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China Agricultural Newsletter – August 2009

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Laws, Regulations and Policies

US\$26.6 mln allocates for drought relief¹

According to Ministry of Finance, the central government has so far allocated 182 million yuan (US\$26.65 million) to fight the ongoing drought. The fund has been allocated to the provincial and regional governments of Liaoning and Jilin provinces and Inner Mongolia Autonomous Region.

About 182 million mu (12.13 million hectares) of crops across the country suffered serious drought as of Aug. 18, according to the State Flood Control and Drought Relief Headquarters (SFDH). Drought quickly expanded through northern and northeastern China since late July, as a result of insufficient rainfall and continued high temperatures.

The SFDH said rainfall over the past three days helped ease the drought in some parts of these regions, but some areas were still suffering serious drought which left people with difficult access to drinking water. The SFDH called for unswerving efforts to combat the drought.

MOLR looks for ways to protect farmland, guarantee food supply²

The Ministry of Land and Resources (MOLR) is planning to strengthen its supervision of arable land use later this year to protect China's shrinking inventory of farm land and guarantee it can feed its massive population. The country is already close to its "bottom line" of arable land, with 121.7 million hectares available at the end of last year, according to the latest figures from the ministry.

Between January and July, the total amount of land slated for use in construction projects rose year-on-year by 26 percent, but about two-thirds of the land approved for construction remains undeveloped, meaning that land is unavailable for agriculture but is not being used for

¹ Xinhua News Aug. 19, 2009

² China Daily Aug. 25, 2009

construction either.

The reasons why much of the land sits unused are complicated. Industry insiders say some developers are shelving housing projects because of concerns about house prices.

A report from Centaline China Property Research released on Aug. 20 said 57 percent of approved housing projects in 12 key cities in the past six years have not reached the market. In Guangzhou, 24 of the 27 housing plots sold at record prices two years ago are still undeveloped. The limited reservoir of usable land in Guangzhou has prompted the ministry to ask local authorities to inspect the underdeveloped land. Guangzhou has taken back 26.9 million sq m of unused land that had been cleared for development projects that were not undertaken.

According to national rules governing the handling of idle land, the government has the right to withdraw approval for development projects if they are not started two years after gaining the thumbs-up.

Early this month, five cities - Nanjing, Chaozhou, Wuhan, Inner Mongolia and Tangshan - took strict measures to punish illegal land users. Another eight cities with serious land use problems received warnings from the national land watchdog in July.

Pension scheme for villagers above 60 to start trial³

A pension scheme for villagers above 60 will start on a trial basis from October, according to sources with the Ministry of Human Resources and Social Security. A basic pension account will be established and supported by the central government; the pension would also be supported by local collectives and the rural residents themselves.

The move, if implemented throughout China in a couple of years, will end the history of villagers who have never enjoyed a penny as pension from the State. Although the sources did not say how much money an old rural resident will get as pension, the portion from the State, along with the corpus accumulated annually from the rural residents and the funds from the collective, would suffice to meet their basic needs.

With one major worry in life - subsistence, including medical services - taken care of, rural residents may be expected to spend more and contribute to the economic recovery.

Subsidies for corn processing industry offered⁴

The State Council recently decided to subsidize corn processing companies with over 100,000 ton production capacities and located within the main agricultural regions.

Some industry insiders believe the subsidies will have a limited effect on the profits of processing companies. The government may actually be aiming to reconstruct the industry's layout. Inside sources of fine corn processing companies revealed that the funds will be dedicated to starch, alcohol, medicine and other fine corn products in Jilin, Liaoning, Heilongjiang and Inner Mongolia.

A subsidy of 105 yuan (US\$15.37) per ton will be allocated to companies participating in the national corn reserve auction.

³ China Daily Aug. 6, 2009

⁴ Asia Pulse Aug. 7, 2009

Corn processing companies previously didn't show much interest due to the delay of the subsidy. During the three auctions held in northeast China during July, the trading ratio at each event was below 50 percent.

An industry expert explained that the conditions required for the subsidy are quite strict. The period of validity only lasts four months from August to November; companies should deposit 150 yuan (US\$22) per ton in promise to spend on production but not distribution; and they can receive the fund only after processing has completed. Therefore, except for keeping the companies running, the subsidies will hardly improve companies operating situations.

He also commented that the reason for the government to subsidize the companies in northeast China rather than the ones in southern China may be that the country hopes fine corn processing enterprises will gravitate in main corn agricultural region. It may be the first step to restructure the industry.

Renewable energy development fund to be considered⁵

Chinese lawmakers are considering a government fund for renewable energy development, in a move to support the industry and strengthen governmental macro-economic regulation.

The draft amendment to the renewable energy law was submitted to the country's top legislature, the Standing Committee of the National People's Congress (NPC), for its first reading on Aug. 24.

Under the current Renewable Energy Law (2005), the State set up a special fund for renewable energy development. If the draft amendment is approved, a new fund with two sources of income will be set up -- one from the special fund and one from the income deriving from surcharges on renewable energy electricity prices.

Under the current charging standard, the surcharges income will reach 4.5 billion yuan (US\$689 million) for 2009.

The fund would continue to support scientific and technological research. It will also finance a pilot project for exploiting renewable energy, construction of renewable energy projects for domestic use in rural areas as well as independent power systems in remote areas and islands, localized equipment production and exploiting renewable energy, among other projects, says the draft amendment.

Management of the fund will be worked out by finance, energy and pricing sectors of the State Council.

According to a national plan on renewable energy development issued in Sept. 2007, China will increase renewable resources to 15 percent of its total energy consumption by 2020, in a bid to reduce greenhouse gas emissions and sustainable economic growth.

In 2008, use of hydropower and solar power in China ranked first in the world, and wind power the fourth.

Overcapacity in emerging sectors including wind power to be addressed⁶

⁵ Xinhua News Aug. 24, 2009

⁶ Xinhua News Aug. 26, 2009

The State Council warned on Aug. 26 of overcapacity in emerging sectors such as wind power, and said the country would move to "guide" the development of sectors troubled by overcapacity and redundant projects.

Overcapacity has persisted in sectors of steel and cement, while redundant projects have also surfaced in emerging sectors of wind power and poly silicon, according to a statement issued after an executive meeting of the State Council, which is presided by Premier Wen Jiabao.

Under the current situation, the country would particularly enhance "guidance" over the development of steel, cement, plate glass, coal chemical, poly silicon, and wind power sectors, the statement said.

The guidance would include strict market access, reinforced environmental supervision, and rigid land use permission.

Industry and Business Watch

Lawmakers warn of disease epidemic⁷

Lawmakers have warned of a "grave hidden peril" of epidemic animal disease because of inadequate monitoring facilities and a complex international environment.

Even though the government has set up a compulsory vaccination system, requiring immunization of animals against diseases harmful to people's health and the husbandry industry, the possibility of outbreaks of disease still existed, the lawmakers said in a report presented at the 10th session of the Standing Committee of the 11th National People's Congress (NPC).

An official source quotes the report as saying that the problems of excessive veterinary drug residues and banned food additives in livestock products were not fully under control in certain areas.

The lawmakers suggested the government subsidize treatment of animal carcasses that had died from disease or unknown causes to contain animal epidemics.

They also said there should be relevant authorities to standardize use of veterinary drugs, strengthen and improve monitoring of the production and distribution of livestock products.

The lawmakers also proposed nationwide inspections for excessive veterinary drug residues and banned food additives be put in place in the near future.

CNGOIC raises estimates on 2009 major crops output⁸

China National Grain and Oils Information Center (CNGOIC) has raised its August forecasts on the 2009 output of corn, wheat, rice and rapeseed, but kept its estimate on the soybean output unchanged from July.

⁷ ThePoultrySite News Aug. 27, 2009

⁸ Asia Pulse Aug. 13, 2009

CNGOIC has adjusted up its estimates on 2009 output of corn, wheat, rice and rapeseed by 3.5 million tons, 2.3 million tons, 320,000 tons, 500,000 tons, respectively, to 166.5 million tons, 115.5 million tons, 193.5 million tons and 13.5 million tons. However, it maintained its estimate on 2009 soybean output at 15 million tons.

GM rice may join the menu⁹

Genetically modified (GM) rice, which proponents say is more resistant to pests and more satisfying to taste buds, may be edging toward the market in China.

Government officials recently said final approval to sell GM rice is close. Experts said a change in attitude toward the production of the engineered food began last year. China has not allowed any selling or planting of GM rice. In 2005, the sales of transgenic rice in Hubei province were revealed by Greenpeace causing a big controversy.

"China has worked on research of transgenic rice and is strongly considering (its commercialization)," said Niu Dun, vice-minister of agriculture, on Aug. 24.

Last July, the State Council approved a major project involved in the research and development of genetically altered foods, including meats and produce. The council has expected to invest about 20 billion yuan on transgenic breeding since then.

Officials said that by 2020, the country could be a leader in GM foods, cloning, large-scale transgenic technology and new breed promotion. Rice and corn are the items nearest commercialization.

According to the Center for Chinese Agricultural Policy, genetically modified rice could lead to an 80 percent cut in pesticide use. GM rice could also increase yields by around 6 percent. But opponents of GM foods say the long-term health implications are unknown. China currently produces around 500 million tons of rice. With its population expected to grow to 1.6 billion by 2020, 630 million tons of rice will be needed. Science is seen as the best way to meet that demand.

COFCO setting up second soybean processing plant¹⁰

China National Cereals, Oils & Foodstuffs Corporation (COFCO) is planning to build a soybean-processing plant in South China's Guangxi Zhuang autonomous region with a capacity of 1.2 million tons a year.

Sources familiar with the 1.85-billion-yuan project said construction is likely to start in September in Qinzhou, in the Beibu Gulf economic zone.

This is the second big soybean-processing factory built by COFCO. In April, it opened a 4-billion-yuan oil-pressing project in Tianjin.

China's major edible oil producers, including Sinograin Oils & Fats Industrial Co and Jilin Grain Group, have also lined up plans to open new factories to boost capacity.

Per-capita edible oil consumption is 14.5 kg a year in China.

⁹ China Daily Aug. 25, 2009

¹⁰ China Daily Aug. 19, 2009

Zhongpin reports profits in pork products¹¹

Zhongpin, one of the biggest pork-product suppliers in China and the only pork company that trades in the U.S., has announced that its revenue in the second quarter rose 17.7% over the same period in 2008 to US\$161.8 million.

Prepared pork products were up 54.5% to US\$20.4 million. Chilled pork revenue rose 15.9% to US\$83.3 million while frozen pork grew 12.2% to US\$55 million. The company has said it expects 2009 revenue to reach US\$780 million to US\$810 million, up from US\$540 million in 2008.

It still forecasts full-year earnings of US\$1.50 to US\$1.63. The company will reportedly spend US\$93.5 million over the next 12 months on capital projects. Zhongpin expects pork prices to increase about 10% in the third quarter and then stabilize at that level in the fourth quarter.

Farmers feed pigs harmful chemicals¹²

Many Chinese farmers continue to skirt the ban on chemical additives in food for pigs, increasing the risk of disease and illness in humans, according to a report from the nation's top legislature – National People's Congress (NPC).

Weak links in the government's management of farming and safety standards have led to an increasing number of cases of people becoming sick from contaminated pork, according to the report released on Aug. 25 from the Agriculture and Rural Affairs Committee under NPC.

In February, more than 80 people in Guangdong province experienced stomachaches and diarrhea after consuming pig organs contaminated with an illegal feed additive called Clenbuterol. The additive, added to keep the animals lean, is harmful to humans and can be fatal since it often accumulates in organs such as the liver and lungs.

The Ministry of Agriculture has launched a year-long crackdown on the supervision of the production, marketing and abuse of additives, but the NPC's report puts added pressure on the campaign to wipe out the practice.

This year, the ministry has exposed 8,677 cases of additive abuse, halted 124 enterprises without operating permits and cancelled 87 licensed enterprises.

Swine producers receive training on US DDGS¹³

Chinese swine producers have received training from the US Grains Council aimed at increasing the use of distillers dried grains with solubles (DDGS) at the first week of August.

USGC consultant, Dr Han Soo Joo, professor from the University of Minnesota, conducted seminars and trainings in Fuzhou and Nanyang on swine disease control theory and techniques and up-to-date hog production models used in the United States and China.

Dr Joo presented the opportunity to reduce production cost by using DDGS in sow and grow-finish pig feed rations. He also presented the potential benefits of DDGS to decrease the

¹¹ WATT Pig E-News Aug. 17, 2009

¹² China Daily Aug. 26, 2009

¹³ ThePigSite News Aug. 7, 2009

risk of ileitis – inflammation of a portion of the small intestine – in growing pigs.

In 2008, approximately 8,000 metric tons of US DDGS were exported to China. Through June of this year, 15,000 to 20,000 tons have already been shipped. The Council's Beijing office estimates 135,000 tons have been sold to China for August and September shipments.

Dr Joo said he was impressed with the growth in production facilities and industrialization of the Chinese swine industry. He believes this growth will lead to more commercial feed and feed grains need.

5 US meat plants banned exports to China¹⁴

China has banned meat imports from three U.S. pork plants and two poultry plants. Reuters quoted the USDA, reporting that no reasons had been given for this decision.

The pork plants are: Tar Heel, N.C.; the John Morrell & Co. pork plant, Sioux City, Iowa; the Seaboard Foods pork plant at Guymon, Okla.

The poultry plants are: Equity Group-KY Division poultry plant at Albany, Ky.; and the Mountaire Farms poultry plant at Selbyville, Del.

France-Hybrides boars imported¹⁵

France-Hybrides has shipped 315 GGP females and boars to pig farms in Shandong Province, according to a Hypor B.V. announcement.

The shipment's successful delivery, at a time of H1N1 flu fears, has been credited to France Hybrides' compliance with China's import and biosecurity protocols.

Hypor acquired France Hybrides, which develops swine breeding stock and technical expertise for the pork meat industry, in 2008.

China to be Tyson's biggest foreign market¹⁶

With the help of two new joint ventures – Shandong-based Tyson Xinchang Foods Company Ltd and Jiangsu-based Jiangsu Tyson Foods Company Ltd., scheduled to produce 100 million birds and 50 million birds, respectively, every year starting in 2010, Tyson China is expected to increase its annual revenue from about \$15 million now to \$500 million, making China the giant's biggest foreign market.

The two Shandong plants – Tyson Dalong and Tyson Xinchang – mainly provide fried chicken and frozen poultry to national food service and wholesale channels. Tyson Jiangsu will provide fresh, retail packaged chicken products to eastern China.

Joe Zhu, Tyson China market director, explains: “During the last decade, the growth rate of China's poultry consumption was faster than that of its pork consumption. We have expanded our poultry production in China in order to take advantage of this trend. ” “Although our distribution channels cover food services, wholesale and retail sectors, we are trying to sell as much chicken as we can to retailers,” says Zhu.

¹⁴ Reuters Aug. 6, 2009

¹⁵ WATT Pig E-News Aug. 6, 2009

¹⁶ Poultry International Aug. Issue P. 24-25

In China, most local chicken producers distribute directly to food service companies and other business buyers. There are other foreign producers targeting retail, including Hormel, but these companies are focusing on pork.

To serve the needs of this rising market, Tyson Jiangsu will distribute small packaged fresh chickens – usually 0.5 -1 kg in weight – to retail outlets in eastern China, especially Shanghai.

The retail sector is undergoing some major behavioral changes, as increasingly wealthy Chinese shoppers abandon the traditional, but unsanitary, outdoor wet markets for modern supermarkets, hypermarkets and convenience stores.

“Our market research shows that China’s middle class prefers buying meat in the retail sector but there is no major poultry supplier,” explains Zhu.

Furthermore, Tyson China is planning new plants in Guangzhou, Chongqing and Beijing, and will explore the fresh chicken market there, according to Zhu.

New Hope and Thailand’s Saha Farms to cooperate¹⁷

Thailand's Saha Farms has signed a Memorandum of Understanding with New Hope Group for a possible cooperation in the Thai-Chinese Business Forum in Pattaya.

Saha Farms is seeking a partner for its US\$203 million (7 billion baht) poultry operation in Lop Buri province.

This poultry venture currently processes 500,000 birds every day through 20 lines. Saha Farms reportedly plans to install 10 more processing lines to double its daily production.

American Dairy to raise US\$63 mln in private placement¹⁸

In a private placement with Sequoia Capital, American Dairy Inc will raise US\$63 million. The deal means Sequoia Capital is buying 2.1 million shares for US\$47 million in stock and the conversion of a US\$16 million bridge loan Sequoia made to American Dairy late in July.

The sale should close on 27 August. American Dairy will owe Sequoia more shares if it doesn't hit certain revenue goals this year and next. And Sequoia can put someone on American Dairy's board of directors.

American Dairy makes and sells infant formula, milk powder and soybean, rice and walnut products in China, and owns Feihe Dairy in Beijing.

Fonterra tapping vast dairy market¹⁹

Fonterra Co-operative Group Ltd, the largest company in New Zealand, decided to help build a safe supply chain in China while continuing its exports of high quality dairy products.

¹⁷ Poultry International Aug. 6, 2009

¹⁸ China Daily Aug. 19, 2009

¹⁹ China Daily Aug. 13, 2009

Fonterra has set up a dairy farm in Tangshan of Hebei province, and has the option to start more dairy farms in cooperation with Chinese partners. Philip Turner, managing director of Fonterra China, said that the \$20.7 million Tangshan dairy farm is now one of the best in China. By this time next year, its number of cows is projected to increase from the current 4,500 to 6,000, marking full operation of the project.

The dairy giant is also moving forward in the retail segment with two new milk powder products set to hit markets in east and south China. One is Anlene high-calcium milk powder that helps prevent bone loss. The other is Anmum for pregnant women.

BlueStar, Adisseo to build methionine plant in Nanjing²⁰

China National BlueStar (Group) Co and its France-based subsidiary Adisseo Group, a feed additive producer, signed a deal on Aug. 19 to build a methionine plant in Nanjing, the first plant of its type in China.

The new plant is set for the capital of eastern Jiangsu province, where raw materials are available and abundant, said Xi Yuxin, a China National BlueStar spokesperson.

Methionine, an amino acid present in sesame seeds, Brazil nuts, fish and meat, is a supplement in animal feed.

The plant will become operational during the second half of 2012, and have an annual production capacity of 70,000 tons. At present, there is no methionine producer in China, which has an estimated annual demand for 120,000 tons, Xi said.

China National BlueStar, a subsidiary of ChinaChem Group Corporation, acquired Adisseo, the world's third largest methionine producer, in Jan. 2006 for 400 million euros (US\$565.4 million).

Agricultural machinery market spurred by government subsidy²¹

China's agricultural machinery market is witnessing a sales surge due to the government's subsidy policy.

According to official statistics, the industrial output value of China's 2,302 agricultural machinery manufacturers has reached 112.84 billion yuan (US\$16.52 billion) in the first half year of 2009, up about 22.34 percent from one year earlier; the industrial sales output value has reached 110.48 billion yuan (US\$ 16.18 billion), up 23.69 percent than the former year.

Early this year, the State Council granted RMB 10 billion for agricultural machinery subsidies, up 150% than the year before. The subsidies are applicable to individual farmers, farming workers and farm-ops across the country, who are entitled to reimbursement from the government of up to 30 percent of the purchasing price of farm machinery.

The range of agricultural machinery to be subsidized purchases has expanded to 128 types of products in 38 sub-categories of 12 categories, including tillage and planting machinery, fertilizing machinery, farm management machinery, harvesters, post-harvest machinery, agricultural product preliminary processing machinery, irrigation and drainage machinery, animal

²⁰ Xinhua News Aug. 19, 2009

²¹ Ministry of Agriculture

husbandry and aquaculture raising machinery, agricultural power machinery, farmland engineering machinery, agricultural facility equipment, and waste treatment equipment.

If enterprises want machinery to be listed in the national subsidized Catalog, they must be included in the "2009-2011 National Promotional Catalog for Ag Machinery". Enterprises with the machinery that meet specific range of power and type shall use the online declaration system (<http://www.amic.agri.gov.cn/mulu/>) to fill out application, print out two hardcopies, submit to a provincial administrative department of agricultural mechanization.

Ministry of Agriculture is adjusting the 2009-2011 National Promotional Catalog for Ag Machinery for the year 2010. By Sep. 30, 2009, enterprises who want machinery to be listed in the Catalog should complete the application.

VIV China 2009 adds second hall²²

VNU Exhibitions Europe has opened a second hall to accommodate exhibitors at VIV China 2009. The exposition will be held at the China International Exhibition Center, October 19-21.

Over 240 exhibitors have already reserved booths to showcase products and innovations in veterinary products, animal nutrition, feed additives, farm equipment and diagnostics.

"With the recent rise in the Chinese economy the expansion of VIV China is a good example of the trust suppliers of the animal protein industry have in this current market," said Ruwan Berculo, Project manager VIV Asia-Pacific.

Installed wind power capacity doubles in H1²³

China's installed wind power capacity that transmits power into the national electricity grid rose 11.81 million kilowatts in the first half of this year, doubling the figure of a year earlier.

Shu Yinbiao, vice general manager of the State Grid Corporation, said the installed wind power capacity soared by 101 percent year on year by the end of June, showing the country's strengthened efforts on using renewable energy.

Shu suggested mapping out a long-term wind power development plan for the whole country and formulating relevant national technical standards for new energy including wind and solar power to regulate their development.

China's wind power sector gained momentum in recent years due to the government's supportive policies. Figures showed that the country's installed wind power capacity reached 12 million kilowatts by the end of 2008, ranking the fourth globally trailing the United States, France and Spain.

Large solar power program starts in Wuhan²⁴

Construction of a large solar power project with an investment of US\$450 million was launched on Aug. 29 in Wuhan, capital of Hubei Province in central China.

²² WATT Poultry E-News Aug. 26, 2009

²³ Xinhua News Aug. 2, 2009

²⁴ Xinhua News Aug. 30, 2009

The 500-megawatt project is a joint venture of Greenway Solar-Tech (China) Co. Ltd. and Evergreen Solar Inc. of the United States, according to Ding Kongxian, chief executive officer of Greenway Solar-Tech.

The project is scheduled to go into production in three years with an annual product value of US\$1 billion to turn out products related to solar power industry.

Nasdaq-listed Evergreen Solar manufactures and markets solar power products, including solar cells, panels and systems. It finalized its agreement with Greenway Solar-Tech and the government of Wuhan City on July 30.

Prawns peeled apart to create biodiesel²⁵

Scientists at Hua Zhong Agriculture University in Wuhan experimented with chitin, the main component in prawn shells, and found it helped convert organic oils into biodiesel at a rate of 89 percent in three hours.

"They can achieve as much speed and efficiency as traditional catalysts in biodiesel production without environment pollution and resource waste," Xinsheng Zheng, one of the scientists involved in the research, said.

Traditional catalysts have to be neutralised and washed after a reaction, creating large amounts of waste water. Prawn shells remain solid, can be reused up to 10 times in the production process and are biodegradable so will not harm the environment when eventually discarded.

IPR threatens new energy sector²⁶

Stimulated by governments' supporting policies, a large number of Chinese firms have turned to new energy and related industries. Over 10 large scale new energy bases have been established. However, experts say that China's emerging new energy sector may face a lack of core technology crisis.

In the wind power sector, 2.0 to 3.0 MW wind turbines are the mainstream in developed countries. Major global wind turbine producers declined to transfer technology of wind turbines with capacity higher than 2.5 MW to China. None of those wind power giants set up joint ventures in China. Domestic wind turbine producers have no choice but to appeal to 1.0 to 1.5 MW wind turbines through product patent licensing.

China's photovoltaic industry is facing problems in monocrystalline silicon and Polysilicon manufacturing. Chinese firms have to rely on German and Japanese companies in this field. According to cooperation agreements signed by Chinese photovoltaic companies and their German and Japan counterparts, they shall contribute fees for technology transfer to German and Japanese companies. Even patents acquired by Chinese firms would belong to German and Japanese companies. From each single watt-hour power generated by photovoltaic batteries in China, foreign companies get 0.1 yuan.

The current situation of China's new energy industry is the result of the governments' overemphasis in application fields and enterprises' weak theoretical research strength, say experts.

²⁵ Reuters Aug. 14, 2009

²⁶ People's Daily Aug. 26, 2009

Statistics

China major meat sales price (August 2009)²⁷

Pork (Lean):

RMB1.00 yuan/kg

Average Sales Price (Street markets & Supermarkets)				Var. Percent		
A. 08/11/09-08/20/09	B. 08/01/09-08/10/09	C. 07/11/09-07/20/09	D. 08/11/08-08/20/08	(A-B)/B	(A-C)/C	(A-D)/D
22.48	21.82	20.88	27.66	3.02%	7.66%	-18.72%

Chicken:

RMB1.00 yuan/kg

Average Sales Price (Street markets & Supermarkets)				Var. Percent		
E. 08/11/09-08/20/09	F. 08/01/09-08/10/09	G. 07/11/09-07/20/09	H. 08/11/08-08/20/08	(E-F)/F	(E-G)/G	(E-H)/H
14.26	14.12	14.04	14.86	0.99%	1.57%	-4.04%

Beef (Fresh Boneless):

RMB1.00 yuan/kg

Average Sales Price (Street markets & Supermarkets)				Var. Percent		
I. 08/11/09-08/20/09	J. 08/01/09-08/10/09	K. 07/11/09-07/20/09	L. 08/11/08-08/20/08	(I-J)/J	(I-K)/K	(I-L)/L
33.70	33.60	33.54	33.58	0.30%	0.48%	0.36%

Egg:

RMB1.00 yuan/kg

Average Sales Price (Street markets & Supermarkets)				Var. Percent		
M. 06/11/09-06/20/09	N. 06/01/09-06/10/09	O. 05/11/09-05/20/09	P. 06/11/08-06/20/08	(M-N)/N	(M-O)/O	(M-P)/P
7.88	7.58	7.26	7.84	3.96%	8.54%	0.51%

²⁷ China Animal Agriculture Association