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CFDA: Be Cautious When Eating Wild Mushrooms

As a result of an increase number of death caused by eating wild mushrooms nationwide, CFDA recently sent alert to consumers to be very cautious when eating mushrooms.

Casualties caused by accidently eating poisonous wild mushrooms happen more often in summer and autumn in areas including Yunnan and Guizhou province.

The most efficient way to avoid casualties of this kind is not to eat wild mushrooms, said CFDA in the alert. (Source: CFDA)

CFDA: No False Advertisement on Fish Oil

CFDA said in a recent meeting that fish oil products can be used as health product but cannot be added with logos or labels that might involve false advertisement to mislead conumers.

Yan Jiangying, spokesman of CFDA, said : “many fish oil products have no official certificate of health food, and they usually promote itself as a product with high-end fish oil so that they can sell at a better price.”

“ Fish oil can be used for infants as part of nutrition supplement,” said Zhu Feifei, nutrition expert based in Guangzhou. “But parents are not advised to buy fish oil and feed their kids at will.” (Source: tuxi.com.cn)

Fujian Investigated 376 Food Safety Cases Around Campus

The local food and drug regulator of Fujian province released a



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report recently on the special campaign of food safety cases around local campus. The campaign lasted for three months with over 41,810 staffs involved.

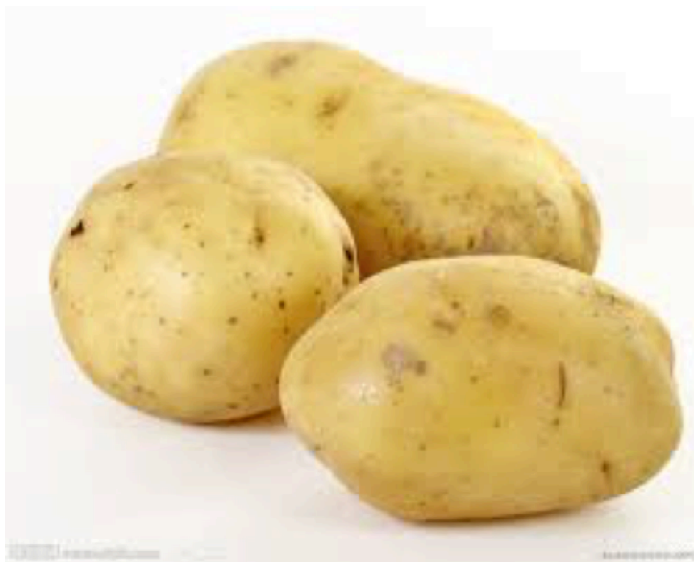
The regulators investigated into nearly 30,000 food vendors, including food production workshop and health food vendors. 2086 of them are found to be with serious problems with 103 batches are suspected to be illegal.

According to related directors of the local FDA, the investigation covers all the grassroots vendors around the campus area. Problems including the weak awareness of food safety among vendors and students are spotted.

The regulators aim to strengthen education of food safety among vendors, and send guidance to local schools to promote the idea of healthy food and nutrition. (Source: Food Safety Journal)

World Conference Discusses Potato Market Potential

The 9th World Potato Congress (WPC) was held in Beijing Tuesday to explore potato market potential and promote industrial cooperation.



"In China, the potato industry is no longer an industry in less-developed and poor regions. It's an essential drive for modern agriculture and the

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highlight of people's dining table," Minister of Agriculture Han Changfu said at the opening ceremony.

The potato is believed to originate from South America and has been grown in China for about 400 years.

"With the Chinese people's dream for a better life, a cleaner environment, more nutritious food and better health, the market demand for potatoes will continue to grow at a rapid pace," said Barbara Wells, director general of the International Potato Center.

China is boosting potato acreage to make it one of the country's staple foods. The current planting area of potatoes is more than 5.5 million hectares.

Han said China is willing to cooperate with the world and play its role in promoting the global potato industry.

The three-day event in Beijing's Yanqing County has attracted nearly 1,000 representatives from over 30 countries and regions.

The triennial event was first held in Canada in 1993. (Source: Xinhua)

Food Safety Watchdog Orders Warehouse Checks for Smuggled Frozen Meat

China's food safety watchdog has called for local authorities to be on the lookout for smuggled frozen meat after a large amount of smuggled

meat, some of which have been frozen for four to five years, was seized by customs.

Meat processors, storage businesses and catering companies should refrain from buying or selling meat with unidentified origins, the China Food and Drug Administration (CFDA) said in a statement published on its website Sunday.

Enterprises should notify the authorities if they have handled such meat since July 2014, it said, adding they must not fabricate or tamper with records.

According to the statement, all the seized frozen meat, including pork, beef and chicken wings, has been destroyed. The General Administration of Customs and the Ministry of Public Security will continue to investigate the illegal meat.

Around 800 tonnes of frozen meat worth about 10 million yuan (\$1.61 million) was seized in Hunan Province in June. A total of 20 people were detained.

The CFDA also urged media outlets to objectively report food safety issues. Earlier this week, a science journalist voiced his doubt about the authenticity of the frozen meat news, saying preserving the meat for years seems unlikely.

Experts say smuggled meat products usually are not inspected and contain large amounts of bacteria and blood. (Source: Xinhua)

Fujian Province Promote Food Safety Tracking Online

Local food and drug regulator of Fujian province has set up 200 stations province wide to build food safety tracing system and aims to select 100 model stations from them.

The stations will apply online technology to promote management of food safety in the local market.

The provincial regulator also asked the local authorities to better coordinate efforts in regulating local food safety issues. (Source: CFDA)

Alibaba, Unilever sign deal to reach rural Chinese

-Consumer products giant Unilever PLC and Chinese e-commerce giant Alibaba Group Holding Ltd. said Monday they have signed an agreement to work together to better reach China's rural consumers, expand the use of data to improve Unilever's online advertising strategy, and other initiatives.



The companies will also collaborate further on tagging each Unilever product with unique QR codes to allow consumers to verify the product's authenticity, Alibaba said in a statement.

China's retail trends suggest that Unilever has been among several Western companies that have been feeling the pain of the shift of Chinese consumers to online shopping. Unilever's China sales plunged in the second half of last year, which the company attributed to a slowing Chinese economy and a pullback in consumer spending. (Source: WSJ)

Chinese Like Shopping on US Websites

The United States became China's biggest online exporter in 2014, in particular for education, healthcare and food products, according to a report released in Beijing on Tuesday.

Chinese consumers made 18 times more purchases

from the US than from other countries such as the United Kingdom, Japan and Canada last year, according to the 2015 China Cross-border Consumption Annual Index Report, jointly produced by Visa Inc and Economic Information Daily.

Although the report does not provide figures for e-commerce trade, it said the popular online sales seasons in the US for Chinese buyers are around Black Friday (the day after Thanksgiving Day), Christmas, New Year's Day and other national holidays.

Yu Xueli, general manager of Visa China, said the US has a well-developed IT infrastructure, business environment and logistics network, as well as strict regulations to prohibit the sale of counterfeit goods, making it attractive to Chinese buyers.



“The busy season for Chinese consumers was between September and December. Online department stores, branding shops, and airline websites are their favorite shopping places,” said Yu.

China became the world's largest e-commerce market in 2013, and cross-border e-commerce in China surged by 44 percent year-on-year to 449.2

billion yuan (\$72.33 billion) last year, according to the Chinese Academy of International Trade and Economic Cooperation in Beijing. This figure represents 15 percent of China's foreign trade,

In 2014 the country bought 129 billion yuan of foreign goods via online trading platforms, up 60 percent from the previous year.

As an emerging and rapidly growing segment in China, cross-border online shopping is commonly known as haitao, a Chinese word for domestic consumers shopping overseas or paying for third parties to buy products and ship them to China.

Geng Xiaoyan, 33, a marketing specialist in Shanghai, defines herself as “a heavy user” of overseas online shopping. She says that for daily recreation she browses through all kinds of overseas shopping websites or smartphone applications.

“As a large number of overseas shopping platforms are able to deliver international shipping nowadays, I can shop everything you name on these platforms, from home appliances to all my shoes and clothes,” she said.

But the major consumer at her home is her 4-year-old son. Everything he uses now, from shampoo to body lotion, underwear, toothpaste, toothbrushes, healthy food, books, and toys are all bought from overseas websites. Geng said the high safety standards of the products she buys her son is her main reason for choosing these platforms.

Zhang Li, deputy director of the e-commerce research department at the Chinese Academy of International Trade and Economic Cooperation, said China's online purchases of educational products,

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including education websites, books, intelligent development toys and physical education products, have become another new market growth point to diversify China-US trade since last year.

The Ministry of Commerce forecasts annual growth in China's cross-border e-commerce market at 30 percent for 2016.

The report also said that the growth of cross-border e-commerce trading activities between the Chinese mainland and Hong Kong dropped in 2014. (Source: China Daily)

Rich Chinese seek healthcare overseas

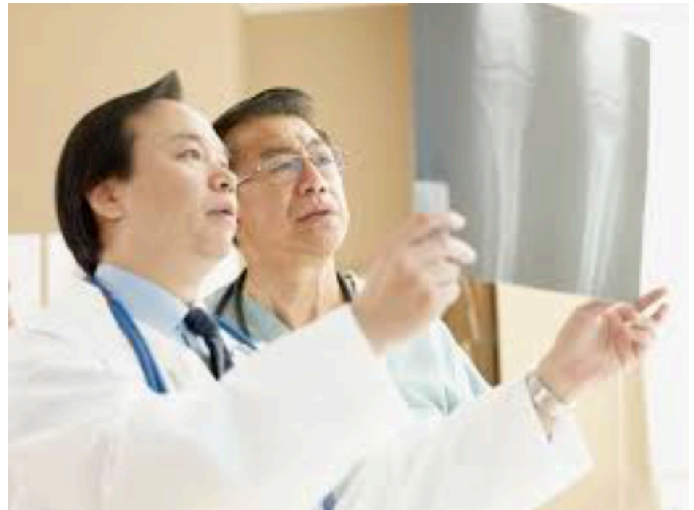
An increasing number of wealthy Chinese are seeking medical services in the US according to a recent survey. A recent research conducted by International Luxury Travel Market (ILTM) Asia shows that Chinese nationals took 9,800 trips overseas for medical reasons in 2013. About 66 percent of the 1.18 million rich Chinese surveyed are considering going overseas for better quality healthcare.

The number of Chinese visiting the UCSF Medical Center has increased by 25 percent over the past five years, according to a report issued by the center in 2014. Most patients that visit the center are seeking treatment for cancers and other serious diseases. Columbia University College of Physicians and Surgeons, Weill Cornell Medical College, Johns Hopkins University School of Medicine are all popular for wealthy Chinese health-tourists as they are all top medical centers with elite doctors.

Zhao Minghua, a Beijing resident, had colon cancer 8 years ago and went to the US for treatment. His medical team soon worked out a treatment plan with the help of a relative who was a doctor in the US. Zhao went back to China for further treatment

after receiving his primary treatment but regularly saw the doctor in the US afterwards.

"It cost me about 1 million yuan (\$161,117) all together, and would have only cost 500,000 yuan in China, but I think it was worth it as I received professional treatment and kind-hearted care," said Zhao.



The large potential of the Chinese market has led many top American medical institutions to create special overseas services. The Mayo Clinic, Johns Hopkins University School of Medicine and other famous medical centers have opened global online reservation systems and some even have Chinese-language websites that offer one-stop services and information, including reservations, billing lists and medical records.

Tech In Asia reported that most patients were sent to hospitals through intermediary agents, who can make between \$1,600 and \$8,000 per patient. These agencies will also help health-tourists secure accommodation and healthy food on their trips.

This emerging industry, however, lacks rules and efficient management, which may lead to the inadequate protection of patients' interests and the



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lax regulation of agencies. The large-scale crackdown on maternity tourism in California in early March provides a cautionary example, said Dr Zhang, a medical professional working in Maryland.

One key way to prevent such issues is greater China-US collaboration. On one hand, US hospitals are in need of greater numbers of paying patients. On the other hand, wealthy Chinese have little knowledge of the American medical system. Much work has to be done through exchanges and the efforts of both governments and medical centers, said Zhang. (Source: Global Times)

Chinese Seek Modern Elixirs For Health And Longevity

Once it was exotic derivatives of traditional medicine – such as liquid extracts of chicken or snake, or medicinal wines – that the Chinese sought as elixirs to health and longevity. Now Chinese consumers have turned their hopes to vitamins and protein powders, thereby creating the world's second-largest market for dietary supplements, after the United States.

A concoction of rising consumer power, growing health awareness, lifestyle changes and a rapidly ageing population is sustaining healthy profits for supplement manufacturers.

The outbreak of severe acute respiratory syndrome in 2003, followed by a cascade of food scares, gave sales a further boost. Chinese not only consume large quantities of potent capsules – while paying higher prices than their American counterparts – they also serve the same stuff to their pets, to the consternation of veterinarians.

China's market for dietary supplements, at about 100 billion yuan (\$16 billion) in 2014, grew by 12%,

from 89.2 billion yuan a year before, according to research consultants Frost & Sullivan. (The U.S. market is \$25 billion.) Figures from the China Health Care Association are even more buoyant, showing the industry growing an average of 10% to 15% each year from 2010 to 2014, with sales expanding from 260 billion to 400 billion yuan.

“A positive industrial environment in the last five years also has driven the fast growth,” says Neil Wang, global partner and China managing director at Frost & Sullivan, confirming that the nutrition and health industry is now a part of the national economic development plan.

Exactly what modern elixirs do the Chinese consumers favor? Plenty of protein powder, calcium supplements, laxatives, vitamin E and weight loss products, the five most popular blockbusters, in that order, according to the latest national audit by IMS Health, whose figures exclude over-the-counter pharmacies.

About 70% of China's dietary supplements are purchased from direct sellers, led by Amway and its army of a quarter of a million, mostly female, sales representatives. As early as 2003, this positive development propelled China to Amway's top market. Frost & Sullivan estimates that Amway holds an 11% share of the overall market, and 20% in the direct selling segment.

Chinese authorities rely on a cumbersome product-registration process to monitor the quality of each supplement that is made or sold in its market.

But China is taking at least one step closer to the United States, where supplements are rather loosely regulated.



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Come October, a new automatic filing system will exempt ingredients and products previously approved from repeated – and costly – laboratory tests and regulatory hoops. But newly imported supplements, or those made with new ingredients, will still have to pass through the same old regime, which takes at least two years to complete. This promises an uphill battle for foreign players, such as NBTY or GNC Holdings, that seek to introduce new products.

“The entry barriers for foreign competitors will remain high. The short-term impact will be good for domestic players like us,” says Liang Yunchao, chairman of By-health, the leader in retail sales.

By-health has built a repertoire of more than 120 products, through more than a decade of registration procedures and paper work, obtaining more product approvals than anyone else in the industry except state-owned traditional Chinese medicine maker Beijing Tongrentang.

The new food safety law that takes effect in October aims to help redress China’s checkered food safety record, by tightening rules on registration, supervision and management of products in the nation’s food supply chain.

Sources of foods and labelling will be traceable; violations will be met with punitive damages and fines up to ten times the price of the involved goods or services; retailers will be required to carry out due diligence on suppliers. Small and medium-sized players with a penchant for illegal additives and exaggerated or false claims could be curbed, to the benefit of consumers, and to established brand leaders. (Source: Forbes)

China Updates is published weekly by the U.S. – China Health Products Association, a non-profit organization dedicated to the promotion of dietary supplements and nutritional ingredients. The association’s major focus is the continued development of China’s overall natural health product industry as well as offer business services to its global members.

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