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China's National Post Authority Addressed Data Sharing Spat

On the evening of June 2, China's State Post Bureau had a meeting with executives of SF Express, a leading domestic delivery company, and Cainiao, the logistics arm of e-commerce giant Alibaba Group, to negotiate the recent dispute in which the two companies shut down data access from each other.

The state authority urged the two companies to positively address the issue, safeguard the market order and protect consumers' due rights. The two sides already agreed that they would resume data cooperation and data transmission starting the end of this month.

Earlier SF Express accused Cainiao of removing the company as a shipping option and blocking access to vital data. The affiliate of Alibaba later fired back by saying that it was SF which first walled off information that the company needed to get packages to customers.

Liu Qiangdong, CEO of [JD.com](#), another leading Chinese e-commerce platform, said in his verified social media platform that he supported SF Express and called for investigation towards this issue by relevant government departments. (Source: spb.gov.cn/a.mp.uc.cn/)

National Food of Special Use Held in Beijing

A national conference on registration and management of food of special use was held in Beijing. Guo Wenqi, deputy chief of CFDA attended the meeting and addressed at the event.

Last year, the national food and drug regulator studied the status



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quo of the industry of food of special use in and outside China. The authorities have released several documents to regulate this market since.

The local regulators are also asked to strengthen daily inspection and spot the illegal conducts. Mr. Guo stressed at the meeting that the officials need to enhance the team building and strengthens the awareness of serving the people.(Source: CFDA)

Experts Urge Kids Not Taking Nootropic Drugs

An official with the Economic Information and Consumption Committee of Jiangsu Province said that based on the latest numbers, Jiangsu has about 800,000 new babies each year, and each family would spend about 900 yuan for their babies every month.

In total, the consumption for children's food each year nationwide would reach 2.47 trillion yuan.

"More and more families are paying attention to nutrition when buying food for their kids," said the official.

However, experts say that as China has yet come up with food standard specifically for children, some food are adding food additives by the standard for adult food, which would bring risks to kids' health.

An expert with Nanjing's nutrition research center said that it is not meaningful for parents to have their kids to take nootropic drugs to enhance their intelligence. (Source : news.foodmate)

Chinese e-commerce Tax Delay Revives Australian Vitamin Stocks

Beijing's decision to delay a rise in ecommerce import taxes has boosted Australian and New Zealand-based vitamin and food stocks, underlining the importance of Chinese online sales to the region's consumer brands.

Shares in Blackmores, a supplements maker, rose as much as 19.1 per cent, and in a2 Milk Company, a dairy group, 5.3 per cent on Tuesday after China's

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ministry of commerce said the planned tax rise would be delayed until January 2018. The increase, announced last April, met with protests from retailers in the booming cross-border ecommerce market worth an estimated \$90bn annually. Beijing's decision provides a temporary respite for foreign companies that had been fretting the revamped rules would crimp the flow of food and consumer goods into China.



China's total cross-border ecommerce market has grown from Rmb53bn (\$7.7bn) in 2011 to an estimated Rmb626bn in 2016, according to consultancy Mintel, making it a crucial channel for overseas consumer companies. Peter Nathan, chief executive of a2 Milk, said the decision signalled a "strengthening of the commitment to the cross-border ecommerce channel from the Chinese regulators".

The original announcement of the policy last April prompted steep declines in shares of Australian stocks such as Bellamy's, a milk powder maker, whose products had been popular with Chinese consumers and personal shoppers, or daigou, who run small-scale online stores selling foreign products into China. Food safety scandals are not unusual in China and foreign products are regarded as of higher quality than local goods, benefiting Australian and New Zealand companies that sell directly or through daigou. The ministry clarified on Friday that goods coming in via ecommerce platforms would be regarded temporarily as personal, rather than commercial in nature, and subject to a lower tax rate. Personal transactions are tax-free up to Rmb20,000 per person, whereas commercial imports are subject to import tax, consumption tariffs and value added tax.

Such goods also avoid requirements related to domestic registration or labelling. The ministry said retailers in 15 large cities including Beijing, Shanghai and Guangzhou had been cleared to import in accordance with the new regulations from January. Shares in Sydney-listed Bellamy's, an organic foodmaker, closed 15.7 per cent higher on Tuesday. Shares in Hong Kong-listed Biostime, which owns Swisse, an Australian vitamin maker, and which would have been affected alongside Blackmores by new labelling requirements, jumped as much as 9.7 per cent. (Source: FT)

More Seeking Help for Mental Illnesses

The number of registered patients with serious mental disorders in China reached 5.4 million last year, with three-quarters of them suffering schizophrenia, China's top health authority said on Friday.

Of the patients, 88.7 percent are under the management of health authorities, and receive

public services such as medical care and living subsidies, Wang Bin, deputy chief for disease control and prevention at the National Health and Family Planning Commission, said at a news conference on Friday, which coincided with World Health Day.



Previous figures released by the commission showed the number of such registered patients was 4.3 million by the end of 2014, with 73.2 percent managed by health authorities.

China has been improving mental health services, with the number of institutions that offer such services reaching nearly 3,000 by the end of 2015, compared with 1,650 in 2010, Wang said.

Last year, the number of certified psychiatrists in China exceeded 27,700, and the number of psychotherapists in China exceeded 5,000, she added.

Patients with serious mental disorders have been receiving improved services throughout China with multi-departmental cooperation such as regular follow-up diagnosis and treatment.

In places such as Beijing and Shanghai they also



enjoy favorable insurance policies, which provide free medication and more reimbursement for medical bills, according to her.

In Beijing, guardians are eligible for a 2,400 yuan (\$370) annual subsidy from the municipal government if they deliver proper care, according to the city's health and family planning commission.

China faces challenges in improving mental health, due to rising incidences of mental disorders caused by depression, tension, alcohol and dementia, she said.

A survey conducted by professionals from more than 40 psychiatric hospitals and universities in China between 2012 and 2014 found nearly 3.6 percent of Chinese suffer depression-related mental disorders.

Although the rate is lower than countries such as the United States, Australia and South Africa, it saw an increase compared with previous surveys, which may be attributed to increasing psychological pressure on the public due to rapid economic and social development, she said.

The World Health Organization estimates that more than 54 million people in China suffer from depression, and is estimated to cost the nation \$7.8 billion every year from lost work days, medical expenses and funeral expenses, it said in a statement on Friday.

According to Yu Xin, a professor in psychiatry at Peking University Sixth Hospital, said a major obstacle to prevention and treatment in China is the lack of importance paid to the issue by the public and patients.

"This means only a small portion of people with mental diseases are actually diagnosed and treated," Yu said.

Lack of facilities and talent at community-level medical institutions are also major obstacles, he added.

"In many other countries, patients with mental disorders first seek treatment at community health centers or their family doctors," he said. "But in China, most patients go to big comprehensive hospitals first, as other institutes may lack qualified psychiatrists."

Wang said health authorities will improve capabilities of grassroots hospitals to offer mental health services, such as encouraging top public hospitals to provide training to medical staff. (Source: China Daily)

Yum China Launches CNS-Yum China Dietary Health Foundation

Yum China Holdings, Inc. (the "Company" or "Yum China") (NYSE: YUMC) announced that it has partnered with the Chinese Nutrition Society ("CNS"), China's top professional organization dedicated to the research and application of best nutrition practices, to launch the CNS-Yum China Dietary Health Foundation ("Foundation"), reaffirming the Company's commitment to supporting research and development in the field of nutritional science.

The Foundation, which aims to promote a balanced and nutritious diet for Chinese citizens, was launched during China's 13th National Nutrition Science Congress held on 22-24 May in Beijing. With support from the Foundation, the Chinese Nutrition Society plans to expand its research into China's restaurant industry and increase its focus on public nutrition education, as well as initiatives to promote balanced diets.

Yang Yuexin, President of the Chinese Nutrition Society, said, "We are pleased to collaborate with



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Yum China, China's leading restaurant company, to establish the CNS-Yum China Dietary Health Foundation. With this Foundation, we hope to encourage more Chinese people to embrace balanced nutritious diets."

Alice Wang, Senior Vice President of Public Affairs of Yum China, said, "We are honored to partner with China's most influential nutrition organization on this important initiative. Through our joint efforts, we look forward to furthering nutrition research and building understanding of healthy dietary habits among China's urban population."

Yum China has a long history of supporting research into nutrition and balanced diets. In 2007, Yum China and the China Red Cross Foundation established the KFC China Health Foundation, and over the past 10 years, Yum China has provided approximately RMB 15 million (approximately USD 2.2 million) to support over 50 science research and

education programs to improve the eating habits of Chinese people. Through partnership with the Chinese Nutrition Society, the original KFC China Health Foundation has been transformed into the CNS-Yum China Dietary Health Foundation.

Yum China's restaurants across the country actively participate in public health and nutrition campaigns to expand understanding of the importance of good nutrition. Over the past two years, Yum China's flagship restaurant chain, KFC China, has promoted China's National Nutrition Week. In 2017, thousands of KFC China restaurants produced illustrated paper tray mats to broaden nutritional awareness - reaching over 30 million customers. The Company also organizes an annual KFC 3x3 Basketball Championship and sponsors multiple marathons and other sporting events across the country. (Source: Yum China Holdings)



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 and to offer its global members a wide variety of business services to assist in their China endeavors.



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