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China Agricultural Newsletter – June 2011

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Laws, Regulations and Policies

Import tariffs on 33 commodities cut from July¹

The Ministry of Finance said that the country will cut or completely eliminate tariffs on 33 commodities, ranging from fuel to textiles.

Import tariffs on gasoline and fuel oil will both be lowered to 1 percent from the previous 5 percent and 6 percent, respectively, while tariffs for diesel and aircraft fuel will be cut to zero, the ministry said.

The tariff reductions, effective from July, aim to ease the country's trade imbalance and boost imports of advanced technological equipment and raw materials, according to the ministry.

In an effort to restructure the country's economy, the Chinese government has vowed to expand imports while stabilizing exports over the coming five years.

During the first five months of this year, the country's trade surplus dropped 35.1 percent year-on-year to reach USD22.97 billion.

RMB 1.2b yuan added to drought-hit regions²

The Ministry of Finance (MOF) said it had added RMB 1.2 billion yuan (USD182.65 million) to help five regions along the middle and lower reaches of the Yangtze River make a success of disaster relief work, i.e. Jiangsu, Anhui, Jiangxi, Hubei and Hunan provinces.

The additional funding came after the MOF had previously injected nearly RMB 1.14 billion yuan to the five provinces for efforts to combat drought there.

Out of the newly added funding, RMB 400 million yuan will be spent in subsidizing 200 counties' purchases of equipment to fight drought or floods, while the rest will be used to subsidize farmers' buying of means of production, including fries, seeds, fertilizers and diesel fuel, according to the MOF.

Supervision on raw milk tightened³

¹ China Economic Net June 24, 2011

² Xinhua News June 7, 2011

According to the requirements of the Work on Quality and Safety of Dairy Products issued by the General Office of the State Council in September 2010, the Ministry of Agriculture (MOA) has taken measures to enhance the supervision on quality and safety of dairy products through special programs.

The programs for the regulation of raw milk have been expanded over four areas:

1. All milk stations involved in the collection of raw milk have, or will, be inspected in strict compliance with the Regulations on Supervision and Administration on Quality and Safety of Dairy Products.
2. The quality and safety of raw milk has, and will, keep improving. According to the features of raw milk production and transportation, agricultural authorities have established a series of supervision systems, including special monitoring, surprise sampling inspection and sampling inspection by bodies from other places.
3. Progress has been made in the development of standardized dairy cattle farming. RMB 260 million yuan, from the state, has been allocated as special funds for subsidies on improved breeds to 9.02 million heads of dairy cattle in the country.
4. Practical results have been achieved in terms of technical trainings for dairy farmers.

Import ban stepped up on DEHP-tainted products⁴

Chinese mainland's quality authorities General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) has stepped up its ban on imports of products from Taiwan that had been contaminated by an industrial chemical used to soften plastic products. Imports of 812 kinds of products, including beverages, food products and food additives, made by 245 companies, will be suspended.

On the blacklist, including asparagus juice made by the popular brand Uni-President, are also a number of children products such as nutrient branded Karihome made by Taiwan Direct Biological Technology Company.

This is a much longer list than the original one issued by the AQSIQ on June 1, when the quality watchdog said the mainland would suspend imports of 22 kinds of beverages, food products and food additives from Taiwan that are produced by companies suspected of using bis (2-ethylhexyl) phthalate (DEHP).

The food safety commission under the State Council has also ordered increased inspections and instant recalls of beverages, food products and additives contaminated with DEHP.

Meat, vegetable tracking system to establish in cities by 2015⁵

The Ministry of Commerce said that China aims to establish a meat and vegetable tracking system in all cities with more than 1 million people by the end of 2015 to boost food safety.

The tracking system was established in 10 cities last year, including Shanghai and Dalian, to protect consumers from harm, said Yao Jian, spokesman for the ministry.

³ TheCattleSite News June 7, 2011

⁴ Xinhua News June 4, 2011

⁵ China Daily June 21, 2011

The country started trailing the system in another 10 cities this year, including Tianjin and Jinan. At the present, the system has covered 176 slaughterhouses, 100 large wholesale markets, more than 3,000 food markets, over 1,400 supermarket chains and more than 4,400 consuming groups, an official at the ministry's market supervision department said.

The tracking system is also in the interest of farmers as it can let authorities know in minutes when and where the contaminated meat and vegetables were produced, so other farmers will not be affected by the possible safety checkup, he said.

Industry and Business Watch

NDRC: Inflation under control despite concern⁶

Inflation in June may exceed last month's 34-month high but will be under control in the second half of the year, the nation's top planning agency National Development and Reform Commission (NDRC) said, despite concern over rising pork prices and a drop in grain production following drought and flooding.

NDRC said that the consumer price index (CPI) could reach a new high in June, after it hit 5.5 percent in May. However, in the second half of the year the CPI is likely to taper off from its peak.

The government set an inflation target of 4 percent for this year. But after the CPI rose, on average, by 5.2 percent in the first five months, there were concerns over whether the target could be met and if the world's second-largest economy could avoid a hard landing.

The CPI figure might rise to 6 percent in June, mainly pushed up by soaring pork prices, Ba Shusong, a senior economist at the State Council Development Research Center, which advises the government, said.

In the second week of June, average pork prices in 34 major cities increased 80 percent year-on-year to RMB 17.62 yuan (USD2.73) per kilogram. The price surge pushed up food prices in general, which account for about 30 percent of the CPI basket, the NDRC said.

Relatively lower pork prices at the beginning of this year led many farms to reduce the number of pigs being raised, which decreased supply. An increase in the price of animal feed also put upward pressure on pork prices, according to Zhu Wenzhao, Director of the Shanghai Agricultural Products Central Wholesale Market Management Co Ltd, which provides 30 percent of wholesale pork in Shanghai.

The drought earlier this year and the ongoing floods in southern China may also affect agricultural production, the NDRC said.

The government has introduced a number of measures to combat inflation. The People's Bank of China, the central bank, raised the reserve requirement ratio for commercial banks, the amount they have to set aside, by 50 basis points on 14 June. The hike was the sixth this year.

Agricultural sectors urged to ensure production⁷

⁶ ThePigSite News June 24, 2011

⁷ Ministry of Agriculture June 7, 2011

The Ministry of Agriculture (MOA) urged agricultural authorities at all levels to focus on ensuring agricultural production this summer.

Agricultural authorities should take effective measures to make sure summer planting and harvesting is successful this summer, the MOA said in a statement. As the country enters the peak summer harvest time, efforts should be made to promote cross-regional harvesting by machine, allocate and transport ample diesel oil for the harvest and expand contracting services to reduce the harvest cost.

Local agricultural authorities should also work to promote timely summer corn planting while guiding drought-hit regions to complete transplanting for the mid-season rice by the end of June, it added.

Farm produce prices up⁸

Prices for Chinese farm produce gained slightly during the week June 13-19, the Ministry of Commerce said.

Meat prices rose from the previous week with pork up 4.8 percent, beef up 0.6 percent, chicken up 0.5 percent and mutton up 0.4 percent. Prices of eight aquatic products rose 1.2 percent mostly due to higher costs for transportation in summer.

Prices of flour and rice both climbed 0.2 percent from the previous week. Egg prices gained 0.8 percent week-on-week, but the growth rate was down 0.7 percentage points.

Wheat harvest to rise for 8th year⁹

An official with the Ministry of Agriculture said that China will see an output increase of winter wheat for the eighth straight year. The country has finished harvesting 21 million hectares, or more than 90 percent of its winter wheat crops.

The increase is expected to help ensure supplies, stabilize prices and manage inflationary expectations, which will contribute to the steady, relatively fast economic growth and enhance social stability, the official said.

To achieve a stable full-year grain output, efforts should be made to ensure the production of early rice crops with the autumn grain harvest in particular, the official said.

According to the official, the recent flooding in south China is regional and short-term. Damage to the autumn grain can be properly handled.

To ensure ample autumn grain production this year, the ministry urges local agricultural authorities to select the optimal farming season, strengthen field management and minimize pest and disease damage.

Henan breeds colorful, drought-resistant wheat¹⁰

Purple wheat, blue wheat, green wheat and dark wheat are being grown at a seed-breeding base operated by Zhongpu Wheat Technology Co Ltd in Zhengzhou, the capital of Henan province.

⁸ Shanghai Daily June 21, 2011

⁹ Xinhua News June 22, 2011

¹⁰ China Daily June 2, 2011

Already, the purple, blue and green wheat is past the experimental stage and ready for growing in large areas.

Colorful wheat, which may take at least 12 years to 13 years to breed, has a high nutrient level and can better protect itself from bad weather or bad soil conditions, said Xu Hecai, a technology expert with Zhongpu Wheat Technology. The new variety of anti-drought wheat will be ready to grow in large-scale operations within the next three years.

Henan province plans to build a "Central China Economic Zone" under the 12th Five Year Plan (2011-2015). The latest technology will be employed to create a modern agricultural center in a province where agriculture has been an economic mainstay for thousands of years.

ASA: More US soybeans to be exported to China¹¹

Soybean imports are expected to rise by five percent this year, increasing the attraction of the country to US soybean farmers, a statement made by Alan Kemper, president of the American Soybean Association.

Given constraints over land and water resources, it is difficult for China to meet growing demand for agricultural products such as soybeans domestically. It can buy agricultural products with its bulky foreign reserves, Zhang Monan, a researcher at the Economic Forecast Department of the State Information Center, said.

If imports are to increase, it is not because of a decline in domestic production but because of growing demand, said Liu Denggao, vice-president of the China Soybean Industry Association.

To consolidate its position, the US soybean industry will invest more than USD2 million this year in China's market, Mr Kemper said. The investment will finance programmes teaching Chinese farmers efficient ways of using soybeans to improve the production of swine, poultry, dairy and other agricultural sectors, according to the association.

China imported a historic 54.8 million tons of soybeans in 2010, compared with 15.2 million tons of domestic production, General Administration of Customs data showed. The country's self-sufficiency rate currently stands at 22 percent. The imported soybeans are all genetically modified and mainly used as animal feed or for oil crushing.

Cotton price continues to fall, down 20 percent¹²

The latest monitoring data shows that China's cotton price continued to drop by 20 percent as of June 3. Analysts have pointed out that the radical change in cotton prices since last year has been a great blow to cotton enterprises.

Ma Wenfeng, an industry analyst from Beijing Dongfang Aige Agricultural Advisory Co., Ltd. has estimated that the price of cotton will continue to drop, probably until August or September, as it is affected by insufficient domestic demand and a decline in exports.

The China Cotton Association has stated that if many cotton enterprises would actively deliver goods to textile industries, the transaction volume would be slightly increased. However,

¹¹ ThePigSite News June 23, 2011

¹² Global Times June 7, 2011

downstream enterprises will have to wait for improvement in the latter half of the year when orders start arriving in larger numbers.

Pork prices soar, record high¹³

Pork plays a major role in Chinese consumption, with about 65 percent of China's meat being pork. However, the prices of pork meat have hit a record high as a result of increased costs and a limited supply.

According to Feng Yonghui, chief analyst of Soozhu.com, an online pig market monitoring and analysis service, pork cost RMB 27.67 yuan (USD4.30) a kg by the end of the third week in June, which is even higher than the highest of RMB 26 yuan seen in 2008. Live pigs cost RMB 18.57 yuan (USD2.87) a kg by the end of the third week in June, and the peak in April 2008 was RMB 17.2 yuan a kg.

It is anticipated that the prices will keep rising until the end of the year and that there is no price regulation in site for now.

Corn makes up 60 percent of pig feed. Feng said: "Corn is the biggest force driving the prices of pork and live pigs higher and it reached a record high in March, before the pig and pork prices did." Also, labor costs are another concern as this is also playing a role in the increase of pork prices. "The cost of labor went up by about 20 percent year-on-year. Migrant workers earned about RMB 2,000 yuan (USD309) a month last year, and their monthly wage is now between RMB 2,500 and 3,000 yuan," Feng said.

With the increase of pork prices, consumers may turn to alternatives to meat – like buying more vegetables. This has also raised concerns as this could relay another price increase of vegetables.

Trade deal to benefit UK poultry, pig producers¹⁴

China and the UK have signed a number of agricultural agreements that will allow poultry products from the UK return to the Chinese market. The resumption of UK poultry exports will be worth approximately GBP10 million (USD16 million) annually.

China banned the UK's poultry exports in early 2007 following an outbreak of avian influenza H5N1 on a turkey farm. China had been a top 20 importer of UK poultry products, importing 1,964 metric tons of meat and offal between January and November 2006.

As part of the discussions, five processing plants have been authorized to export pork products to China, worth some GBP25 million (USD40 million) annually.

Zhongpin to build new pork plant in Tangshan, Hebei Province¹⁵

The meat and food processing company Zhongpin will further expand into north China by building a new production facility in Tangshan city, Hebei province.

Zhongpin will invest about USD49 million for the plant that will have an annual capacity to produce about 60,000 metric tonnes of chilled pork, 20,000 tonnes of frozen pork, and 22,000

¹³ China Daily June 21, 2011

¹⁴ WattAgNet.com June 28, 2011

¹⁵ PigProgress.net June 15, 2011

tonnes of prepared pork products, for a total annual capacity of 102,000 metric tonnes. The facility, based on Zhongpin's proven industrial cluster model, also will include cold storage with a capacity of 6,000 tonnes and a cold chain logistics and distribution center. It will also serve as the foundation for additional expansion in the future.

Construction is scheduled to start in the third quarter 2011, with production of chilled and frozen pork expected to start in the third quarter 2012 and production of prepared pork products expected to start in the second quarter 2013. The payback period for this facility is around 5 years.

Mr. Xianfu Zhu, Chairman and Chief Executive Officer of Zhongpin, said, "This expansion is our second production cluster in north China, and marks a significant step in our industrial cluster strategy. This new facility will serve the Bohai Bay area, including Beijing, Tianjin, and the Hebei province, which are important strategic markets in our expansion roadmap.

Swedish-Chinese pig ear deal about to be signed¹⁶

The Swedish government has recently confirmed that it is close to signing an agreement for the export of pig ears to China, where the ears are a sought-after delicacy. Swedish Board of Agriculture and National Food Administration have been working on securing an export agreement for several years.

The agreement would be of significant value to Swedish farmers as only Germany and Denmark have managed to secured similar agreements among the EU countries.

But certain issues remain unresolved and Chinese authorities are expected to conduct an inspection of Swedish pork products production to ensure that hygiene standards are met.

In Chinese cuisine a pig's ear is often served as an appetizer or a side dish. The delicacy can be either boiled or stewed and is typically served thinly sliced and accompanied by soy sauce and spiced with chili paste.

Mitsubishi invests in meat and livestock in China¹⁷

Mitsubishi Corporation (MC), ITOHAM Foods Inc. (ITOHAM) and YONEKYU Corporation (YONEKYU) are to invest livestock and poultry breeding, slaughtering, processing and meat products trading and importing business of COFCO in China.

Mitsubishi, ITOHAM and YONEKYU will acquire 33 percent of the shares issued by COFCO's subsidiary, which is a holding company of COFCO's meat business through MIY Corporation (MIY), an investment vehicle jointly established by them, by July.

COFCO, Mitsubishi, ITOHAM and YONEKYU will expand meat products and processed foods business in China by spending a total of RMB 10 billion yuan (USD1.54 billion) by 2017.

o meat products business, there are plans to open 7 new plants, giving a combined total of 12 plants, which will increase slaughter capacity from 50 million to 300 million birds for poultry and from 0.5 to 5 million pigs a year.

¹⁶ PigProgress.net June 16, 2011

¹⁷ ThePigSite News June 23, 2011

As for processed foods (including processed pork and poultry products), the number of plants will be increased from 4 to 11, which in turn will lead to an increase in production capacity from 20,000 tons to 210,000 tons.

When combined with meats, such as beef, pork and chicken, imported from overseas, annual sales will increase to RMB 18.1 billion yuan from RMB 2.3 billion yuan.

MIY will subscribe for the capital increase needed for business expansion of the Holding Company in proportion to its shareholdings to maintain its 33 percent shareholding ratio and then MIY's total investment is expected to be approximately RMB 3.3 billion yuan by 2017.

COFCO: Fractured supply lines hinder food safety¹⁸

A salient reason for current food safety crisis is fractured supply lines between the agricultural sector and food manufacturers, said Yu Xubo, President of China National Cereals, Oils and Foodstuffs Corporation (COFCO), China's leading food manufacturer.

There is insufficient coordination between enterprises in the upper and lower links of the supply chain, he said.

A COFCO survey of 95,191 interviewees shows 90.3 percent of Chinese are not satisfied with the country's current level of food safety.

DEHP contamination is the latest food safety scandal to hit China. DEHP is plasticizer that may cause hormonal malfunctions in children if consumed in large doses.

Agro giant to invest USD1.5b in Argentina¹⁹

Heilongjiang Beidahuang Land Reclamation Group Co, China's biggest farming company, plans to invest USD1.5 billion to develop farms and expand a port in Argentina's southern region.

The state-owned food producer and the government of Argentina's Rio Negro Province in Patagonia are negotiating an agreement to develop 300,000 hectares of land that are not being farmed, said Maximiliano Bruno, secretary of provincial economic development.

China is the largest buyer of soybeans - Argentina's main agricultural export - as well as soy-oil. China is expanding its presence in Latin America by investing in mining, oil and agricultural products as it seeks commodities supplies, and became Argentina's third-largest foreign investor in 2010.

Under the proposed agreement, Beidahuang will provide financing for the farming of wheat, corn, soybeans, fruit and vegetables and the production of wine in Rio Negro without buying land, said Bruno.

The company will expand a hydraulic power plant and San Antonio's port, where the produce will be shipped to China, Bruno said. The investments, which may start as soon as this year, will be made over the next 5 to 10 years, said Oscar Gomez, project adviser to Rio Negro's local government.

¹⁸ Xinhua News June 14, 2011

¹⁹ Bloomberg News June 10, 2011

Dah Chong Hong and Brasil Foods set up JV²⁰

Dah Chong Hong Ltd, a subsidiary of Hong Kong-listed Dah Chong Hong Holdings Ltd, and Brazilian food processor Brasil Foods, the world's leading poultry exporter and a ready-meal manufacturer, have signed a preliminary letter of intent to set up a joint venture for the distribution of Sadia products in China.

Brasil Foods said that the JV will help the company distribute its products in the Chinese market, establish local food processing operations and develop its Sadia brand in China.

Dah Chong Hong Holdings is one of the largest distributors of food and other consumer goods in China. It has infrastructure for the distribution of frozen food.

Financial services to be introduced to 500 villages²¹

China will work to introduce financial institutions to another 500 villages and towns that currently have no financial services establishments in them, Zhou Mubing, vice chairman of the China Banking Regulatory Commission (CBRC) said. The move aims to promote equal access to financial services in rural areas.

Zhou urged central and eastern provinces and regions to establish financial institutes in all their villages and towns in 2011 and western areas to accelerate the pace. Regulatory authorities should give incentives to encourage social capital in various fields to enter the rural financial market, Zhou said.

Those first building financial institutions in rural areas where financial services are not available will get priorities in the fields including preferential access to the local financial market and lower requirements in operating capital and supervisory standards, he added.

Starting October 2009, the CBRC has been working to promote financial services in rural areas. So far, the number of villages and towns without financial service establishments has been reduced by 646 to 2,299, he said.

Carrefour signs direct-supply memo²²

Carrefour SA China signed a strategic memorandum with the Ministry of Agriculture, a move in line with the Chinese government's eagerness to tame rising inflation.

The memo aims at improving direct supply to supermarkets, through which retailers can purchase directly from farmers. The agreement includes opening more training sessions for farmers and developing more partnerships with retailers.

Earlier this year, the Ministry of Commerce and the Ministry of Agriculture jointly issued the Guiding Principles for Farmers' Direct Supply to Supermarkets. "Direct supply to supermarkets helps stabilize prices, increase farmers' income and ensure supplies and food safety," according to the guidelines.

²⁰ China Knowledge June 1, 2011

²¹ Xinhua News June 24, 2011

²² Xinhua News June 25, 2011

Since 2007, the French retail giant has echoed the Chinese government's call to work with more than 300 farmers cooperatives in 25 Chinese regions and has directly purchased more than 150,000 tons of items, including apples, potatoes, carrots, pears, oranges and pineapples.

PepsiCo looking to farm Chinese market²³

PepsiCo Inc. said it is planning to establish new farms in China. The move is designed to provide a secure supply of raw materials, protect the local environment and promote cooperation between the company and Chinese farmers.

At present, PepsiCo has seven farms in China; three are in the Inner Mongolia autonomous region, and the others are situated in Hebei province in the north, Hubei province in central China, Guangdong province in the south and in the Guangxi Zhuang autonomous region. The farms are all close to PepsiCo factories, and their geographical spread allows the company to rotate production between them, according to the growing seasons, climate, and soils of the different locales.

According to Tim Minges, chairman of PepsiCo China, the company uses a "contract farming" system. That means it signs contracts with farmers and then provides funding and equipment directly. The farming activities are then conducted on an independent basis. Crop orders are fulfilled when the produce is delivered to the company's purchasing stations, where payment is made upon receipt of the goods, all of which helps to reduce the risk to farmers and increase motivation.

The efforts in the agricultural sector follow an announcement by Indra Nooyi, chairman and chief executive officer of PepsiCo, in May 2010 to invest an additional USD2.5 billion over three years. Money is put into the construction of new plants, the establishment of research and development facilities, agricultural expansion and initiatives in branding. The company is building a new R&D center in Shanghai, which will include a pilot plant and serve the entire Asian region.

According to the market research company Euromonitor International, sales of soft drinks, including soda, juice and bottled water, almost doubled to RMB 270 billion yuan in China between 2006 and 2010. Data shows that at the end of last year, PepsiCo ranked 4th with 6 percent market share, after Coca-Cola, 17 percent; Tingyi Holding Corp, 13 percent; and Wahaha Group, 7 percent.

Zhejiang Hisun launches joint venture with Pfizer²⁴

Chinese pharmaceutical manufacturer Zhejiang Hisun Pharmaceutical Co., Ltd. said that it has signed a letter of intent (LOI) with the U.S. drugmaker Pfizer on launching a pharmaceutical joint venture.

According to the LOI, the two companies will jointly launch production to promote drug quality, expand sales through local and global marketing networks and research and develop drugs whose patents are about to expire.

David Simmons, head of the Established Products Business with Pfizer, said the two companies will select from the current products and allocate related production resources to build a strong platform for the potential company.

²³ China Daily July 1, 2011

²⁴ China Economic Net June 3, 2011

Sino-US workshop on Agri Biotech held²⁵

The Sino-US Workshop on Agricultural Biotechnology 2011 sponsored by Development Research Center of the State Council of China, Center for Chinese Agricultural Policy of Chinese Academy of Science, and U.S. Grains Council Beijing Office, was held on June 20, 2011 in Beijing. The workshop was aimed to share experiences and prompt the development of agri-biotech. Stakeholders from multinational corporations, local companies, research institutes, universities, and government agencies attended the meeting. There were discussions on various issues including the impact of next generation biotech products, biotechnology and food security, seed industry in China, technology developers and marketing channel, consumer opinions and implications, regulatory policy, plant biotech communication, and intellectual property protection of GM technology in China.

At the end of the workshop, it was proposed that an Agro-biotech Policy Research Committee would be established to work on GM policy, and to provide reference/comments to policy makers in China and the U.S.

Statistics

Average food prices in 50 cities June 11-20, 2011²⁶

Item	Specification/Unit	Current price (RMB)	Percentage changes as compared to last period (% , June 1-10, 2011)
Rice	Japonica rice / kg	5.39	0.0
Flour	Strong flour / kg	5.01	0.4
Flour	Standard wheat / kg	4.07	0.3
Soy products	Bean curd / kg	3.74	0.3
Peanut oil	5 Lin barrel bulk / litre	22.10	0.1
Soyabean oil	5 Lin barrel bulk / litre	11.59	-0.1
Rape seed oil	Grade 1 in bulk / kg	12.23	-0.1
Pork	Rump / kg	29.05	4.1
Pork	Belly meat / kg	28.20	4.3
Beef	Leg / kg	38.16	0.4
Mutton	Leg / kg	43.97	0.0
Chicken	Frozen fresh chicken / kg	18.10	0.8
Chicken	Breast / kg	19.89	0.6
Ducks	Frozen fresh duck / kg	16.84	0.1
Eggs	Fresh eggs in bulk / kg	9.90	-1.3

²⁵ Crop Biotech Update June 24, 2011

²⁶ National Bureau of Statistics

Major meat retail price June 2011²⁷

Pork (Lean):

RMB1.00 yuan/kg

Average Sales Price (Street markets & Supermarkets)				Var. Percent		
A. 06/11/11-06/20/11	B. 06/01/11-06/10/11	C. 05/11/11-05/20/11	D. 06/11/10-06/20/10	(A-B)/B	(A-C)/C	(A-D)/D
30.66	29.80	27.46	20.44	2.88%	11.65%	50.00%

Egg:

RMB1.00 yuan/kg

Average Sales Price (Street markets & Supermarkets)				Var. Percent		
E. 06/11/11-06/20/11	F. 06/01/11-06/10/11	G. 05/11/11-05/20/11	H. 06/11/10-06/20/10	(E-F)/F	(E-G)/G	(E-H)/H
10.02	10.00	9.40	7.70	0.20%	6.60%	30.13%

Chicken:

RMB1.00 yuan/kg

Average Sales Price (Street markets & Supermarkets)				Var. Percent		
I. 06/11/11-06/20/11	J. 06/01/11-06/10/11	K. 05/11/11-05/20/11	L. 06/11/10-06/20/10	(I-J)/J	(I-K)/K	(I-L)/L
17.40	17.22	17.24	14.72	1.05%	0.93%	18.21%

Beef (Fresh Boneless):

RMB1.00 yuan/kg

Average Sales Price (Street markets & Supermarkets)				Var. Percent		
M. 06/11/11-06/20/11	N. 06/01/11-06/10/11	O. 05/11/11-05/20/11	P. 06/11/10-06/20/10	(M-N)/N	(M-O)/O	(M-P)/P
37.22	36.94	36.24	34.10	0.76%	2.70%	9.15%

Mutton (Fresh Boneless):

RMB1.00 yuan/kg

Average Sales Price (Street markets & Supermarkets)				Var. Percent		
Q. 06/11/11-06/20/11	R. 06/01/11-06/10/11	S. 05/11/11-05/20/11	T. 06/11/10-06/20/10	(Q-R)/R	(Q-S)/S	(Q-T)/T
44.76	44.68	44.10	38.08	0.18%	1.50%	17.54%

²⁷ China Animal Agriculture Association