# CHINA UPDATES

Health Products Association

Your Trusted Source for Market Intel on China's Natural Health Product Industry



ISSUE 33 February 8, 2013

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### **USCHPA Partners with Domestic Health Product Expos**

Every year, the association partners with at least one expo that highlights dietary supplements and natural health products. In 2012, USCHPA partner with two expos. This year we have partnered with three. In the past, most shows were very domestic in nature and didn't have much to offer foreign companies. However, the continued development of China's natural health product industry has seen a similar development and expansion of the expos that represent this fast paced industry.

Below are the expos USCHPA has partnered with and will attend in 2013 all of which happen to be in Shanghai:

March 21 – 23, 2013 – Healthplex: www.healthplex.com.cn

May 7 – 9, 2013 – DNA Expo: www.dna-expo.com

June 25 – 27, 2013 – NPC Expo: www.npcexpo.com/en

China Updates is a service provided by U.S.-China Health Products Association. The Newsletters are issued approximately three times a month. China Updates provides news on regulatory environment, new legislation, association activities and any information related to China's natural health products industry.



### **MOH Announces Seven New Resource Foods**

The Ministry of Health announced seven new resource foods. They are Tea Blossom, Suaeda Salsa Seed Oil, Sacha Inchi Oil, Sumac Fruit Oil, Cordyceps Guangdongensis, Acai Berry and Phylloporia ribis. MOH continues to add ingredients to the list of new resource foods, which is of course wonderful news. However, some ingredients find acceptance an up hill battle.

For example, in talking with a variety of foreign probiotic companies they are finding it difficult to get individual strains accepted as new resource foods. The reason being is that MOH stops at the species level and doesn't go any deeper than that. On the import side this is wonderful because you can simply group your strain under one of the accepted species and gain access to the market. However, you won't be able to market the strain and its health benefit. As each strain has very specific health benefits and act on and in various parts of the body, being able to market the strain's unique health benefits to consumers and healthcare providers is crucial.

Another ingredient that MOH needs to further expand on acceptance and recognition are Omega-3s. Consumers in the U.S. now have a huge variety of products to choose from when choosing an Omega-3 supplement. Not only are the sources of Omega-3s from different sources such as fish, krill and plant based, but they are also being marketed towards a variety of health issues. As many Omega-3 companies have created or working on unique monographs MOH will have to look a bit deeper than just Omega-3.

Hopefully MOH will dig deeper on these approvals. It will not only benefit industry, but will also help government in its surveillance duties as well as help consumers to make informed decisions. (Source: Ministry of Health and USCHPA)

### **Consumer Confidence on the Rise**

Consumer confidence in China rose in the fourth quarter last year from three months earlier as respondents indicated stable spending intentions for the next six months, according to a latest research report.

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The Consumer Confidence and Spending Intentions gained 2 points to 108 in the fourth quarter in 2012, market research firm Nielsen said in a statement yesterday.

The survey of 3,500 respondents in China revealed the confidence of consumers in second-tier cities rose 9 points to 104 while that of first-tier cities consumers fell 8 percent, driven by a decline in personal finances and a poorer employment outlook for the next six months.

"The rise of consumer confidence at the year end suggests an optimistic outlook for 2013 and China's economy is expected to grow steadily thanks to positive impact of government economic policy," said Yan Xuan, president of Nielsen China, including Hong Kong, Macau and Taiwan. (Source: Shanghai Daily)

### **NSF in China 2012 Overview**

NSF international keeps up pursuit of the commitment to protect human health and safety worldwide. In 2012 more Chinese companies turned to NSF-DSGMP Registration program than in the previous years. We're just finishing up our list of events and accomplishments for Dietary Supplementary industry from last year.

**Free Seminar** - We held free seminars concerning DSGMP regulation for dietary supplements in Xi'an and Changsha. NSF's in-depth coverage and commentary helped Chinese local companies keep up with FDA's requirements on dietary supplement industry.

**Public Training Course** - NSF offered training courses around DSGMP topics including FDA inspection readiness, CAPA management and Laboratory Management to share knowledge and methods.



**Pre-audit and In-house Training** — Our auditors performed pre-audit visit and in-house training for companies without confidence of reaching NSF-DSGMP standards.

**NSF-DSGMP Registration** – At the end of 2012, we have had 35 NSF-DSGMP registered Chinese companies, and 11 new registered in 2012. Half of them are botanical extract manufacturers.

**NSF/ANSI 173 Certification** – We now have three NSF/ANSI 173 certified products from Chinese facilities.

We remain appreciated for the trust and support from our Chinese clients. And for 2013 NSF Health Science is ready to further promote the NSF-DSGMP standards as a benchmark for Chinese dietary supplement or components industry through training and DSGMP on-site inspection.

Here are the latest Chinese suppliers to be registered by NSF cGMP program:

Shanxi Guangsheng Medicinal Capsule Co. Ltd., Zhejiang Shangyu King-Year Biochemical Co. Ltd., Huisong Pharmaceuticals, Jilin Baili Biotechnology Co. Ltd., Amol Biotech Co. Ltd., JiaXing Hengjie Biopharmaceutical Co. Ltd., Ferguson (Wuhan) Biotechnologies Co. Ltd., IVC Nutrition Co. Ltd., Zhoushan Putuo Xinxing Pharmachem Co. Ltd., Chengdu Wagott Pharmaceutical Co. Ltd., and Shandong Liyuan Pharmaceutical Co. Ltd.

**About NSF International:** Based in Ann Arbor, Mich., USA, NSF International is a global independent public health organization that writes standards, and tests and certifies products for the food, water, health sciences and consumer goods industries. Established in 1944, NSF is committed to protecting human health and safety worldwide and operates in more than 150 countries. For more information visit their website at: www.nsf.org (Source: NSF Shangahi Office)

### **MOH Adjusts Provision on Aluminum Use**

According to the provisions of the Management Approach of the New Varieties of Food Additives, the Ministry of Health issued the exposure draft on adjusting the use of 12 aluminum-containing foods in the Food Additives Standard (GB2760-2011). The adjustments are as follows:

First, adjust the range and dosage of potassium aluminum sulfate and ammonium aluminium sulfate. Second, abandon the use of potassium aluminum sulfate, ammonium aluminum sulfate, erythrosine aluminum lake, indigo aluminum lake, brilliant blue aluminum lake, lemon yellow aluminum lake, sunset yellow aluminum lake, carmine aluminum lake, allura red aluminum color lakes and other aluminum-containing food additives (synthetic colorants aluminum lake) in puffed food. Third, abandon the use of acidic sodium aluminum phosphate. sodium aluminosilicate, and octenyl succinic aluminum starch as food additives. (Source: Ministry of Health)

### Foreign Brands more Expensive in China

China's appetite for foreign goods especially luxury brands is well known. Foreign brands bring a sense of trust and high quality. However, in China they also come with a hefty price increase.

There was an interesting graphic recently posted showing the high prices of a variety of foreign brands in China compared to with their prices back in their home countries.

- Click here to view the comparison –

Although there are no dietary supplements listed in the above graphic, they too are much more expensive. There are two reasons for this. First, importing to China is expensive. Dietary supplements carry a 20 percent import tax, 17 percent VAT, customs sanitation testing, customs clearance fees, etc. I think you get the picture. In the end, a bottle of supplements has risen in price by almost 50 percent before the distributor and retailer add on their profit margins.

Typically supplements can range from 2 – 3 times the price of its home market. And in some cases where the distributor chooses to gouge customers, the price can reach over 5 times. (Source: USCHPA)

### **MOH Acts on Infant Formula Safety**



China's food safety watchdog plans to introduce tougher regulations on the import and export of dairy products, following a series of scandals.

Any imported dairy product that fails to meet safety, health and environmental standards is likely to be destroyed within three months, or returned to its country of origin, according to a regulation released by the General Administration of Quality Supervision, Inspection and Quarantine on Friday.

The Supervision and Management Regulation on the Inspection and Quarantine of Imported and Exported Dairy Products will come into effect on May 1.

Wang Dingmian, the former vice-chairman of the Guangdong Dairy Industry Association, welcomed the move and said that stricter supervision could help protect customer safety, and force manufacturers to pay more attention to the country's existing nutritional standards.

"Standards do need to be improved, otherwise the effects will be limited," Wang said.

Zhang Silai, a former head of pediatrics at Beijing Hospital of Integrated Traditional and Western Medicine, agreed, adding that dicyandiamide, or DCD, in contaminated milk powder from New Zealand, was an example of one substance that had escaped inclusion in the current regulations.

"It's an element that should not be allowed in milk, yet it's not on the forbidden list in China," she said. "We don't yet know what harm that element could have."

DCD is used to improve water quality on some farms by reducing nitrate levels, as well as cutting greenhouse gas emissions. In September, traces of the chemical were discovered in products being exported from New Zealand. The issue has received huge attention in China after it was exposed a week ago.

The New Zealand Ministry for Primary Industries has since insisted there is no food safety risk — however, many Chinese parents remain nervous of using imported products from New Zealand, especially after hearing that DCD has been linked to melamine, which was the chemical at the center of the contaminated baby formula scandal in 2008 in China.

Both Wang and Zhang said they believed there was no need for parents to worry about milk powder from New Zealand, because of the tiny quantities of the substance involved. A person weighing 60 kg would have to drink more than 130 liters of the milk to be over the European Commission's acceptable daily intake of DCD, and "considerably" more to have adverse health effects, said Wayne McNee, director-general of New Zealand's Ministry for Primary Industries, last week.

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China has become the world's largest baby formula milk powder market, because many Chinese parents have had low confidence in its own domestic brands since 2008. About 80 percent of imported dairy products were from New Zealand in 2012, Wang added.

Chen Zhuolin, the mother of a 15-month-old girl, said: "I'll never allow my baby girl to have domestic milk powder, even though I pay a lot more for imported baby formula." She said that she was going to Hong Kong every month to buy baby formula. Some regions, including Hong Kong, have just issued amount restrictions on purchasing milk powder, as a result of many parents doing the same.

### Yunan Baiyao sued for not Fully Disclosing Product Ingredients



The producer and distributors of Yunnan Baiyao, a traditional Chinese medicine, have been sued for failing to list all of the product's ingredients on the Chinese version of the label. A quick glance at the English label for exports to the US shows that one of their products contains Kusnezoff Monkshood root, a species of wolfs bane, which is considered harmful and potentially fatal in excessive amounts.

Luo Qiulin, a lawyer from Hunan province, filed the lawsuit this week, accusing the manufacturer of failing to inform and respect consumer rights by deliberately withholding ingredients and their amounts on the packaging labels. Identical products have fully listed ingredients on the exported version, according to the state-run China National Radio.

This is the third time the company has come under fire for dubious practices. A lawyer named Zhao Yin from Beijing sued the firm in 2009 because of the allergic reaction he experienced after taking the medicine. The medicine had been wrongly prescribed because the ingredients had not been fully listed.

In 2003, a patient died after taking medicine prescribed ay First Affiliated Hospital of Jinan University in Guangzhou. A court ruled that the person's death was caused by Kusnezoff Monkshood root.

The herb is also known as "intestine-slicing grass" in China, according to Jin Haijie, a director of Beijing University of Chinese Medicine Affiliated Huguosi Hospital. It contains an alkaloid that can harm the kidneys if taken in excessive amounts.

Yunnan Baiyao's medicines have been widely used since 1902 and are otherwise considered an effective treatment in reducing pains and treating rheumatism or joints pains, according to China National Radio.

The maker of Yunnan Baiyao said the medicine's ingredients are not allowed to be made public because they are a state secret. The website of State Food and Drug Administration showed that seven of the company's products were classified as "protected Chinese herbal medicines," in which Yunnan Baiyao and its capsules have been placed under protection since 1995 until 2015.

Jin said the ingredients of many Chinese traditional herbal medicines are undisclosed and protected. Whether they should be made public depends on local laws. Many of these medicines were passed down as family treasures through generations so that the families sometimes hide key ingredients to keep the medicine from being reproduced. A senior manager of Yunnan Baiyao said the company did not violate any laws and its US labels were a gesture of respect to US law and consumer habits, according to China National Radio. (Source: Xinhua News)

### **Qigong Improves Quality of Life for Breast Cancer Patients**

Researchers from The University of Texas MD Anderson Cancer Center have found qigong, an ancient mind-body practice, reduces depressive symptoms and improves quality of life in women undergoing radiotherapy for breast cancer.

The study, published in the journal Cancer, is the first to examine qigong in patients actively receiving radiation therapy and include a follow-up period to assess benefits over time. Even though individual mind-body practices such as meditation and guided imagery appear to reduce aspects of distress and improve quality of life, questions remain about their effectiveness when conducted in conjunction with radiation therapy.

"We were also particularly interested to see if qigong would benefit patients experiencing depressive symptoms at the start of treatment," said Lorenzo Cohen, Ph.D., professor in MD Anderson's Departments of General Oncology and Behavioral Science and director of the Integrative Medicine Program. "It is important for cancer patients to manage stress because it can have a profoundly negative effect on biological systems and inflammatory profiles."

For the trial, Cohen, the corresponding author, and his colleagues enrolled 96 women with stage 1-3 breast cancer from Fudan University Shanghai Cancer Center in Shanghai, China. Forty-nine patients were randomized to a qigong group consisting of five 40-minute classes each week during their five-to-six week course of radiation therapy, while 47 women comprised a waitlist control group receiving the standard of care.

The program incorporated a modified version of Chinese medical qigong consisting of synchronizing one's breath with various exercises. As a practice, qigong dates back more than 4,000 years when it was used across Asia to support spiritual health and prevent disease.

Participants in both groups completed assessments at the beginning, middle and end of radiation therapy and then one and three months later. Different aspects of quality of life were measured including depressive symptoms, fatigue, sleep disturbances and overall quality of life.

### Results show benefits emerged over time

Patients in the qigong group reported a steady decline in depressive symptom scores beginning at the end of radiation therapy with a mean score of 12.3, through the three month post-radiation follow-up with a score of 9.5. No changes were noted in the control group over time.

The study also found qigong was especially helpful for women reporting high baseline depressive symptoms, Cohen said.

"We examined women's depressive symptoms at the start of the study to see if women with higher levels would benefit more," Cohen said. "In fact, women with low levels of depressive symptoms at the start of radiotherapy had good quality of life throughout treatment and three months later regardless of whether they were in the qigong or control group. However, women with high depressive symptoms in the control group reported the worst levels of depressive symptoms, fatigue, and overall quality of life that were significantly improved for the women in the qigong group."

As the benefits of qigong were largely observed after treatment concluded, researchers suggest qigong may prevent a delayed symptom burden, or expedite the recovery process especially for women with elevated depressive symptoms at the start of radiotherapy.

Cohen notes the delayed effect could be explained by the cumulative nature of these modalities, as the benefits often take time to be realized. (Source: MD Anderson Release)

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