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## Policies

### **China to deepen rural reforms**

[Xinhua, 24-12-2013] China has pledged to deepen rural reforms and step up agricultural modernization, according to a statement issued after a central rural work conference which ended on Tuesday.

Central government policy on the countryside, agriculture and farmers has been effective in arousing enthusiasm in the new century and has boosted the development of agriculture and the countryside, the statement said.

Reform started in the countryside and rural growth has contributed much to the leap from being barely fed and clothed to moderate prosperity.

"When defining a moderately prosperous society, the key is to observe the condition of farmers," the statement said.

It must be noted that agriculture is still the weakest among the four pursuits of industrialization, informatization, urbanization and agricultural modernization. The countryside still lags behind, the statement said.

"If China wants to be strong, agriculture must be strong. If China wants to be beautiful, the countryside must be beautiful. If China wants to get rich, the farmers must get rich," the statement said.

Tackling problems in the countryside should be at the core of work of the central authorities, the statement said.

### **Full bowls of rice**

Populous as China is, the task of simply feeding the people remains a high priority, the statement said.

"The bowls of the Chinese, in any situation, must rest soundly in our own hands. Our bowls should be filled mainly with Chinese grain. Only when a country is basically self-sufficient in food, can it take the initiative in food security and grasp the overall situation for economic and social growth," it said.

China has set a red-line guarantee that arable land never shrinks to less than 1.8 billion mu (120 million hectares). The line should be strictly followed, the statement stressed.

To ensure the farmers profit from grain planting and the key production bases are active in encouraging farmers to plant grain, more efforts should be made to link agricultural subsidies with grain output, it said.

Click [here](#) for details

### **China's agriculture head clarifies land reform policies**

[Xinhua, 06-12-2013] China's top agriculture official on Friday called for "comprehensive understanding" of the land reform package outlined last month after various interpretations since the announcement prompted concerns that the policy may go off track.

Among the key reform decision publicized by the Communist Party of China Central Committee, issues concerning rural reforms, including allowing the trading of some rural construction land, have invited immediate readings from the public, with some claiming that the market will be open to all rural land.

"Some of those interpretations are insufficient ... as there are certain restrictions for the policy," said Minister of Agriculture Han Changfu at a press conference.

He further clarified that construction land qualified for trade would not include that designated for housing, farming and infrastructure purposes as some have suggested, and it will also be subject to certain planning and use restrictions.

"The policy is intended to increase farmers' property earnings, not to increase land supplies for urban construction, nor to draw urban residents or commercial capital to the countryside to buy land," Han noted, stressing the basic role of family farming in the new agriculture system.

Click [here](#) for details

### **China to complete land-use right registration in 5 years**

[Xinhua, 25-12-2013] China will steadily push forward the issuing of land-use certificates in rural areas and aims to complete the work in five years, the top agriculture official said on Wednesday.

"China will expand the registration to more areas in 2014...and try to roll out the scheme nationwide in 2015 with an aim to finish the work in five years," said Minister of Agriculture Han Changfu at a national meeting on agriculture.

The registration of rural land-use rights have under the spotlight after a key reform meeting last month decided to gradually allow farmers to transfer and mortgage their land-use rights, or turn the rights into shares in large-scale farming entities.

In China, urban land is owned by the state and rural land is normally under collective ownership.

While gradual reforms since the 1980s saw the trading of urban land evolve into a vigorous property market, land in the countryside remain largely static as farmers mostly have rights to use, but cannot directly trade or mortgage them.

To allow the gradual transfer of rural land-use rights, the first step would be the registration and confirmation of the rights, without which an orderly market cannot function.

China has started the pilot registration program in 2008, which expanded to 50 counties by 2012 and to 100 more this year.

Han said two provinces will first begin experiments in all areas, while other provincial-level regions should choose at least one county for the program next year.

Click [here](#) for details

### **Rural land transfer to help farmers**

[China Daily, 11-12-2013] The Decision on Major Issues Concerning Comprehensively Deepening Reforms, issued by the Third Plenary Session of the 18th Communist Party of China Central Committee, highlights the CPC's efforts to ensure that rural residents enjoy an equal share of the fruits of modernization.

The document issued by the plenum says: Form a construction land market that unifies urban and rural areas; allow the sale, lease and demutualization of rural, collectively owned construction land (where buildings can come up) under the premise that it conforms to planning and use control; enlarge the area in which State-owned land can be leased and reduce land allocation that does not promote public welfare; establish a distribution mechanism of value-added income from land that takes into account the State, the collective and the individuals, and improve individual benefits reasonably; and upgrade the secondary market for land lease, transfer and mortgage.

The decision to allow the transfer of rural construction land has once again drawn the public's attention. In China, urban land is owned by the State while rural land is normally under collective ownership. Under the current land regulations, the transfer of rural construction land is strictly controlled. Though only farmers have the right to use such land, they cannot directly transfer or mortgage it. Existing laws prohibit transaction in the rural construction land.

Collectively owned construction land in rural areas must first be acquired by a local government and become State-owned land before being transferred to a realty developer for construction. Such a system complicates the transfer procedure of rural construction land, severely compromising farmers' economic interests and obstructing the industrialization and urbanization process in rural areas.

The problem, therefore, is how to protect farmers' interests in the transfer process and allow them to more liberally use their land-use rights, which would boost the rural land market and facilitate economic development.

The existing land regulations, which impose strict control over the transfer of rural construction land, go against some provisions of the Constitution and the Property Law, resulting in meager compensation for farmers. This is unfair and not conducive to social advancement.

Click [here](#) for details

### **Hukou reforms target 2020: official**

[Xinhua, 18-12-2013] The Ministry of Public Security and 11 other ministries and commissions have drafted reform guidelines for China's hukou (household registration) system that, if approved by the central government, will take effect immediately and aim to establish a new hukou system by 2020, a senior official said on China Central Television.

Huang Ming, vice-minister of public security, said on Tuesday that the new hukou system will gradually extend pension, education and healthcare services to qualified residents, both urban and rural.

Inequalities brought by the current hukou system have prevented migrants from enjoying equal access to services in cities. This creates a major barrier for the country's urbanization process, Huang said.

Currently, there are 260 million migrant workers who live in cities but do not enjoy the same benefits as those who hold an urban hukou.

The new hukou system will be based on a person's place of residence and job, instead of birthplace, and it will be easier for the people to transfer their hukou, Huang said.

The main task of the upcoming reform is to resolve the problems of those who work in cities but don't have urban hukou, he said, adding that reforms must be based on individual choice. The government should not force residents to change their hukou status, he said.

During the central urbanization work conference last week, the government pledged to make steady moves to promote human-centered urbanization, seeking to balance urban and rural development and to unleash domestic consumer demand.

A statement released after the two-day conference — attended by President Xi Jinping and Premier Li Keqiang — said that urbanization is the road China must follow in its modernization drive, and that it represents one important way of addressing rural problems.

The statement promised to fully remove hukou restrictions in towns and small cities, to gradually ease restrictions in mid-sized cities and to set reasonable conditions for settling in big cities, all while strictly controlling the population of megacities.

Click [here](#) for details

### **Farmers prepared to reap benefits from land reform**

[China Daily , 05-12-2013] When Shi Quan arrived in Fengyang, Anhui province in 2006, he immediately sensed a business opportunity.

Shi realized that the system whereby farmers worked scattered plots of often unproductive land was outdated, so he set about changing it.

The recent graduate persuaded a group of farmers in Dawangfu, a village in Fengyang county, to rent him the rights to their adjoining fields and began growing greenhouse vegetables, flowers and garden plants on an extended scale. His intensive regime and his increased use of new technology proved far more efficient than the old system, increasing output by as much as 500 percent.

“Modern agriculture requires the integration of resources and management of scale,” he said. “And land is the most important resource of all.”

The idea quickly caught on. Within a short time, businesspeople and some of the more enlightened villagers started renting the rights to forgotten or fragmented pieces of land in the village, located 500 kilometers southwest of Shanghai.

Shi and his fellow entrepreneurs were pioneers. A pilot program was launched later in some parts of Anhui and a number of other provinces that allowed farmers to swap, rent out or subcontract work on their land.

In 2008, the authorities in Fengyang set up the Fengyang Rural Land Transfer Trading Center to facilitate the transfer of land-use rights and legitimize those that had already taken place. Yiwu in Zhejiang province, the Pinggu district of Beijing and the Wuqing district in Tianjin followed in Fengyang’s footsteps and established similar agencies.

The program is now regarded as a potential major reform in the agricultural sector and is seen by some as a successor to the “household contract responsibility system”, which began in Xiaogang — also in Fengyang county — in the late 1970s and was quickly adopted nationwide.

The household contract responsibility system allowed families to run farms independently, even though the land remained in the ownership of the rural collective. Initially, the system was successful, but after a short time its deficiencies, including the inherent inefficiency of individual household farms, became apparent. Dispirited, many farmers left their villages and went to live and work in cities.

Click [here](#) for details

### **China vows to safeguard national food security**

[Xinhua, 13-12-2013] China will safeguard national food security and continue to pursue the sustainable development of agriculture, according to a statement issued after a four-day central economic work conference on Friday.

A national food security strategy based on domestic supply and moderate imports will be followed. It will ensure production capacity and endorse science and technology, the statement said.

The Central Economic Work Conference reviewed the country's economic work in 2013 and mapped out plans for 2014.

The country will focus on both quality and quantity of agricultural products, food safety, supervision of the production source and the whole sales process, said the statement.

It said China will continue to follow a sustainable development path of agriculture and develop water-saving agriculture.

China will build its capabilities to safeguard food security, improve the construction of agricultural infrastructure and speed up the development of agricultural science, according to the statement.

Click [here](#) for details

### **China cultivates plans to boost grain output**

[China Daily, 07-12-2013] Land reform in rural areas must help raise farmers' incomes, minister says

Despite rising imports, China is committed to feeding its people on its own, though it will also take advantage of the global market, Minister of Agriculture Han Changfu reaffirmed on Friday.

The country's grain output is expected to reach 601 million metric tons for 2013, a record high and the 10th bumper harvest year in a row, Han said, adding that his ministry also has seen a steady growth in farmers' incomes.

"It's true that following consecutive output increases, our grain imports have been rising in recent years," Han said, citing population growth, accelerated urbanization and consumer demand.

Imports were at times used for diversifying varieties, he said. For example, China has sufficient stockpiles of wheat, yet it imports top-grade flour for bread.

Meanwhile, good prices in international markets also spurred procurements, he told a news conference sponsored by the State Council Information Office.

In 2012, the nation imported 2.36 million tons of rice, compared with 590,000 tons the previous year, according to the China National Grain and Oils Information Center.

Click [here](#) for details

### **China targets 53 mln hectares for high-standard farmland by 2020**

[Xinhua, 26-11-2013] China aims to cultivate 800 million mu (53.33 million hectares) of high-standard farmland by 2020, said an economic planning official on Tuesday.

China will invest 1,000 yuan (\$164.1) to 2,000 yuan per mu to increase yields by an average of 100 kg per mu, said the official with the National Development and Reform Commission, citing a recently-approved national plan.

China's State Council has approved a national plan for high-standard farmland construction, setting a goal of cultivating 400 million mu in high-standard farmland by 2015 and a total of 800 million mu by 2020.

The soil of the farms will be richer in organic content and less contaminated, according to the plan.

The move will lay a foundation for guaranteeing agricultural product supply in China, said the official.

Click [here](#) for details

## **Profit motives eating into China's food security**

[Global Times, 30-12-2013] After the Central Rural Work Conference, a high-level government meeting convened last week in Beijing, China's top leadership reportedly reiterated its commitment to a food security strategy based on self-sufficiency and moderate imports. This affirmation comes just weeks after the conclusion of the Central Economic Work Conference, where leading policymakers identified food security as one of China's highest priorities for 2014.

Authorities won't find it easy to turn China into a completely self-sufficient grain producer, especially as large swathes of rural land get gobbled up for commercial development in the country's sweeping urbanization campaign. Even now, China is said to be perilously close to the 120 million hectare "red line" calculated to leave the country with enough arable land to keep its citizens adequately fed. Amid the current push toward agricultural reforms, the government should focus on adjusting its policies related to the economics of food production.

On the surface, of course, it seems that China's agricultural sector is still doing fairly well. Domestic grain output is expected to hit 601.94 million tons in 2013, up 2.1 percent over the previous year, according to recent information from the National Bureau of Statistics.

Yet, in 2012, State grain traders imported over 70 million tons of wheat, corn, rice and other commodities. For 2013, as well as the coming year, import volumes are only expected to rise as the country's grain appetite grows and farmland becomes scarcer.

According to reports from the Ministry of Agriculture, by the end of 2012, nearly 180 million hectares of rural land had been transferred in China, of which 1.87 million hectares of arable land was transferred to commercial enterprises. But in some areas, only 6 percent of these enterprises were using their newly acquired land for agricultural production.

Based on our investigations in eastern China, most farmers are signing over their land use rights to manufacturers or property developers rather than agribusinesses because the former are usually willing to offer higher levels of financial compensation.

Click [here](#) for details

## **Professional farmers needed for the fields**

[Xinhua, 27-12-2013] "Who will farm in the fields?" The central government raised this important question in the statement issued after Central Rural Work Conference on Tuesday, clearly highlighting the essential role of people in rural work.

Because we can hardly deal well with rural work without plenty of qualified farmers, solving the problem of the lack of quality farmers is the prerequisite for solving the problems of agriculture.

To make farming an attractive occupation, the authorities need to make efforts to increase farmers' incomes first in order to boost rural residents' enthusiasm for farming.

The authorities should first make efforts to change the traditional self-sufficient farming model and establish modern professional farming, as agricultural industrialization, larger farms and intensive farming will effectively change the current low-efficiency farming model and raise farmers' incomes.

Modern agricultural services are also needed to support modern farming methods, and this is something the government will emphasize in future rural development.

External support is also indispensable if farmers are to become more qualified and professional. Zhang Hongyu, head of the industrial policy and regulation department with the

Ministry of Agriculture, describes the characteristics of the new-style professional farmer as "having capital, mastering technology and being good at management in farming".

By ensuring farmers have the necessary capital, technological and management skills, it should be possible to achieve the goal of doubling the average income of farmers in 2010 by the end of 2020.

Improving rural people's living standards is essential if a well-off society in an all-round way is to be realized.

China's rural population still accounts for about half the total population and their interests should not be ignored or sacrificed.

Whether agricultural production can be a profitable and attractive means of making a living is the key to answering the question who will farm in the fields.

And this is a question of especial significance to China, given its huge population. As the government highlighted in its statement of the conference, "only when a country is basically self-sufficient in food, can it take the initiative in food security and grasp the overall situation for economic and social growth".

Click [here](#) for details

### **GM corn application under review**

[Xinhua, 06-12-2013] China is reviewing a new application to sell genetically modified (GM) corn to the country after previous ones were rejected for the reason of insufficient application material, according to the Ministry of Agriculture (MOA) on Friday.

In March 2010, Swiss company Syngenta AG submitted an application to sell GM corn MIR162 and carry out environmental safety and food safety tests in China, before it went on to apply for a safety certificate for the GM corn as a raw material for processing, said MOA spokesman Bi Meijia.

Although the company applied multiple times, it failed to provide sufficient application material and experimental data. Under the principle of prudence, the MOA asked the company to submit supplementary material, Bi said.

Syngenta AG applied again in November this year and the new application is under review, the spokesman said.

Chinese authorities have been cautious with GM crops. The country's quality watchdog said last Friday that 60,000 tonnes of corn from the United States containing the unapproved MIR162 had been rejected.

Click [here](#) for details

### **Chinese province orders separate GM food sales**

[Xinhua, 26-12-2013] The food and drug authority in northwest China's Gansu Province on Thursday told markets to set up special zones for genetically modified (GM) food.

The move guarantees the consumer's right to know what they are buying and choose what they want to buy, according to a circular from the administration.

All food marketers in the province must establish a special counter or shelf for the GM food in their stores from March 1, 2014. They are also ordered post notices in prominent positions to tell consumers they can buy GM food in special zones.

All GM food should clearly indicate contents on their labels, it said.

GM food remains controversial nearly two decades after being introduced to the commercial market, as there is still no consensus on whether it is harmful to humans.

China has a strict trademark mechanism for GM products, including clear labeling, but many transgenic products remain without such labels.

Click [here](#) for details

### **China outlines measures to ensure food safety**

[Xinhua, 19-12-2013] Chinese authorities on Thursday unveiled a package of measures to ensure food safety in 2014, as the more affluent public shows greater care in what they eat.

The measures drawn up by the executive office of the food safety commission under the State Council, China's Cabinet, range from legislation amendments to measures against violations of food safety.

The office called for more rigorous checks, in particular during holidays like New Year and Spring Festival, to prevent major food safety incidents next year.

It urged amendment to the Food Safety Law and other regulations to cover new situations. Management of key products, including infant formula, meat and oil, will be upgraded.

Coordinated effort must be made among departments and regions while food safety awareness is boosted among the public through publicity campaigns.

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### **Farmers want better services to reduce risks**

[Xinhua, 03-12-2013] Liu Xueyou, a farmer in central China, suffered losses of 300,000 yuan (47,619 U.S. dollars) last year due to counterfeit wheat seeds he bought on the advice of a so-called "technical consultant" with an agricultural materials company.

It was the second time Liu suffered losses due to counterfeit seeds. In 2009, he faced losses of nearly one million yuan due to counterfeit seeds. Another grain farmer like him committed suicide that year because of the counterfeit seeds.

"We want improved services and a sound market. Government administration is especially important," said the 51-year-old Liu, a farmer in Xixian County in Henan Province.

Liu began renting farmland from other villagers in 2000. Later, he set up an agricultural cooperative with others. The cooperative's total farmland hit 10,000 mu (666.7 hectares) at the end of last year.

Chinese farmers like Liu have called for better government and social services to reduce risk as their plantation areas expand with much of the rural population migrating to cities for jobs. The country is encouraging the development of intensive agriculture, rather than the household-based model that was adopted starting in the late 1970s.

Counterfeit seeds, fertilizers and pesticides can bring heavy losses to large-scale farmers. The country has launched crackdown campaigns in recent years to tackle the problem.

Click [here](#) for details

## **Science, Technology and Environment**

### **China's grain output rises for 10th consecutive year**

[Xinhua, 29-11-2013] China saw another bumper year for grain production in 2013 as output gained 2.1 percent year on year to hit 601.94 million tonnes, data from the National Bureau of Statistics (NBS) showed on Friday.

This year marked the 10th consecutive year for increased grain output in China.

NBS senior statistician Huang Jiakai attributed the growth to the government's policy support for farming, favorable weather conditions in major growing areas, as well as a successful fight against pests.

In 2013, China's grain cultivation areas totaled 111.95 million hectares, up 0.67 percent from 2012, the NBS data showed.

China launched the minimum pricing program in 2006 to protect farmers from price volatilities, stipulating that the government will buy wheat for state reserves at a set price when market prices fall below the set price.

The central government has also set aside billions in subsidies this year to support the use of key technologies to combat the spread of pests and mitigate the impact of droughts.

The average yield per unit area rose 1.4 percent from 2012 to hit 5,377 kg per hectare this year.

Despite the bumper harvest, analysts cautioned of various challenges China faces to meet the growing demand of its billion-plus population, including shrinking arable land amid the urbanization drive and land pollution due to excessive use of pesticides and fertilizers.

To ensure grain security, the Chinese government has pledged to speed up the transfer of rural land and offer more subsidies to family farms and farmers' cooperatives in an effort to develop large-scale farming.

Click [here](#) for details

### **Commentary: China must find unique way to build ecological civilization**

[Xinhua, 07-12-2013] China must find a way different from the industrialization in the West to build ecological civilization and realize sustainable development, which concerns the future of both the nation and the world.

After solving the food and clothing problems of its 1.3 billion people, the world's second-largest economy has encountered a bottleneck as its fast growth has led to adverse side effects for the ecological environment.

How to curb environmental pollution is a totally new issue for China, as it has no precedents to follow.

China cannot copy the industrialization in Western countries, who did not turn to environment management until they became rich and transferred their highly polluting sectors to developing countries.

The environmental problems faced by China happened over a short period of 30 years, while it took industrialized countries more than two centuries to resolve the issue.

"China cannot be like developed countries, whose peak carbon emissions appeared when gross domestic product (GDP) per capita hit 40,000 U.S. dollars," said Xie Zhenhua, vice chairman of China's National Development and Reform Commission.

He said China started to adopt measures to reduce carbon dioxide emissions when its GDP per capita reached 3,000 dollars.

Besides, factors such as the international division of labor led to China receiving many polluting industries from developed countries. Few chances remain for China to transfer these sectors abroad.

With the coexistence of insufficient development and accompanying side effects, tackling pollution in China and many other developing countries requires more determination and courage than required of developed countries.

In China, building ecological civilization has been elevated to a high level of state will and strategy.

Click [here](#) for details

### **Xinhua Insight: China fishes for ecological solutions**

[Xinhua, 08-12-2013] .....China is speeding up ecological protection and dropping its pursuit of growth at all cost. Decades of industrialization and double-digit growth have left the country badly polluted. Last month's roadmap promised a sound system to protect the country's ecological environment.

The document proposed a "red line" for ecological protection, implementing a system of paid for use of resources and ecological compensation.

Analysts say the harmful smog, contaminated soil and poisoned water supplies all demand a valid system to protect the environment.

"The red line is to limit economic development of environmentally vulnerable regions, such as the river sources," said Xia Guang, director of Policy Research Center for Environment and Economy under the Ministry of Environmental Protection.

In fact, some regions including east China's Jiangsu Province have already drawn their regional environmental protection red line. In Jiangsu, the conservation area takes up more than 20 percent of the provincial land.

In northwest China's resource-rich Qinghai Province, half of its land was included in the protection area. Gold mining was banned across the province except for two gold mines in Baima County and one in Chingdu County.

"Once a region is declared a protected area, local development should be achieved by ecological compensation," said Xia.

In a pilot compensation program, the fund for protecting the Xin'an river is 500 million yuan (about 82 million U.S. dollars) per year. The river rises in Anhui Province and flows to Zhejiang. Anhui and Zhejiang both contribute 100 million yuan for the program.

If the water reaches the quality standard, the downstream Zhejiang will give Anhui 100 million yuan, if not, Anhui will give Zhejiang 100 million yuan. Regardless of the water quality, Anhui will receive 300 million yuan each year from the central government as compensation.

The program has been running for two years and the water quality remains excellent and stable.

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### **China gets tough on environmental targets**

[Xinhua, 25-12-2013] China Wednesday promised to adopt "the strictest" environment and energy policies as it has lagged behind in terms of four binding environmental targets set for 2015.

The four targets are for energy intensity, carbon dioxide emissions, rationalization of energy consumption and nitrogen oxide emissions, according to a mid-term evaluation report on the implementation of the 12th five-year development plan (2011-2015).

In 2011 and 2012, the first two years of the plan, China's energy intensity, or energy consumption per unit of gross domestic product (GDP), only dropped 5.54 percent. The target is a 16 percent reduction from 2010 to 2015.

The five-year plan aims to reduce the carbon intensity, or the amount of carbon produced per unit of GDP, by 17 percent from 2010 to 2015. In the first two years, it was only reduced by 6.6 percent.

The country also failed to gain a substantial increase in non-fossil energy in the first two years. In 2012, non-fossil energy accounted for 9.4 percent of China's total energy consumption, only up 0.8 percentage points from 2010. The target is 11.4 percent by 2015.

The emission of nitrogen oxides in 2011 and 2012, which closely affects air quality, increased by 2.82 percent from 2010. The target seeks to reduce 10 percent from 2010 to 2015.

In 2011 and 2012, economic growth was faster than expected. The country did not move fast enough in reforming its industries and increasing use of green energy, while a number of enterprises were slow at cutting pollution, said Xu Shaoshi, minister in charge of the National Development and Reform Commission (NDRC), when briefing lawmakers about the report.

The report describes the issues as "grave" with pollution spreading and damage worse and lasting longer in the long term.

Click [here](#) for details

### **China confirms H5N2 bird flu outbreak in Hebei**

[Xinhua, 21-12-2013] An outbreak of H5N2 bird flu in poultry has been reported in north China's Hebei Province, the Ministry of Agriculture (MOA) announced on Saturday.

The disease has killed 4,000 chickens raised by a farm in Baoding City after they showed symptoms of the suspected avian flu on Dec. 17, according to the MOA.

The National Avian Influenza Reference Laboratory on Saturday confirmed the epidemic was H5N2 bird flu after testing samples collected at the farm.

Local authorities have sealed off and sterilized the infected area, where a total of 125,700 chickens have been culled and safely disposed of to prevent the disease from spreading.

Bird flu, or avian influenza, is a contagious disease of animal origin caused by viruses that normally infect only birds and, less commonly, pigs. It can be fatal to humans.

Click [here](#) for details

### **Genetically modified crops - Food fight**

[Economist, 14-12-2013] Of the many thousands of usually small protests that break out in China every year, few relate to national policy. Many consider the risk of challenging the central government too great. But the entrance to the agriculture ministry is a gathering spot for occasional demonstrations. Their complaints are about an issue dear to the ministry: genetically modified (GM) crops. At one protest this year, a group chanted slogans calling for the eradication of "traitors" who support GM food. Debate over the technology is escalating, putting the government in a bind.

Public unease about genetic modification is common around the world. In China, alongside rising concerns about food safety, it has taken on a strongly political hue. Chinese anti-GM activists often describe their cause as patriotic, aimed not just at avoiding what they regard as the potential harm of tinkering with nature, but at resisting control of China's food supply by America through American-owned biotech companies and their superior technology.

Conspiracy theories about supposed American plots to use dodgy GM food to weaken China abound online.

They are even believed by some in the government. In October an official video made for army officers was leaked on the internet and widely watched until censors scrubbed it. “America is mobilising its strategic resources to promote GM food vigorously,” its narrator grimly intoned. “This is a means of controlling the world by controlling the world’s food production.”

Peng Guangqian, a retired major-general and prominent think-tanker, echoed these sentiments in an article published by official media in August. He said America might be setting a “trap”. The result, he said, could be “far worse than the Opium War” between Britain and China in the 1840s that Chinese historians regard as the beginning of a “century of humiliation” at the hands of foreign powers.

China already uses plenty of GM products. More than 70% of its cotton is genetically modified. Most of the soyabeans consumed in China are imported, and most of those imports are GM (often from America). The technology is widely used for growing papayas. The government wants to develop home-grown GM varieties and has spent heavily on research, eager to maintain self-sufficiency in food. Officials see GM crops as a way of boosting yields on scarce farmland.

In 2009 China granted safety certificates for two GM varieties of rice and one of maize. This raised expectations that it might become the first country in the world to use GM technology in the production of a main staple. But further approvals needed for commercial growing have yet to be granted. To the consternation of GM supporters, the safety certificates for the rice are due to expire next August.

Click [here](#) for details

### **Food security more than just quantity**

[Xinhua, 25-12-2013] It is always the top priority for the government to ensure people have access to enough food, especially in a populous country like China, Tuesday's central rural work conference emphasized. The tone echoes the annual central economic work conference in mid-December, which listed guaranteeing national food security as the primary major task for 2014.

Both conferences elaborated a national food security strategy based on domestic supply and moderate imports, aimed at ensuring production capacity and speeding up the development of agricultural science and technology.

Ensuring that China is self-sufficient in grain supply is extremely important for national security. China's focus on food security shows the central leadership has strong crisis awareness and attaches importance to people's lives and security. With a huge population, the importance of food security cannot be overemphasized. Catastrophic famines in the past tell how devastating they can be.

What is food security? Having enough accessible food in hand.

There have been studies showing that China's self-sufficiency in grain has plunged below 90 percent, but more detailed studies show that beans accounted for over 70 percent of China's grain imports. As a result, the country's self-sufficiency rate for major grains other than beans remains higher than 97 percent.

In fact, the core of ensuring food security is to realize the country's sufficient and stable grain supply. To reach that goal, a country can rely on both its own production and trade; but

considering China's huge population base, decision-makers cannot take risks in this regard and it is much better to seize the initiative in grain supply. Therefore, highlighting domestic production for sufficient grain supply is a choice based on reality.

However, fast urbanization and industrialization have resulted in increasingly prominent contradictions between urban construction and preservation of arable land. Some local governments are using the urbanization drive for land acquisition, threatening to reduce the country's arable land to below the government's red line of 1.8 billion mu (1.2 million square kilometers).

Advances in agricultural science and technology have made the grain yield per unit area increase fourfold, but because of the increasing technical difficulties, the dividend that can be tapped through technological progress is limited. Without new technological breakthroughs, the risks to grain self-sufficiency will grow. Therefore, China's emphasis on food security and striving for self-reliance in grain production means protecting the existing arable land.

That means to ensure grain self-sufficiency, China should not only guarantee the amount of arable land, but also attach great importance to land pollution issues.

Click [here](#) for details

### **Food safety scares prompt Chinese to press their own cooking oil**

[SCMP, 04-12-2013] Worries about food safety have led some consumers on the mainland to turn to imported goods or to plant vegetables on the balconies of their flats to ensure the quality of their diet. Now some are even going as far as making their own cooking oil.

Three years ago after a series of scandals revealed that millions of tonnes of cooking oil was being recycled and sold back to consumers, Cui Ronghua, a peanut exporter from the eastern port of Qingdao, decided to do something about it. His children were already drinking baby formula bought from overseas and the family cooked with imported olive oil.

“I know all about peanuts and sell some of the best to Japan and Europe. I thought, ‘why can’t I make the best oil for the kindergarten of my children,’” he said.

Cui spent 1.2 million yuan (HK\$1.5 million) on an oil press, opened a workshop, hired an elderly oil-grinding expert and visited about 30 similar manufacturers to learn about the process.

His first batch of oil was finally produced in December last year.

Cui publishes full details of the production process online so customers know the quality of his product is assured. He also has the oil tested by quality controllers to safeguard standards. Some bottles of his oil, branded under the name Virtue Happiness, fetch as much as 75 yuan online.

Not everybody is producing oil on an industrial scale, however. Oil presses have also become popular kitchen electronic appliances at home, with some companies saying they are selling nearly 1,000 a month.

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### **Fox flesh found in donkey meat package at Wal-Mart**

[Shanghai Daily, 23-12-2013] Fox meat was found in a package that was supposed to contain donkey flesh at a Wal-Mart store in Jinan City, Shandong Province, Yangcheng Evening News reported yesterday.

A man surnamed Wang said he bought the so-called donkey meat, but thought it tasted strange.

He then asked an authorized institute that was not identified to test it. After testing, the institute concluded it was fox meat, the report said.

Wang reportedly asked for compensation from the supermarket but Wal-Mart refused. The supermarket claimed Wang had purchased 1,600 packages of donkey meat and suspected him of trying to extort money. The donkey meat producer also denied any problems, the report said.

A fox breeder surnamed Xue told the newspaper fox meat sells for about 6 yuan (US\$0.99) per kilogram, which is cheaper than donkey meat.

The report said the fox meat could pose health risks to those that eat it.

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### **China arable land area above food security red-line**

[Xinhua, 30-12-2013] Although China's latest national land survey showed better-than-expected arable land figures, the country's growing population, accelerating urbanization and pollution are eroding the country's arable land and threatening food security.

According to the results of the second national land survey released on Monday, China's arable land totaled 2.03 billion mu (about 135.4 million hectares) at the end of 2012, 227 million mu more than the "bottom line" set by the government to ensure food security.

The total arable land area was larger than in the previous land survey. However, the actual available arable land was just slightly above the government's red-line after deducting land arranged for forest and pasture restoration or land deemed not suitable for farming because of pollution, said Wang Shiyuan, vice minister of land and resources at a press conference.

The three-year survey showed that China's per capita arable land area shrank to 1.52 mu by the end of 2009, far below the world average of 3.38 mu, Wang said.

Wang said China must step up efforts to guarantee the arable land red-line, as the per capita figure is still decreasing due to a growing population and accelerating urbanization process.

To make the situation worse, soil pollution is also hurting farming, with around 50 million mu -- about 2 percent of the country's arable land -- too polluted with heavy metals or other waste to be used for growing food, according to Wang.

As the world's most populous nation, China has been striving to maintain food self-sufficiency.

Click [here](#) for details

### **China seeks solution for polluted lands**

[China Daily, 30-12-2013] About 3.33 million hectares (8 million acres) of China's farmland is too polluted to grow crops, a government official said on Monday, highlighting the risk facing agriculture after three decades of rapid industrial growth.

China has been under pressure to improve its urban environment following a spate of pollution scares.

But cleaning up rural regions could be an even bigger challenge as the government tries to reverse damage done by years of urban and industrial encroachment and ensure food supplies for a growing population.

Wang Shiyuan, the vice-minister of land and resources, told a news briefing that China was determined to rectify the problem and had committed "tens of billions of yuan" a year to pilot projects aimed at rehabilitating contaminated land and underground water supplies.

The area of China's contaminated land is about the same size as Belgium. Wang said no more planting would be allowed on it as the government was determined to prevent toxic metals entering the food chain.

"In the past there have been news reports about cadmium-contaminated rice - these kinds of problems have already been strictly prohibited," he said.

This year, inspectors found dangerous levels of cadmium in rice sold in the southern city of Guangzhou. The rice was grown in Hunan, a major heavy metal-producing region.

China's determination to squeeze as much food and resources as possible from its land has put thousands of farms close to chemical plants, mines and other heavy industries, raising the risks of contamination.

With food security still the most pressing concern, China is determined to ensure that at least 120 million hectares (295 million acres) of land is reserved for agriculture, a policy known as the "red line". The rehabilitation of polluted land is part of that policy.

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## International Relations

### **China steps up support for African cotton-producing countries**

[Xinhua, 03-12-2013] China will expand its cooperation program with the group of four major African cotton-producing countries, or the C4, trade officials from the two sides announced at the sidelines of the ongoing 9th Ministerial Conference of the World Trade Organization (WTO) here Tuesday.

China is moving one step further in promoting the capacity of the C4 countries, namely Benin, Burkina Faso, Chad and Mali, in production, processing and logistics cooperation of the cotton industry, said Chinese Minister of Commerce Gao Hucheng at a press briefing.

The agreement is a follow-up of a cooperation program that started in 2011 at the 8th WTO Ministerial Conference, which helped cotton production in the four cotton-growing countries that roughly account for 15 percent of the world's cotton exports.

The program has helped cotton growers at home, said Abderahim Bireme Hamid, Chad minister of commerce and industry, on behalf of the C4 group.

Based on the previous program, practical measures will be taken to conduct more effective and diversified cooperation under the framework of South-South cooperation, according to the two sides.

"China wishes to enhance the C4's capacity in the area of cotton through processing and logistics, so as to make it a new model of south-south cooperation," said Gao.

The extended program will cover new areas such as cotton processing and sales, he said.

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### **China's cotton output to shrink**

[China Daily, 06-12-2013] Affected by adverse weather, a reduced planting area and lower Indian cotton prices, China's cotton output is expected to drop sharply this year compared with 2012, which will result in increased cotton imports.

Lu Huaiyu, vice-president of the China Cotton Association, said that the cold weather during the cotton seeding season, heavy rains and then a drought in major cotton-planting regions such as Hunan, Anhui, and Jiangsu provinces between June and August have severely cut the nation's cotton production.

The Ministry of Agriculture forecast that the nation's cotton output will be around 6.3 million metric tons in 2013, down 540,000 tons from last year's figure.

Anhui's agricultural authorities estimated that the province's cotton output decreased 17 percent this year and that cotton quality is lower than in 2012, mainly due to the heavy rains.

China has 13 major cotton-planting provinces and autonomous regions, and nearly half of them were hit by adverse weather conditions this year.

Lu said that cheaper Indian cotton prices and shrinking cotton farmland are another two important factors behind the country's lower cotton output.

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### **UK looks to expand exports of offal to China**

[CCTV, 05-12-2013] The UK is looking to export more meat to China, particularly cuts of meat that are not commonly sold in British supermarkets. This is also on the agenda of British Prime Minister David Cameron's trade visit to China.

Offal, such as pork heads, as well as tails and ribs are among the products being shipped to China. And if more agreements are reached, exports are set to rise even further.

Here at St. John in London, offal including pressed pig's ears, rolled spleen and salted pig's liver are on the menu. The restaurant champions preparing all the edible parts of an animal, known as nose to tail eating.

St. John is world renowned and has won many accolades for its food. But preparing ears, tails and feet is not the norm in the UK.

So the British government is been looking to boost sales abroad.

"The bits of the carcass that we don't typically consume for historical reasons are popular in another country and it is a fantastic opportunity globally to trade with a massive trading partner," Steve Barnes, Commercial Director of UK Food and Drink Federation, says.

Among the delegation that traveled with Prime Minister David Cameron to China are British meat producers. The UK government wants to be able to start exporting chicken feet, among other types of British meat.

But negotiations can be lengthy. Reaching an agreement to supply a selection of cuts of pork to the Chinese market took six years.

"If you look at it from their angle they need to be convinced we have necessary controls, that is what we have spent time doing. foot and mouth in 2001 was a big issue," Mick Sloyan, CEO of BPEX, says.

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### **Scotch whisky training scheme to launch in China**

[BusinessInsider, 09-12-2013] A new training scheme is being launched in China this month to help promote Scotch whisky sales.

The Whisky Ambassador programme will offer accredited training to bar, restaurant and hotel staff, distributors and private individuals.

MacKenzie Group will deliver the Whisky Ambassador course - the only Scottish industry accredited whisky training course in China – which will initially be rolled out in Shanghai, Beijing, Guangzhou, Shenzhen and Xiamen.

The programme, which was created and developed in Scotland, is an accredited certification from the British Institute of Innkeeping.

Targeting Chinese cities with a strong interest in whisky and already established whisky bars, the training includes how to spot a fake bottle of whisky, how to understand the pricing and value of whisky and how to start up a whisky club.

Bar staff will also be given tips on conversing about whisky when interacting with customers.

Since its launch last year, the programme has been already been picked up by Scottish establishments, including Trump Golf Scotland in Aberdeen, and Principal Hayley's Grand Central Hotel, and Radisson Blu, in Glasgow.

The programme has also been exported to Lithuania in conjunction with the Lithuanian Sommeliers Association.

Click [here](#) for details

### **China promises to promote US beef imports**

[AP, 20-12-2013] China promised Friday to ease restrictions on imports of U.S. beef and to speed up work on opening its market for government purchases of software and other goods.

The pledges came as American and Chinese envoys ended a meeting of the annual U.S.-China Joint Commission on Commerce and Trade amid disputes over market access for goods from solar panels to genetically modified corn.

A Chinese deputy commerce minister, Wang Chao, said at a news conference the two sides agreed to "promote U.S. beef exports to China" but gave no details. A deputy agriculture ministry, Niu Dun, said the two sides will work on technical issues but gave no timetable for when full-scale imports might be allowed.

Beijing banned U.S. beef in 2003 due to fears of mad cow disease. It has promised in recent years to ease those restrictions but effectively maintained its ban.

Wang said Beijing also committed to submitting a new proposal next year to join the Government Procurement Agreement, which extends the World Trade Organization's free-trade principles to purchases by governments.

Government agencies, hospitals and other official entities in China are major purchasers of software and other goods. Business groups say extending the GPA to China could create multibillion-dollar new opportunities for foreign suppliers.

Beijing promised to join the GPA when it became a WTO member in 2001. But the United States and other governments complained its proposed terms were unrealistic. They would have kept large areas of government purchasing off-limits on security grounds and allowed Beijing to wait up to 18 years before implementing all of its promises.

Wang, the commerce official, said Beijing promised next year's offer would be in line with proposals by other countries.

Click [here](#) for details

## **China rejects U.S. GM corn shipment**

[Xinhua, 20-12-2013] China has rejected 12 batches of U.S. corn shipments tainted with a genetically-modified (GM) strain not approved by the country's agriculture ministry, its leading quality supervisor said on Friday.

Shipments totalling 545,000 tonnes were found to contain the unapproved MIR162, a strain of insect-resistant transgenic corn, the General Administration of Quality Supervision, Inspection and Quarantine said in a statement.

The administration said local entry-exit inspection and quarantine bureaus have returned the batches and it has notified the U.S. authority.

It urged the U.S. authority to improve its inspection procedures to ensure that they comply with Chinese quality standards.

Click [here](#) for details

## **China beef imports seen doubling by Rabobank over five years**

[Bloomberg News, 24-12-2013] China, the world's biggest meat consumer, may double beef imports by 2018 as consumers can afford to buy more products they deem to be safer and healthier, according to Rabobank International.

Shipments from overseas may exceed 500,000 metric tons as domestic output fails to meet demand, Beijing-based analyst Pan Chenjun, said in an interview. Consumption of processed pork products will rise by more than 10 percent a year, she said.

A gain in China's demand for higher-priced meat will help the beef producers including Australia and Brazil and benefit processors such as Tyson Foods Inc. (TSN) and Smithfield Foods Inc., owned by Hong Kong-based Shuanghui International Holdings Ltd. China last week said it is seeking an agreement to resume U.S. beef shipments by July 2014 after they were banned in 2003.

"China has a structural beef shortage" after losses in 2006 prompted farmers to slaughter herds, Pan said yesterday. Rising grain prices and the long growth cycle for cattle have prevented a quick rebound in output, she said.

Beef imports in the first 10 months totaled 253,196 tons, compared with 38,251 tons in 2012, according to data by the U.S. Meat Export Federation. While this year's growth has been exceptional because of the domestic shortage, imports may jump again if prices of overseas supplies fall, she said.

Cattle futures for February delivery on the Chicago Mercantile Exchange rose 0.2 percent to \$1.34175 a pound at 1:19 p.m. Beijing time, up 1.4 percent in 2013 after rising 8.9 percent in 2012. Hogs for February settlement were little changed at 86.2 cents a pound.

There will be "steady and robust growth" in China's beef demand during the next five years, Joel Haggard, the U.S. Meat Export Federation's vice president for the Asia-Pacific region, said by phone from Hong Kong. "A growth rate of 10 percent a year is very realistic."

Click [here](#) for details

## **Rising demand drives 721% hike in wheat imports last month**

[China Daily, 27-12-2013] China's wheat imports are expected to hit a nine-year high in 2013, as the country continues to turn to the international market to meet a surging demand for the grain for use in high-protein foods, animal feed, industry and processed goods.

Customs data show that China imported 970,000 tons of wheat from the US, France, Canada, Australia and Kazakhstan in November, a whopping 721 percent increase over the same month last year.

The US was the biggest exporter last month, shipping 772,327 tons of wheat to China.

Boosted by the booming animal feed and food-processing sectors, the demand for both wheat and corn has surged in the past decade. More than 120 million tons of corn and 10.7 million tons of wheat were consumed by Chinese livestock in 2012, while food-processing manufacturers used 21 million tons of wheat, up 9 percent year-on-year.

Not all of the processed wheat and corn is consumed domestically. China produced 190 million tons of animal feed for export last year, up 5.5 percent from the previous year. The feed was sold to countries that included Mongolia, Ukraine, Australia and New Zealand.

Its wheat imports nearly tripled to 3.68 million tons in 2012 compared with the previous year, according to the General Administration of Customs.

Click [here](#) for details

### CHINA'S WHEAT OUTPUT (2008-2012)

Unit: million metric tons



### CHINA'S WHEAT IMPORTS (2008-2012)

Unit: million metric tons



Source: China's National Bureau of Statistics LIYI / CHINA DAILY

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