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## **Xinjiang's Food Industry Value to Exceed 100 Billion Yuan**

Thanks to the preferential policies and rich agricultural resources, Xinjiang's local food processing industry is developing very fast. Statistics show that Xinjiang's food industry value is to exceed 100 billion yuan in three years, becoming a national green food processing and export base.

In 2014, according to government data, Xinjiang has 545 middle and large-scale food companies, accounting for 74.35% of the total number of light industry companies. The food companies generated 18.2 billion yuan revenues to the local industry.

Many local food companies are strengthening development in online sales. (Source: China Food Journal)

## **Qingdao: Food Info Tracking Platform Updated**

As food safety is crucial to each citizen in the society, local food and drug regulators in Qingdao held a seminar to talk about food safety issues amid its campaign to build a national food safety city.

The food production department of Qingdao FDA said that no product by small workshop would be allowed to be sold in the local supermarkets. The regulators also strengthened regulations on soybean products and clear up the illegal workshops in residential areas.



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According to government data, Qingdao has 304 food processing companies. The regulators say that over 90% of the companies will have their information filed to the regulators for reference. (Source: Qingdao Evening News)

### **Alibaba Invests \$1.25 billion in Online Food Delivery Service**

Alibaba Group Holding Ltd has agreed to invest \$1.25 billion in Chinese online food delivery service Ele.me, leading business weekly Caixin reported on Friday.

The report, citing unidentified sources, said Alibaba will obtain a 27.7 percent stake in Ele.me, becoming its biggest shareholder.

Alibaba and Ele.me both declined to comment.

Ele.me, which roughly translates as 'Hungry Now?', is part of a trend in China for what is known as online-to-offline (O2O) services. These include taxi hailing and restaurant review apps that link smartphone users with offline businesses.

Earlier this year, the food delivery service firm raised \$350 million from investors including CITIC Private Equity, Tencent Holdings Ltd, Alibaba rival JD.com Inc, Dianping and Sequoia Capital.

As more Chinese use their phones for everything from shopping to booking restaurants, China's internet giants Alibaba, Tencent and Baidu Inc are increasingly investing in these services to attract more users to their own platforms.

Alibaba, the world's biggest e-commerce company, and social networking and video games titan Tencent together spent more than \$8 billion last year alone backing sometimes strikingly similar ventures, such as taxi hailing apps Kuadi Dache and Didi Dache. (Source: Reuters)

### **Yantai Health Food Permit to Extend**

According to related regulations including the new

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Shandong food sales permit regulation, the local market supervision department requires the local health food companies to apply for new food sales permit as soon as possible.

The new regulation says that the validity of food sales permit will get extended from three years to five years. It also details related regulations on online food sales.

The online food vendors don't need to have offline stores but they need to have storage places for food, says the new regulation.

Those vendors who fail to acquire the new permit in time will face penalties. (Source: China Food Tech Net)

### **Ban or Not, GMO Corn May Already Be On China's Table**

In China, genetically modified food is a hot-button issue, replete with bilateral trade spats and an official ban on the commercial production of GMO grains on home soil. Or at least, there is supposed to be such a ban.

An eight-month probe last year by Greenpeace found what it calls large-scale production of GMO corn in the northeastern province of Liaoning, a major breadbasket region, the environmental

watchdog said in a report Wednesday. Some 93% of random field samples and 20 of 21 samples from grain markets and supermarkets were found to contain GMO strains that are illegal in China, it said.



Though no official public opinion surveys have been released, opposition to GMO food has been vocal and prominent in social media and on newspaper opinion pages. Many in China believe GMO food carries health risks or encourages overreliance on imported products and foreign technology.

The government allows only the import of GMO grains that must then be processed or used as animal feed. In the main, GMO grains aren't supposed to find their way into Chinese soil or direct human consumption. The government prohibits the import of GMO seeds, but it allows research institutes to grow and test GMO crops locally under certain conditions.

Greenpeace said its latest discoveries include genetically engineered, or GE, corn seeds that hadn't been approved by the government and were readily available in local agricultural seed markets. "It is very likely that much of the illegal GE corn has already entered grain storage warehouses, wholesale and retail markets across the country, ultimately ending up in citizens' food," it said.

Greenpeace called on the government to step up its seed inspection and "exercise extreme caution in the commercialization of any GE crops." Greenpeace said it has sent its latest report to the Ministry of Agriculture, but has yet to hear specific comment on it.

The Ministry of Agriculture didn't respond to a request for comment from China Real Time.

Among other places, Greenpeace said GMO corn was found being sold in a supermarket run by French retailer Carrefour SACA.FR -2.03% in Shenyang, Liaoning's provincial capital. The retail giant didn't respond to an email seeking comment.

There is a sense of public resignation that GMOs are already widespread in Chinese food. "Some people are openly lying, and they should be fired," Cui Yongyuan, a former TV commentator, wrote on his Weibo microblog on Wednesday, in a dig at regulators.

Greenpeace has previously weighed in on the infiltration of GMO agriculture into China. Two years ago, the group feuded with Huazhong Agricultural University, a major Chinese GMO research institute, after university officials accused Greenpeace of stealing GMO rice seeds from the campus trial-planting area.

Greenpeace said it didn't take the seeds from university property, and that its members had gone to the area near the campus to test whether GMO seeds had "drifted" from Huazhong's trial areas to nearby commercial planting sites. Greenpeace later said it didn't find conclusive proof of drifting in the Huazhong case.

In 2005, the nonprofit said it discovered GMO rice

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had been commercially sold and grown in China “for a number of years.”

The local government initially denied the claims, but in later years said it took action to eradicate the illegal cultivation and sales, Greenpeace said. (Source: WSJ)

### Consumers Have no Beef with Meat

China is the world's biggest consumer of pork - accounting for about half of global consumption every year - and processed meats. So, when the World Health Organization's International Agency for Research on Cancer published a report that suggested consumption of red and processed meats could be a contributory factor in cancer, especially colorectal, the nation's meat-processing industry expressed dismay and prepared for the worst.



However, despite the industry's worst fears, the impact of the IARC report appears to have been short-lived.

An employee in the sales department of Yurun Group, one of China's biggest meat suppliers, in Nanjing, Jiangsu province, said overall sales of the company's meat products, mostly the processed

variety, haven't shown any signs of long-term decline, despite Yurun's stock price plunging by almost 3.5 percent in the immediate wake of the report.

Wang Chuanxi, who sells processed meat at a Carrefour supermarket in northeast Beijing, said that initially sales of bacon and sausages were affected by the report, "the number of customers still dropped by at least 50 percent in the first few days after publication." So the supermarket responded by offering discounts - such as reducing the price of 1 kilogram packets of bacon by 20 yuan (\$3) - and other promotions to lure customers back. Although sales later recovered, they have still not returned to pre-report levels.

The term "red meat" refers to fresh beef, veal, pork and mutton, while "processed" refers to meats where the flavor has been enriched and shelf life extended through salting, curing, fermentation or smoking and includes both red meat and poultry, such as hot dogs, sausages, corned beef and chicken.

The IARC report, published in October, said consumption of red meat is probably carcinogenic for humans, and classified the level of risk as Group 2A. Meanwhile, processed meat was deemed as carcinogenic and designated as Group 1, the same classification as smoking and excessive alcohol consumption.

Kurt Straif, a program director at the IARC, said the risk is small, but significant. "For an individual, the risk of developing colorectal cancer because of their consumption of processed meat remains small, but this risk increases with the amount of meat eaten," he said.

According to the report, if a person eats 50 grams of



processed meat every day, the risk of contracting colorectal cancer rises by 18 percent, while daily consumption of 100 grams of red meat raises the risk by 17 percent.

"In view of the large number of people who eat processed meat, the global impact on the incidence of cancer is of public health significance," Straif said.

The IARC experts considered more than 800 studies - conducted in a number of countries and among populations with varied diets - that investigated links between the incidence of more than a dozen types of cancers with the consumption of red or processed meat. The most influential evidence came from large prospective cohort studies conducted over the past 20 years.

Christopher Wild, director of the IARC, said: "These findings further support current public health recommendations to limit the intake of meat."

In the meantime, as red meat has nutritional value, the findings are important in helping national governments and international regulatory agencies conduct assessments to balance the risks and benefits of eating red and processed meat, and then provide the best possible dietary recommendations, he said.

Chen Wanqing, director of the Chinese National Central Cancer Registry at the National Health and Family Planning Commission, said cancer is an extremely complex disease and cannot be caused by a single food source.

However, he conceded that IARC is a world-renowned academic organization and the findings were evidence-based. "They are trustworthy," he said. "The exact causes of cancer remain unknown and a balanced diet coupled with a healthy lifestyle is the key to human health."

Fang Yu, chief nutritionist at the Beijing Cancer Hospital, said the IARC report should not be used to promote a complete ban on red meat.



"It's meaningless to talk about carcinogens without mentioning the amount consumed," she said, but recommended maximum monthly consumption of 500 grams of red meat per person and suggested that people should not eat any processed meats.

Dwight W. Clark, medical director of the US-Sino HeartCare Center in Beijing, said that consumption of red or processed meat is not only associated with cancer, but also with other illnesses, such as heart disease.

A study by the National Institutes of Health in the US involving more than 500,000 people in the US found that those who regularly ate large portions of red and processed meats over a 10-year-period were likely to die earlier than their peers who ate little of either.

People who ate about 113 grams of red meat every day were more likely to die from cancer or heart disease than those who ate small amounts, roughly 14 grams a day, according to the study, although the scientists involved classified the increased risk as "modest".



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Unsurprisingly, the meat industry has rebuffed suggestions that red or processed meat can cause, or contribute, to cancer, adding that lean red meat fits the dietary requirements for healthy cardiac function.

Janet Riley, a senior vice-president at the American Meat Institute, an industry group, said the study, which asked participants to list all the foods they ate every day, were unable to demonstrate cause and effect.

"Many of these suggestions could be nothing more than statistical noise," she said.

Despite industry objections, other studies have discovered similar links to those outlined in the IARC report. One study in the US, which followed 72,000 women for 18 years found that people who regularly ate a Western diet high in red and processed meats, desserts, refined grains and French fries had a higher risk of heart disease and cancer than those who didn't.

"Changing Climate, Changing Diets: Pathways to Lower Meat Consumption", a report published by the Royal Institute of International Affairs, an independent policy institute in London, said that globally, meat consumption has reached an unhealthy level and is still rising. Excessive consumption of meat has contributed to rising levels of obesity and chronic illnesses, such as cancer and type-2 diabetes, it said.

Meanwhile, the consumption of meat also has an environmental impact, according to the report, which concluded that the growing appetite for meat has become one of the major drivers of climate change because the livestock sector accounts for about 15 percent of global emissions, equivalent to the exhaust emissions of all the vehicles in the world. Reducing meat consumption worldwide will be critical to keeping global warming below the "danger level" of 2C, the major goal of recent climate negotiations in Paris, it concluded.

Chen Chunming, a nutritionist in Beijing, said

Chinese academics noticed noticeable change in the national diet - increased consumption of protein, mainly by eating meat - in the wake of World War II. However, the trend accelerated as a result of the reform and open-up policy in the late 1970s.

Government statistics show that before the war, the Chinese diet was 98 percent plant-based, and meat was used sparingly, mainly as a form of flavoring.

Official statistics show that in 2012, annual meat consumption averaged nearly 63 kg per person, compared with 12.7 kg in 1980.

Pork accounts for the lion's share of sales, but consumption of "healthier" white meats, such as poultry, has also increased steadily.

"Meat consumption continues to show an upward trend," Chen said, although he added that the figures in China are lower than in the US where each person eats an average 106 kg of meat every year.

Now, not only is the consumption of meat a fact of daily life, but Chinese people are eating it in larger quantities, according to Wang Xinpeng, a beef salesman at a supermarket in Beijing's Chaoyang district, who said 150-gram flavored steaks are becoming increasingly popular with his customers.

"Such a large amount of meat at each serving isn't my thing, but the Chinese, particularly younger people, eat meat a different way now," he said, adding that some of his regular customers eat steak for breakfast every other day. "They really are meat lovers," he said.

Demand set to soar

China's meat industry is now preparing for even higher demand in the years to come, especially after changes to the national family planning policy that will allow most couples to have two children rather than one.

This year will see the completion of the world's largest animal cloning facility, in the Northern port city of Tianjin, where beef and dairy cattle will be cloned for food production and also to improve livestock strains.

Xu Xiaochun, chairman of the Boyalife Group in Jiangsu province, the country's only commercial provider of cloned animals, said the Chinese market for cloned beef has huge potential because there has been a shortage for several years.

The rise in the consumption of meat in China echoes findings by statisticians that dietary habits change as a society becomes more prosperous, more specifically, rising prosperity results in increased consumption of protein, primarily from meat.

Max Rubner, an academic and researcher in the US in the early part of the last century, believed that high protein consumption was a sign of civilization and the right of civilized people. Elitism and arrogance dominated much of the burgeoning field of nutrition in the 19th century, and the "lower classes" were considered lazy or inept as a result of not eating enough meat or protein.

Rubner's argument was partially endorsed by T. Colin Campbell, the Jacob Gould Schurman Professor Emeritus of Nutritional Biochemistry at Cornell University. In his bestselling book *The China Study*, Campbell concluded that a cultural bias had become firmly entrenched: civilized people ate proteins; wealthy people ate meat; and the poor ate staple foods, such as potatoes and bread. "These changing dietary habits are in tandem with the increasing GDP," he said.

However, he also said the concept that bigger is better, more civilized and perhaps even more spiritual, was not only incorrect, but also harmful.

The incidence of heart disease, strokes and certain cancers began to rise with the high-protein diet, particularly animal fats, and China should be fully aware of the situation and take preemptive measures, according to Clarke.

With the increased consumption of meat, usually coupled with the increased intake of refined carbohydrates and high-calorie foods, the mortality rates from infections and malnutrition decreased dramatically, but that good news is offset by the fact that the number of deaths from heart attacks, strokes and cancers began rising, he said. (Source: China Daily)

*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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