

INSIDE THIS ISSUE

CFDA launched Platform to Search For Food Safety Standard

Deep-Processing of Organic Food Will be the Future

Anhui Regulator Crack Down on Illegal Drug Additive

Chinese Shoppers Buy One Third of Global Tax-Free Goods in 2014

M&S to shutter 5 stores in Shanghai

Former TV Anchor on Crusade Against Pollution

China Regulates Hospital Drug Purchases

China 's Long Food Chain Plugs In

China Has a Healthy Appetite For Food Imports



CFDA launched Platform to Search For Food Safety Standard

China's state food and drug regulator launched an information platform at the end of last month for the public to search for national food safety standard.

The launch of the platform aims to enhance the utility of the national food safety standard system, and support the food safety regulation. The search platform is connected with the database of national food standard system of national food safety risk assessment center.

The setup expects to boost the promotion of national food safety standard and enhance the efficiency of food regulation.

To get access to the search platform: click on the food column on the front page of CFDA's official website, and find the "national food safety standard" column of the right side of the page. (Source: CFDA)

Deep-Processing of Organic Food Will be the Future

In 2014, the production volume of China's organic food reached 9.2 million ton. With the rapid expansion of organic food planting farm and the diversity of processing method, the country's organic food industry is going to experience fast growth.

In recent years, all levels of agricultural departments in China make the quality and safety of agricultural products the priority, which boosts the development of organic agricultural product.



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At this moment, the raw organic food account for 80% in the market, while processed products only account for 20% with preliminary process. The industry people think that a healthy structure should be 80% to be processed products and 20% to be raw. It shows that deep processing of organic food boasts great development potential in the local market. (Source: cnoa360.com)

Anhui Regulator Crack Downs on Illegal Drug Additive

The local food and drug regulator of Anhui province is cracking down on illegally adding Sudan red and rosin acid to drugs, and strengthening efforts to prevent any substandard products from entering the market.

CFDA reported recently that seven companies were spotted to have added Sudan red and rosin acid illegally to the drug they produce.



Anhui regulator has so far not spotted any company of this kind but is to enhance its regulation on illegal additive in drugs. (Source: Xinhua)

Chinese Shoppers Buy One Third of Global Tax-Free Goods in 2014

The year 2014 saw continued growth of tax-free shopping around the world, with shoppers from the Chinese mainland being the biggest spending group, it was reported in Geneva Wednesday.

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Statistics from Global Blue, a tourism shopping tax refund service provider, showed that compared to 2013, shoppers from the Chinese mainland spent 18 percent more on tax-free shopping in 2014 and accounted for nearly one third of the global total.

Shoppers from the Chinese mainland were the biggest spending group for the seventh consecutive year, spending an average 736 euros (831.60 US dollars) per transaction, said David Baxby, chief executive officer of Global Blue.

The top five globe shoppers came from the Chinese mainland, Russia, the United States, Indonesia and Japan.

Paris remained the most popular shopping city and ranked five times as the preferred city, followed by London, Singapore, Milan and Rome.

Almost 50 percent of purchases were related to fashion and clothing, by far the largest category globally, followed by watches and jewelry at 17 percent, said Global Blue. (Source: Xinhua)

M&S to shutter 5 stores in Shanghai

British retailer Marks & Spencer plans to close five stores in Shanghai by August, it said yesterday, though it stuck by its commitment to expand into other large Chinese cities.

M&S entered China in 2008 with a store in

Shanghai, and it now has 15 on the Chinese mainland. But the retailer has struggled to make a major impact in a country that remains one of its priority international markets along with India, Russia and the Middle East.



For the long term, M&S is in the process of evaluating potential local partners to grow its business in China, a path other British retailers — supermarket Tesco and home improvement firm Kingfisher — have taken.

Updating on its plans for the country following a review announced last April, M&S said it would continue to invest in its existing flagship store portfolio with the complete modernization of its Nanjing Road W. store in Shanghai in the autumn.

However, five of its supporting stores in Shanghai will close.

M&S said it has a firm intent to enter other cities such as Beijing and Guangzhou from 2015/16, while further expansion online would enhance its brand across China.

The retailer intends to continue to invest in Hong Kong, where it has 18 wholly owned stores and four standalone food stores, and grow its presence in Macau. (Source: Shanghai Daily)

Former TV Anchor on Crusade Against Pollution

A former celebrity TV presenter has released a self-funded documentary about smog, inspired by her sick daughter.

Chai Jing's one-year project, *Under the Dome*, marks a comeback for the former presenter and journalist with China Central Television following the birth of her child. It adds a sentimental touch to a matter of public interest with Chai not only an independent observer but also a concerned mother.

After ending a decade with the state broadcaster early last year, Chai shunned public attention to focus on taking care of her daughter, who was diagnosed with a tumor as a fetus and underwent surgery as a new-born baby.

"I saw smog through my daughter's eyes," Chai said while presenting her film. She recounted how the little girl was confined indoors, patting the window to vent her frustration at being unable to play outside.

The public is no stranger to Chai criticizing pollution-plagued areas notably the northern province of Shanxi, her coal-rich hometown, which helped build her image as an environmental advocate.

Chai said she hopes the 103-minute film will serve as an answer to three questions about smog — what is smog, where does it come from and what to do about it.

It's also the answer that she's been preparing for her daughter.

Chai became a household name through in-depth investigative reporting of big national news stories such as the SARS outbreak, Wenchuan earthquake and coal mine accidents. (Source: China Daily)

China Regulates Hospital Drug Purchases

China's cabinet has ordered hospitals to order drugs only from pre-approved suppliers, in a move intended to regulate a system rife with corruption.

In a circular released on Saturday, the State Council

General Office also said that hospitals should pay distribution fees directly to logistics companies to reduce intermediate links, and introduced a "multi-party negotiation mechanism" to formalize price negotiations between hospitals and suppliers.

The move will aid hospital reform, regulate medicine supply and improve state policies in this regard, according to the document, which stressed that the new policies draw on international convention.

Bribery is common in the bidding process to supply drugs to Chinese hospitals. The winning firms are often unable to fulfill their contracts.

There is also a trend of doctors prescribing unnecessary, expensive drugs to reap profits for hospitals or obtain kickbacks from drug companies.

The State Council promised harsh punishments for violations of the new process.



The new rule will effectively curb corruption in drug purchasing, according to Fan Dijun with the Chinese Academy of Governance. (Source: China Daily)

China 's Long Food Chain Plugs In

The smartphone tells the story of a kiwi fruit in

China.

With a quick scan of a code, shoppers can look up the fruit's complete thousand-mile journey from a vine in a lush valley along the upper Yangtze River to a bin in a Beijing supermarket. The smartphone feature, which also details soil and water tests from the farm, is intended to ensure that the kiwi has not been contaminated anywhere along the way.

"I have scanned some electronic products before, but never any food," said Xu Guillin, who recently tested the tracking function at the supermarket while shopping with her 3-year-old grandson. "We pay lots of attention to food safety. Most families with young kids would."

Controlling China's sprawling food supply chain has proved a frustrating endeavor. Government regulators and state-owned agriculture companies have tried to tackle the problem in a number of ways -- increasing factory inspections, conducting mass laboratory tests, enhancing enforcement procedures, even with prosecutions and executions -- but food safety scandals still emerge too often.

Chinese technology companies believe they can do it better. From the farm to the table, the country's biggest players are looking to upgrade archaic systems with robust data collection, smartphone apps, online marketplaces and fancy gadgetry.

The founder of the computer maker Lenovo started Joyvio, the agricultural company that tracks kiwis and other fruit from planting to delivery. The Internet giant Alibaba directly connects consumers with farmers via an online produce-delivery service. A gaming entrepreneur is running a pig farm on the side. And Baidu, the country's leading search engine, is developing a "smart" chopstick that tests whether food is contaminated.



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"In the food production and agriculture industry, transparency is fundamental," said Chen Shaopeng, chief executive of Joyvio. "But in China this is not the case."

While technology companies may not have the scandal-tainted past of the traditional food industry, they will still have to earn customers' trust. A shopper at another Beijing supermarket, BHG Market Place, tested the trackable kiwi and was intrigued, although not enough to buy it.

"This looks impressive. But the thing is, I don't really trust any certificate," said Ms. Jiang, who declined to give her full name, looking closely at a three-page report on the fruit. "We all know that certificates can be faked."

The size of the problem alone is daunting. With more than a billion mouths to feed, China has one of the world's most complex food chains. At almost every link, there have been problems.

In one of the country's biggest food scares, in 2008 dairy producers sold milk formula laced with melamine, which put 300,000 babies in the hospital and killed six. Last year, a supplier to McDonald's and KFC was caught putting rotten and expired meat into products. Penny-pinching chefs cook with waste oil from fryers and sewers, a toxic ingredient known as gutter oil that generally goes unnoticed until diners get sick.

Such food scandals have shaken consumer trust and spurred outcries and protests. The cynicism is so visceral that jokes about food contamination are standard fare on social media and online video shows.

Baidu's smart chopsticks were supposed to be a joke for April Fools' Day. The search engine giant published a fake advertisement for a set of chopsticks that would determine whether food had

been cooked with gutter oil. The ad struck a chord, and it quickly went viral on Chinese social media sites.



With such a strong response, Baidu decided to create a real product. Embedded with sensors, the chopsticks primarily test for gutter oil, but they also indicate pH levels and temperature. The product's charger allows consumers to identify different fruits and vegetables as well as where they were grown and the calories they contain. The company is debating whether to add a feature that would indicate salinity, allowing users to determine whether mineral water is fake.

Baidu is currently manufacturing a small batch of prototypes for testing. The company says it has not yet decided when to release the product or how much it will cost. Even so, it has already generated interest.

"With Baidu smart chopsticks, I don't have to worry about gutter oil any more," one person recently commented on Weibo, a Chinese microblog. "I will definitely buy one once it is on shelves."

City dwellers can buy directly from farmers through Jutudi, a pilot program created by Alibaba that has about 10,000 users. An e-commerce twist on the "buy local" movement, Jutudi lets users buy regular deliveries of vegetables and fruits from farms across

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China. Consumers can even pick their own plots in a sort of virtual farming, although deliveries may come from multiple places.

Alibaba is tapping into consumers' nostalgia for their rural roots with a heavy dose of marketing. The site features a Socialist Realist illustration of two women in a field of golden grain -- harking back to the days of Mao Zedong, when farmers were lionized by propaganda. With images of shiny, red tomatoes, well-groomed pigs and other succulent fruits and vegetables, the program also promotes quality. Higher-end packages include tours of the farms.

The idea of having one's own plot of land is attractive to Jiang Hui, a 27-year-old web editor. Typical for her generation, Ms. Jiang goes online to buy just about everything, so produce was an easy next step.

"The increasing number of food scandals is turning everyone into a food safety expert," said Ms. Jiang, who lives with her parents in Beijing. "The more we read, the more scared we are and the more careful we are."

Alibaba has set ground rules for farmers. Farmers are required to separate the crops and treat them with lower amounts of pesticides.

"I am only allowed to spray pesticide on that piece of land once for every harvest. So I hire workers to pick pests by hand," said Zhang Zhaohui, a 38-year-old farmer in the program. Samples of the mangoes are also independently tested before being shipped, he added.

Despite the extra costs, Mr. Zhang says he makes more on the mangoes he sells to Jutudi. "To me, they all seem really rich," Mr. Zhang said of the customers.

Joyvio is taking on a bigger challenge: the entire food chain.

Started in 2009, it is now the largest provider of kiwis and blueberries in China. It controls

everything, picking what seeds are planted, then tracking and collecting data each step of the way.

Its nurseries are the stuff of science fiction. The room temperature and irrigation schedules are automatic and can be controlled remotely via a mobile phone or a computer. Seeds are grown in greenhouses, and plant tissue is cultivated in research labs.

Taking a similar approach to Lenovo's, Joyvio focused on acquiring technology and know-how to build its business.

Executives studied foreign agriculture businesses. Joyvio hired a top American agronomist who specialized in the development of preservatives and microorganisms that work as natural pesticides. The company bought farms in Chile and Australia and partnered with two large Chilean fruit companies.

"We've leveraged our global capacity to bring a lot of new technology to China," said Mr. Chen. "We continue to eye buying companies or farms in other countries, and also in China to give more scale to our ability to provide high-quality products and goods." (Source: NYT)

China Has a Healthy Appetite For Food Imports

China has long taken a cautious approach to controlling its staple grain import quota each year to ensure food security, but when it comes to other foodstuffs, overseas agricultural products are being warmly welcomed by the nation's fast growing middle class.

Thanks to the country's fatter wallets and increasingly diverse diet, China imported 320,000 metric tons of fresh milk and 283,000 tons of mutton in 2014, up 73.5 and 9.3 percent year-on-year, according to the General Administration of Customs.

The world's most populous nation also purchased

71.4 million tons of soybeans and 383 million liters of wine from overseas markets, up 12.7 and 1.6 percent, respectively, from a year earlier.

The value of its fruit imports reached \$9.19 billion last year, rising 6.3 percent on a year-on-year basis.

Ding Lixin, a researcher at the Chinese Academy of Agricultural Sciences in Beijing, says even though the prices of mining resource-based commodities such as coal and iron ore are quite low at the moment in the global market, international wine producers, meat suppliers and dairy product providers have become the biggest beneficiaries of China's market boom for agricultural products.



“The stable growth of China's agricultural output and rising national incomes have provided diversified access to food with a higher protein content and better taste,” says Ding.

“As a result, China has adequately raised the quantity of its grain imports, especially corn, soybeans, rapeseed meal and sorghum, over the past decade to support the growth of its livestock and aquatic feed industries.”

Food consumption is normally a clear indicator of a nation's economic health and the size of its population. In China, meat consumption is rising, and people are eating a greater variety.

Staple foodstuffs such as meat, fish, eggs and milk have become more sophisticated, and consumers now look for more choices in terms of health and convenience.

As many people in China, in particular in urban areas, are increasingly aware that pork contains more fat and less protein than lamb, the country's pork consumption and import volume dropped 2 and 3.3 percent on a year-on-year basis in 2014.

Yu Bin, director of the department of macroeconomic research at the State Council Development Research Center, says although changes in food consumption reflect greater economic vitality, the country's ongoing urbanization and upwardly mobile population are other key factors that have shifted Chinese diets from being mostly grain-based to ones that include more meat and dairy products.

Chinese citizens consumed an average of 17.2 kilograms of mutton per capita in 2014, compared with 12 kilograms in 2008. The Beijing-based China Meat Association predicts that this figure will reach 28 kg between 2017 and 2022.

Yu says demand for lamb in China's western region, particularly in the Ningxia Hui and Xinjiang Uygur autonomous regions, and Qinghai and Gansu provinces, has quickly grown over the past five years, mainly because it is getting more expensive to raise sheep in western China, where the economy and livestock industry are less developed than in the eastern provinces.

Due to rising feed prices, limited grazing land and the breeding cycle, China's sheep breeding sector lags behind consumer demand, resulting in higher lamb prices over the past five years, according to a report released last December by the Chinese Academy of Agricultural Sciences.

“As China has found it impossible to grow all of the food it needs and has consequently formed closer ties with the world food market, demand for fruit, olive oil, wine, meat and dairy products will certainly provide many opportunities for major agricultural produce exporters such as Australia, the United States, Chile, Brazil and Argentina,” Yu says.

Eager to meet domestic demand for various foodstuffs, the Chinese government has increased international trade in food products through trading arrangements such as signing free trade agreements or non-tariff deals for certain agricultural products with its trading partners in Europe, Africa and South America.

As China and Australia announced the practical conclusion of negotiations on an FTA last November, Zheng Fengtian, a professor at the school of agricultural economics and rural development at Renmin University of China in Beijing, says the prices of many Australian agricultural products will be fairly attractive to the Chinese buyers under the China-Australia FTA framework.

The agreement will cover more than 10 areas, including a simplified review procedure for investments, most-favored-nation status, favorable market access rules and market transparency.

China now imposes 12 to 25 percent tariffs on Australian beef, but these levies will be phased out within nine years under the pact.

Tariffs on Australian wine will also be dropped by 2018.

Australian beef accounted for 56 percent of China's beef imports in 2014. The agribusiness research department of the Australia and New Zealand Banking Group Ltd has forecast that the

total value of Australian beef shipped to China will reach A\$130 billion (\$102 billion) by 2030. (Source: Foreign Affairs)

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