



THIS ISSUE

China's State Food and Drug Administration Clamping Down on Industry

TCM Scalp Care Product

Herbal Protein Drinks

Inner Mongolia Milk Initiative

China Updates is a service provided by U.S.-China Health Products Association and its media partner Herbridge.com. The Newsletters will be issued as relevant material becomes available. China Updates will provide news on regulatory environment, new legislation, association activities and any information related to the natural health products industry in China.

SFDA New Draft Regulations

Since 2009 the industry has been waiting for the State Food and Drug Administration (SFDA) to release implementation regulations for China's dietary supplement industry. The wait is over and it wasn't really worth the wait. Instead of moving the industry in the direction of transparency and openness, it seems our friends at SFDA are looking in the opposite direction.

China already ranks as one of the most difficult markets to enter in terms of registration of products. Dietary supplements must go through animal and human trials before getting approval. This process normally takes a minimum of 24 months, but there have been many cases that have passed the 3-year mark. The fees are another issue, which can run well over Fifty-Thousand U.S. Dollars for one product.

The new draft regulations have reduced the amount of claims products can make from 27 to 18. Thus narrowing the approval zone for products. SFDA has is also planning to beef up the amount of scientific evidence a company must provide to pass inspection. In most cases, the agency is requiring human trials to be conducted at state approved Chinese facilities.

Below is a chart showing how SFDA plans to reduce the

SFDA's Draft 27 reduced to 18 Claims

- | | |
|---|---|
| <ul style="list-style-type: none"> 1. Improve immune system (AT) 2. Improve Sleep (HAT) 3. Relieve physical fatigue (HAT) 4. Enhance oxygen deficient endurance (AT) 5. Help protect against radioactive matters (AT) 6. Increase bone density (AT) 7. Protect liver against chemical damage (AT) 8. Relieve eye fatigue (HT) 9. Eliminate acne (HAT) 10. Eliminate chloasma (HAT) 11. Improve moisture of the skin (HT) 12. Improve oil content of the skin (HT) 13. Weight loss (HAT) 14. Help in lowering blood glucose (HAT) | <ul style="list-style-type: none"> 15. Improve growth and development (HAT) 16. Anti-oxidation (HAT) 17. Improve nutritional anemia (HAT) 18. Help in memory improvement (HAT) 19. Adjust intestinal flora (HAT) 20. Promote lead excretion (HAT) 21. Promote digestion (HAT) 22. Clear the throat (HAT) 23. Protect gastric mucosa (HAT) 24. Promote lactation (HAT) 25. Promote Fecal Excretion (HAT) 26. Help in lowering blood pressure (HAT) 27. Help in lowering blood lipid (HAT) |
|---|---|

Cancelled

Combined to 1

Combined to 1

HT = Human Testing

AT = Animal Testing

HAT = Human and Animal Testing

Yunnan Baiyao Launched Scalp Care Lines

Yunnan Baiyao Group announced the launch of YangYuanQing(R), which targets a variety of scalp related conditions. The unhealthy scalp can cause folliculitis, seborrheic dermatitis, even scalp cancer. Most hair care products available are designed to treat hair issues not scalp conditions. There are few products to fully combat the complex conditions of scalp, but YangYuanQing(R) fills the gap. The products contain a variety of TCM ingredients, including delavay soapberry pericarp, fructus cnidii, polygonum multiflorum, perillartine, rhizoma gastrodiae, angelica and others. The product exhibits great benefits for scalp nutritional metabolism and microcirculation to revive the scalp. (Source: Herbridge Media)

XinYiHe Focus on New Herbal Protein Drinks

Inner Mongolia XinYiHe Bio-tech Co., Ltd (XinYiHe, China) readjusted its market strategy after the launch of the herbal protein drinks, Health in Hand(TM).

The company researched to improve the taste to attract mainstream consumers and planned to launch new herbal protein drinks in the near future. XinYiHe recently investigated the beverage market and found that the herbal protein drink category account for certain market share in the diversified beverage market, but the drinks with popular taste still lead the market. The company also found that consumers preferred to light drinks in summer, but its soy beverages always have high viscosity. Therefore, the company decides to adjust original development strategy to meet consumer requirements. The new developed herbal protein drinks offer three flavors: peanut, walnut and almond. The company plans to create more popular products based on existing herbal protein drinks in the future. The company primarily selects cans or tetra pak for its future products. (Source: Herbridge Media)

Yili invested in Liquid Milk Program

Inner Mongolia Yili Industrial Group Co., Ltd (Yili) and Animal Husbandry Bureau of Jiyuan City, Henan province agreed to build the liquid milk program with total investment of RMB 500 million. The plant is designed to cover the land of 500 mu (one mu is equal to 0.0667 hectare) and planned to supply 180,000 tons of liquid milk per year. The project will not only ensure sufficient raw milk for Yili, but also offer 1000 more jobs for Jiyuan City and drive local economic growth. Thanks to beneficial foreign capital policy and great market potential, Yili decide to invest in Jiyuan City of Henan Province. (Source: Herbridge Media)

Association Presents at China Vitamin Summit

(Suzhou, China September 22-23, 2011) The association's executive director Jeff Crowther was invited to the 2nd Annual Vitamin Innovation and Development Summit by the Ministry of Commerce's Chamber of Medicine and Health Products.

Crowther gave a presentation on the U.S. Dietary Supplement Industry focusing on opportunities the industry represents to China with the appropriate regulatory reform. Currently, China's State Food and Drug Administration (SFDA) is looking to reform regulations beginning with decreasing the amount of allowable health claims available for dietary supplements from 27 to 18. Details on this are listed below in the first article.

The summit was attended by both industry and government leaders. Presentations covered development and research in China's vitamin industry, Canadian natural health product quality control regulations as well as general discussions on industry trends.

Speaking opportunities like the above give the association the opportunity to address the need for China's regulatory environment to reform directly to China's industry and government leaders. (Source: U.S.-China HPA)

China Natural Ingredient Conference to be Held in Beijing

(Beijing, China) The 3rd Annual China Natural Ingredients Conference (CNIC) will kick off on October 27, 2011 in Beijing. The two-day event will focus on the U.S. FDA's draft guidance on New Dietary Ingredients, GMP and quality certificates for Chinese herbal suppliers, domestic and global herbal consumption, preservation of China's medicinal plant resources, water soluble extracting technology, stevia in the global market, trends in botanical ingredients for cosmetics and more.

U.S.- China Health Products Association's executive direct Jeff Crowther has been invited to speak on FDA's draft NDI as well as discuss the overall regulatory and market environment for dietary supplements in the U.S. The conference will also give the association a platform to discuss regulatory measures that will allow China's natural health product industry to live up to its true potential.

CNIC is organized by the China Chamber of Commerce for Import & Export of Medicines & Health Products (CCCMHPIE) and Herbridge.com. The conference aims to help boost healthy development and enhance competitive strength in China herbal extract industry. The previous two CNIC events attracted more that 300 government leaders and industrystakeholders to share information and work toward a more prosperous industry.

China Natural Ingredients Conference
Beijing October 27-28, 2011
<http://www.herbridge.com>

Beijing Forum on TCM
October 30-31, 2011
<http://www.satcm.gov.cn/>

Natural Products Expo West
Anaheim, CA March 8-11, 2012
www.expowest.com

Engredea
Anaheim, CA March 9-12, 2012
newhope360.com/engredea

Health Plex Expo
Shanghai March 22-24, 2012
www.cccmhpie.org.cn



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