signing of an FTA with China earlier this year.

Despite the overall slow down in China, infant formula imports are expected to increase year on year from 2014, according to Bord Bia.

Click [here](#) for details

China to deepen ties with ASEAN by upgrading free trade agreement

[China Daily, 19-09-2015] China has said it will finish negotiations on upgrading the China-ASEAN Free Trade Area called CAFTA by the end of this year, said Vice-Premier Zhang Gaoli on Friday, 18th September.

He said economic and trade cooperation is the base and guide of the construction of the Belt and Road Initiative.

He said the two sides will strengthen bilateral and multilateral cooperation in customs, inspection and quarantine operations, certification and accreditation, standards and metrology, statistical information and other areas, and reduce non-tariff barriers to enhance facilitation of trade and investment.

Zhang said the areas of cooperation between China and ASEAN have been expanding from traditional industries like agriculture, transportation to fields like finance, high-tech, green and maritime industries.

China is ASEAN's largest trading partner while the regional bloc ranks as China's third-largest trading partner, the fourth-largest export market and the second-largest import source.

Bilateral trade between China and ASEAN increased by 8.3 percent year-on-year to \$480 billion in 2014. Investment between the two sides has amounted to more than \$130 billion.

Click [here](#) for details

China, Arab States to promote tech transfer

[Xinhua, 13-09-2015] A trade exhibition brought together Chinese and Arab leaders in science, technology, and industry to cooperate on the transfer of technology. During the China-Arab States Expo, which concluded Sunday, 13th September, China established "a technology transfer center" in its northwestern Ningxia Hui Autonomous Region to "facilitate collaborative innovation" with Arab countries.

Wan Gang, Minister of Science and Technology, said China is willing to share its technological achievements in agriculture, energy, transportation, telecommunications, natural resources, environment, health and satellite navigation with Arab countries.

China and the Arab States will jointly establish national laboratories, and the Ministry of Science and Technology (MOST) will provide funding, equipment and staff to the labs, said Wan.

MOST will invite more Arab scientists to conduct research in China, and Chinese enterprises will tailor their technological services to meet the demands of the Middle East.

In addition, China will share its experience in industrial park construction to improve production capacity cooperation, according to Wan.

Click [here](#) for details

Kenya eyes Chinese tea market

[Xinhua, 15-09-2015] Kenya on Tuesday, 15th September said that it is currently formulating strategies in order to export tea into the Chinese market.

The Interim Head of the Tea Directorate Elizabeth Kimenyi told Xinhua in Nairobi that the Chinese market will help to diversify tea export markets.

"We want to reduce our reliance on traditional markets such as Egypt, Britain and Pakistan in order to reduce price fluctuations," Kimenyi said.

She added that despite China's huge domestic tea production, it is still a net importer of tea due to its huge population. The Asian giant mainly produces green tea while Kenya produces black tea.

Data from the agriculture ministry shows that Kenya produced approximately 450 million kilograms of tea last year out of which 95 percent was exported.

Kenya is the leading exporter of Cut, Tear and Curl (CTC) tea in the world, exporting 499 million kg of tea in 2014.

Click [here](#) for details

Uganda eyes China's organic food market

[Xinhua, 30-09-2015] As China's middle class gets aware of healthy living and dieting, farmers as far as Uganda are set to cash in on the high demand for organic foods in the Asian country.

The Chinese government has already sent experts to Uganda to train farmers on new affordable technologies and crop varieties in a bid to boost production.

Through the UN's Food and Agriculture Organization (FAO) South to South Cooperation, the Chinese experts share knowledge with Uganda farmers on what works best to boost production.

FAO, China and Uganda on Sept. 25 signed a two-year agreement worth about 2.5 million U.S. dollars to support small-scale farmers.

Under the renewed agreement, some 4,000 farmers will be trained in a wide range of areas such as cereals, horticulture, aquaculture and livestock by experts located in five hubs across Uganda.

Priority will also be given to introducing new technologies including renewable energy, agromachinery, and improved water harvesting and irrigation methods.

Studies have shown that hybrid Chinese vegetables can also do well in Uganda with the possibility of producing 12 tonnes per hectare.

The Chinese experts have also introduced greenhouse farming which can be used in urban areas where agricultural land is limited. They argue that this type of farming can be a source of employment to the many youths in urban areas.

Although currently there is no substantial amounts of agriculture products exported to China, these Chinese efforts in Uganda are setting the pace.

Already through bilateral agreements, Uganda can export its products quota and tariff free to China.

Click [here](#) for details

China-funded lab to boost Kenya's agricultural innovation

[Xinhua, 17-09-2015] The ongoing building of a China-funded laboratory in a Kenyan university is to enhance agricultural research and innovation, and in a long run, benefit the farmers in the East African nation, said a Kenyan scholar.

Prof. Richard Mulwa from Egerton University told Xinhua that the crop molecular laboratory, which is under construction in his university in collaboration with China's Nanjing Agricultural University, will solve problems of low crop productivity among the small and large scale farmers in Kenya through innovation.

The lab, which is backed with a 1 million U.S. dollars funding from the Chinese government, will be used for learning and conducting research on molecular genetics of various crops, formulation and improvement of tissue culture as well as gene cloning.

Mulwa said they will target 500 crop technologists and scientists annually drawn from across Kenya and other African countries for training on the innovative systems of crop production and management through the lab, and they will jointly conduct trainings for the small scale farmers to transfer the knowledge on improved crop production.

Click [here](#) for details

Kenya to focus on China to accelerate agricultural transformation

[Xinhua, 16-09-2015] Kenya will strengthen agricultural cooperation with China in order to transform the sector through technology adoption, value addition and irrigation, a government official said.

Sicily Kariuki, the Principal Secretary in the State Department of Agriculture, said Kenya will strengthen agricultural cooperation with Beijing in strategic areas like research, investments in irrigation alongside post harvest storage infrastructure.

"The agriculture sector is key to the realization of economic growth in the country. We have identified key areas of cooperation with China to improve productivity," Kariuki told Xinhua in exclusive interview in Nairobi ahead of a week-long visit to China for training program sponsored by China's Ministry of Commerce.

Kariuki will be among a delegation of senior Kenyan officials who will participate in the training that seeks to enrich their knowledge of China's socio-economic and technological transformation.

Besides the training, Kenyan officials will engage with Chinese counterparts and investors to explore new areas of cooperation.

Kariuki said the cooperation agreement focuses on technology and skills exchange to promote irrigation, fisheries alongside crops and livestock development.

Click [here](#) for details

Compiled by Yuelai Lu, SAIN Secretariat (UK).

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