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## Policies

### **China's national people's congress passes reshuffle plan to establish new food and food-related agencies**

[NLR, 22-03-2018] On March 17, 2018, only five years after China implemented major changes to its food regulatory regime, China's existing food Agencies have been completely restructured. In particular, National People's Congress (NPC), China's national legislative body, has passed yet another major cabinet reshuffle plan, which will establish the following three new regulatory agencies:

- State Market Regulatory Administration (SMRA)
- National Health Commission (NHC)
- Ministry of Agriculture and Rural Affairs (MARA)

The stated goal of this organizational restructuring by the Chinese government is to consolidate decentralized market regulatory forces and optimize regulatory resource allocation. Industry may benefit from more regulatory consistency following this consolidation, though it remains to be seen how these changes will play out at both the central and local levels.

Click [here](#) for details

### **China to establish Ministry of Agriculture and Rural Affairs**

[GT, 13-03-2018] China will form a Ministry of Agriculture and Rural Affairs to push forward the development of the agricultural sector and the rural areas, according to a reform plan submitted to the national legislature for deliberation on 13 March.

The new ministry will study and implement strategies, plans and policies on agriculture, rural areas and rural people, according to the plan on institutional restructuring of the State Council, or the cabinet.

It will also regulate crop farming, husbandry, fishery, agricultural mechanization and quality of farm produces.

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### **China to establish ministry of ecological environment**

[GT, 13-03-2018] China will establish a Ministry of Ecological Environment to enhance environmental protection, according to a reform plan submitted to the national legislature for deliberation on T13 March.

The new ministry will be responsible for the compiling and implementation of China's ecological environment policies, plans and standards, as well as ecological environment monitoring and law enforcement.

It will also regulate pollution control and nuclear and radiation safety, and organize inspections of central authorities on environmental protection, according to the plan on institutional restructuring of the State Council, or the cabinet.

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### **Rural land ownership reform unleashes greater growth potential**

[Xinhua, 08-03-2018] Rural land ownership reform, which is under way across China's vast countryside, will unleash the productivity of the rural economy and help advance the nation's rural revitalization strategy.

In the 1950s, Chinese farmers turned over their lands to the people's communes. The reform in the early 1980s known as the household responsibility system redistributed the lands to farmers in the form of contracts, though legally the lands are still collectively owned.

Starting in 2014, China began piloting a reform to separate farmland ownership rights, contract rights, and management rights. The reform allows farmers to retain the contract rights but transfer the management rights. They can mortgage it to banks or invest it in a cooperative in exchange for fees or shares.

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### **China to improve rural infrastructure amid rural revitalization**

[China Daily, 05-03-2018] China will promote infrastructure construction as one of the measures for rural revitalization, according to a government work report delivered by Premier Li Keqiang on 5 March in Beijing.

The country will improve the infrastructure for supplying water, power, and information, and build or upgrade 200,000 kilometers of rural roads, Li said at the opening meeting of the annual parliamentary session.

Other moves in the rural revitalization strategy include advancing supply-side structural reform in agriculture and deepening rural reforms.

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### **Agriculture to focus more on quality rather than quantity**

[China daily, 03-07-2018] The focus of agriculture will be shifted from an increase in quantity to improving quality, said Han Changfu, minister of agriculture, at a news conference on 7 March during the ongoing two sessions.

New agricultural policies emphasizing quality improvement will be released; agricultural development will be transferred from resource-draining production to methods ensuring sustainability and high efficiency; technologies applied to agriculture will also focus more on the quality and safety of agricultural output.

Objectives regarding agricultural development in the coming years will see more environmentally friendly produce with low resource consumption to satisfy consumer demand and improve the efficiency of agricultural production and its international competitiveness.

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### **GMO corn, grains not approved in China**

[China daily, 07-03-2018] China has not approved commercial production of genetically modified corn or any other GMO grain, the Ministry of Agriculture said on 7 March.

Currently only GMO cotton and papaya are allowed to grow on a commercial scale in China, Pan Xianzheng, ministry spokesman, said at a news conference on the sidelines of the ongoing two sessions. Agricultural authorities in China have been strictly adhering to laws and regulations over evaluations and management of genetically modified products to ensure their safety, he said.

China follows a path of GMO product development that allows the promotion of GMO food products only after the promotion of nonfood GMO products, Pan said. Staple grains would come last for commercial GMO production, he said.

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## **China tries to improve running of strategic food and energy reserves**

[SCMP, 16-03-2018] A new State Grain Reserves Administration will be set up under the nation's top economic planner as part of a government restructuring plan that is expected to be approved by the National People's Congress.

The agency will be responsible for "stocking, rotation and management of the nation's strategic and emergency aid materials including grain, cotton and sugar", according to the proposal.

At the moment, this is overseen by the commerce, civil affairs and energy ministries, the energy and grain administrations, as well as state-owned enterprises. The proposal said the reserve responsibilities of these bodies would now fall to the new agency, without elaborating.

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## **China's environment minister says plans tougher air quality targets**

[Reuters, 17-03-2018] China will set more stringent targets for improving the nation's air quality under a new three-year plan, its environment minister said on Saturday, as the world's No.2 economy aims to clear its notoriously toxic skies.

The new targets for concentrations of small, breathable particles known as PM2.5 will be lower than those in the country's current five-year plan that was due to end in 2020, minister Li Ganjie said at a briefing.

In January, the Ministry of Environmental Protection said it was drawing up plans for tougher curbs on smog during the next three years to 2020 after a five-year crackdown on pollution helped it attain air quality targets in December.

By the end of 2017, the country had already cut PM2.5 concentrations by around 15.8 percent, not far from the target of reducing them by 18 percent by 2020.

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## **China begins 2nd national census of pollution sources**

[Xinhua, 30-03-2018] China will start a second national census of pollution sources this year, around 10 years after the first one, the Ministry of Ecology and Environment has said.

A preliminary survey has found about 7.4 million industrial and 1 million agriculture pollution sources, as well as mounting residential sources.

China published the results of the first national census in 2010, which targeted nearly 6 million industrial, agricultural and residential sources and centralized pollution control facilities, collecting 1.1 billion items of basic data.

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## **China willing to share experiences with Africa in securing food supply**

[Xinhua, 07-03-2018] China is willing to share its experiences with African countries in securing food supply and reforming rural sector, Agriculture Minister Han Changfu said on 7 March.

Han made the remarks at a press conference on the sidelines of the national legislature's annual session, when he was asked what Africa can learn from China's food self-sufficiency.

Food security has been a top priority for China, a country of more than 1.3 billion people. The Chinese government attaches great importance to food security and has adopted a series of

policies and constantly advanced technology, which resulted in more than 600 million tonnes of grain output in 2017, he said.

Click [here](#) for details

## Science, Technology and Environment

### **Millions of Chinese farmers reap benefits of huge crop experiment**

[Nature, 07-03-2018] A landmark project to make agriculture more sustainable in China has significantly cut fertilizer use while boosting crop yields on millions of small farms across the country, researchers report in *Nature*.

As part of a decade-long study, scientists analysed vast amounts of agricultural data to develop improved practices, which they then passed on to smallholders. Through a national campaign, about 20.9 million farmers adopted the recommendations, which increased productivity and reduced environmental impacts. As a result of the intervention, farmers were together US\$12.2 billion better off.

The scale of the project has stunned international scientists. With the global demand for food expected to double between 2005 and 2050, they hope that the study's lessons can be applied to other countries.

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### **Sharp drop in use of synthetic fertilizers and pesticides, agriculture minister says**

[China daily, 05-03-2018] The use of synthetic fertilizers in agriculture in China decreased last year, while the use of pesticides has fallen since 2016, Han Changfu, minister of agriculture, said on Monday, 5 March.

“This is a historic turning, as for decades in the past use of fertilizers and pesticides in China had kept increasing,” he said. “We have achieved the target of ‘zero-increase’ for the use of pesticides and fertilizers three years in advance.”

The ministry has intensified efforts to reduce the use of pesticides and fertilizers since 2016 to reduce environmental pollution, he said, adding that the use of fertilizers has played an important role in the growth of grain production in China over the past decades.

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### **Chinese fertilizer maker Kingenta launches "Soil-Friendly Farming to Feed the World" public welfare campaign in Beijing**

[Prnewswire, 28-03-2018] A large-scale public benefit campaign entitled "Soil Friendly Farming to Feed the World – Promoting China's Rural Vitalization Strategy by Maintaining A Million Hectares of Fertile Farmland" kicked off in Beijing on March 26, 2018. The campaign was co-hosted by the Cultivated Land Quality Monitoring and Conservation Center of China's Ministry of Agriculture, the Chinese Society of Plant Nutrition and Fertilizer Science and the World Soil-Friendly Farming Association, and organized by leading Chinese fertilizer manufacturer Kingenta Ecological Engineering Group. As part of the campaign, a program has been launched by Kingenta to promote soil-friendly farming across China, through cooperation with a hundred agricultural organizations and agriculture experts.

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## **World Bank believes East Asia can conquer agricultural pollution**

[Xinhua, 24-03-2018] Technical solutions and increased political will mean that East Asian countries are likely to win their battle against agriculture pollution, said a World Bank report 23 March.

This report shows that a reorientation of public policy and spending on pollution control benefits farmers and consumers alike. In China, a portfolio of World Bank projects exceeding one billion U.S. dollars is tackling agricultural pollution. These approaches include reducing ammonia from fertilizer, cleaning polluted soils, reducing agricultural runoff affecting Qiandao Lake, and reducing crop and livestock pollution to protect coastal and estuarine ecosystems.

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## **Chinese scientists find gene that increases corn yields**

[China daily, 09-03-2018] Chinese scientists have found a gene that can help grow bigger grains of corn to raise yields.

The gene, named urb2, is crucial in the growth of grains, according to the research by Henan Agricultural University and Chinese Academy of Agricultural Sciences.

The result of the research can help increase corn yields and lay a foundation for related studies in breeding, said Tang Jihua, head of the research team.

The research results were published in the journal New Phytologist.

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## **Program is pushing rotation of food crops**

[China daily, 02-03-2018] About 130,000 hectares of farmland in China were left fallow last year in a pilot program designed to reverse ecological degradation in some rural areas and promote sustainable development of agriculture, the Ministry of Agriculture said on Feb 23.

In addition, the crops on another 670,000 hectares were rotated to improve fertility and reduce the use of chemical fertilizers, Zeng Yande, chief for the ministry's department for plant supervision, said at a news conference.

The amount of land to be left fallow or rotated will keep increasing for the next few years and is expected to exceed 3.33 million hectares by the end of 2020, he said.

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## **Biomass power generation to innovate treatment for agricultural residue**

[China Daily, 02-03-2018] Dechang Environmental Protection Technology has just launched its latest project at the Yahe Industrial Area. The project which is to build a biomass power plant is aimed at making use of abundant biomass resources more efficiently to generate electricity for Nanyang.

As Henan province's largest grain producing area and one of the nation's five concentrated wheat growing areas, Nanyang annually produces large quantities of straw. Traditionally most of the straw is burnt by farmers during the wheat harvesting season, harming the environment.

The new plant is designed and has been approved to curb environmental pollution of this kind by using such resources like straw as fuel.

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## **Technology reshaping agriculture in China**

[Xinhua, 20-03-2018] In Nong'an, a major grain-producing county in northeast China's Jilin Province, a drone flies above the crop fields, spraying a white mist of chemicals.

The increased use of large machinery and high-tech equipment has also helped Chinese farmers reduce grain losses in harvesting.

The country had 1.14 million combine harvesters and 14.31 million items of irrigation and drainage equipment by the end of 2016, up 105.3 percent and 6.1 percent respectively compared with a decade ago.

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## **Nation takes big strides in funding for AI**

[China Daily, 09-03-2018] China is gradually shaping up to being a global leader in the field of artificial intelligence, since it has for the first time surpassed the United States in equity funding to AI startups, according to a recent report.

The report, released by US-based venture capital database CB Insights, said AI startups worldwide raised more than \$15.2 billion (12.3 billion euros; £11 billion) in 2017, up by 141 percent from 2016. China's AI startups accounted for nearly 50 percent of the global funding, up from 11.3 percent of the total in 2016. The US was ranked second with 38 percent.

According to the report, China has also overtaken the US in AI-related patent publications. Click [here](#) for details

## **China to expand smart manufacturing pilot program**

[Xinhua, 05-03-2018] China plans to expand its demonstration program for smart manufacturing by adding about 100 pilot projects this year, sources said.

China will make more efforts to popularize smart manufacturing in sectors including raw materials, equipment, consumer goods and electronics, the Xinhua-run Economic Information Daily cited an unnamed official from the Ministry of Industry and Information Technology as saying.

According to a smart manufacturing plan for the 2016-2020 period, China will improve the foundation and supporting capability of smart manufacturing and basically realize the digitization of major fields in the traditional manufacturing sectors by 2020.

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## **Urbanization rate of China's agricultural province exceeds 50 pct**

[China Daily, 05-03-2018] The urban share of the population in Henan, one of China's most populous provinces, has for the first time exceeded 50 percent, according to a report released 5 March by local authorities.

The number of people registered as permanent residents in cities and towns in Henan, home to the largest rural population in China, reached 47.9 million in 2017, pushing the urbanization rate to 50.16 percent. In 2016 the figure was 48.5 percent.

China has been pushing forward urbanization to drive domestic consumption and investment. In 2015, permanent urban residents accounted for 56.1 percent of the country's population, and the rate is expected to hit 60 percent by 2020.

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### **By 2021, China to replace UK as No 2 on global wine market list**

[China daily, 26-03-2018] China expects to become the second-largest market for wine by 2021, replacing the United Kingdom, as young consumers' preferences are evolving, experts said.

China's wine market size is expected to reach \$23 billion in sales revenue by 2021 with an average annual growth rate of more than 30 percent, suggesting the strong wine-consumption potential of the world's most populous country, according to a recent report released by Vinexpo, one of the largest global exhibitions for wine and spirits, and the International Wine and Spirit Research.

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### **China to publish wolfberry index**

[Xinhua, 09-03-2018] China is to publish a price index for wolfberry.

The Xinhua-Qaidam index will be made public in the middle of the year, according to the government of Haixi Mongolian and Tibetan Autonomous Prefecture in the northwestern province of Qinghai.

"Thanks to the Qaidam Basin's unique climate and natural resources, wolfberries here are firm and of very good quality," said Pan Liqing, head of the Haixi bureau of agriculture and animal husbandry. Most of the Qaidam Basin is in the prefecture.

"Qinghai is a major production and trading base of wolfberry. The index will definitely help brand-building of Qaidam wolfberry," said Yang Youzhi, deputy head of the prefecture.

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### **For China corn farmers, prices trump policy ahead of planting**

[Reuters, 19-03-2018] China's farmers are expected to plant more corn this year, eyeing higher prices and profits despite a push to reduce acreage devoted to the cereal under the government's latest five-year plan.

Corn planting has fallen for the past two years, while soybean acreage has risen, as Beijing looks to whittle down nearly 200 million tonnes of corn stocks, the legacy of a now-abandoned stockpiling scheme that offered a minimum floor price.

However, falling soybean prices and a rise in corn prices mean farmers will make nearly twice as much by growing corn this year, even allowing for increased soybean subsidies, according to estimates from five analysts, farmers and industry experts interviewed by Reuters.

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### **China's agribusiness giant New Hope expands in Egypt amid growing Sino-Egyptian ties**

[Xinhua, 18-03-2018] Occupying a vast area of 29,000 square meters in Beheira province north of the Egyptian capital Cairo, the newly-established factory of China's agribusiness giant New Hope Group tells a good story about the growing ties between the two countries.

The sprawling animal feed producing factory, New Hope's third in Egypt, consists of four premises: an administrative building with a residential area, two storehouses for raw materials and final products, and a workshop where animal feed is made.



New Hope's expansion in Egypt is just one example of China's growing investment in the most populous Arab state.

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### **Chinese fashion to drive WA wool market**

[FW, 25-03-2018] CHINA'S next winter fashion fad could determine the direction the WA wool market takes in the next few months.

For the past two northern hemisphere winters, stylish women's fashion jackets made in a variety of styles, lengths and colours from an innovative double-faced woollen fabric, has driven apparel manufacturer and wool processor demand for WA's natural fibre.

Fashion trends have long overtaken traditional wool clothing – as in winter uniforms for the military and public services providers like train drivers – as the significant determinant of demand for wool in China.

Wool buyers who deal into China say although it is spring there now, with winter still nine months away, the fashion houses are already looking ahead at what garments they will produce and promote for next winter.

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### **Chinese agricultural firms expand along Belt and Road**

[Xinhua, 20-03-2018] China is encouraging its agricultural firms to expand overseas and promote agricultural trade with countries and regions along the Silk Road Economic Belt and the 21st-Century Maritime Silk Road.

Many companies and agricultural research institutes have answered the call. The Chinese Academy of Agricultural Sciences has introduced 61 agricultural products and technologies to countries along the Belt and Road.

Yangling Agriculture Hi-Tech Industrial Zone, a national-level high-tech development zone in Shaanxi Province, has established modern agricultural demonstration parks in Kazakhstan and Kyrgyzstan and signed agreements with over 20 countries to deepen agricultural cooperation.

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### **China 2017/18 soybean imports to rise above 100 mln T, pork to fall**

[Reuters, 12-03-2018] China's 2017/18 soybean imports are expected to climb above 100 million tonnes, a senior industry analyst said on Monday, 12 March, as strong demand for animal feed boosts consumption in the world biggest hog market.

China bought 93.5 million tonnes of soybeans in 2016/17, according to data from the U.S. Department of Agriculture.

China's pork imports in 2018 are expected to decline to around 2.2 to 2.3 million tonnes from 2.5 million tonnes last year.

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### **Brazil farm exports may benefit from rising U.S.-China trade tensions**

[Reuters, 02-03-2018] Brazilian farm exports may benefit from rising trade tensions between the United States and China, an official from Mato Grosso state, Brazil's largest grain growing region, said in an interview.

“Signs of growing tensions between the United States and China may be a good opportunity for Brazil given our prowess to produce grains like soy and corn,” said Carlos Favaro, Mato Grosso vice governor. He added Brazil can expand commercial ties with China, noting such bonds have been steadily growing in recent years as China has invested heavily in Brazil’s agribusiness sector and infrastructure projects.

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### **Norwegian salmon group plans 2,000 fast food joints in China**

[FT, 09-03-2018] Norway’s largest salmon producer is planning a big push into China by rolling out a salmon-only fast food chain.

Marine Harvest, which currently operates five restaurants under the Supreme Salmon flag in Taiwan, is looking to open about 2,000 outlets throughout China.

The company believes that the chain, which serves dishes such as salmon gyoza, salmon risotto and salmon fried rice, will help expand demand for the farmed fish among the country’s growing middle class.

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### **Mexican agriculture sector seeks more exports to China**

[Xinhua, 15-03-2018] Mexico is seeking to increase its agricultural exports to China, where its avocado and berries have found a niche.

Mexican avocado and berries such as cranberries, raspberries and blackberries are selling briskly in China though they are relatively new.

Figures released by the Mexican Agriculture Ministry in February showed that Mexico's food, beverage and agricultural exports to China expanded by a whopping 54 percent in 2017 to reach 321 million U.S. dollars.

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