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Heilongjiang Green Food Land in Guangzhou

The China International Food and Ingredient Expo was held in Guangzhou on June 11.

From June 11 to 14th, Heilongjiang green food staged at the Expo, which is the second stop of Heilong green food's national tour. The first stop was Shanghai. After Guangzhou, Heilongjiang delegates will travel to other cities including Nanjing and Chendu to promote their products.

At this moment, Heilongjiang has 990 middle-and-large food processing companies. In 2013, the sales revenue of these companies reached 276 billion yuan with 33 big-name companies.

In 2013, the Heilongjiang provincial government released a development plan on the local green food industry and mapped out plans of special campaign to promote the industry's development in 2014. (Source: Nanfang Company News)

Seminar on Health Product Regulation Held in Beijing

A working report seminar of the regulation information exchange committee of China Health Product Association was held in Beijing earlier this month. 27 members of the committee attended the seminar.

The attendees discussed topics including the registration and filing of health food, catalogue of health food ingredient and the



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catalogue of health food’s function, as well as the re-registration of health food.

Directors of the Association addressed in the seminar and asked related department to carefully learn from the new food safety law and make constructive suggestions when the legal office of the State Council asked for advise on the matters of health food. (Source: China Health Product Association)

Smokers Light up China’s Consumer Prices in May

China’s consumer inflation slowed in May as grocery shoppers spent less on a healthy diet of fresh fruits and vegetables. But the headline figure gained support from the country’s vast army of not-so-health-conscious smokers, who had to cough up a bit more of their income for cigarettes.

Prices of cigarettes and tobacco have largely held steady for years as they are tightly controlled by the government. But Beijing’s recent move to raise taxes on tobacco to boost government income and curb smoking has had a notable impact on cigarette prices across the country.



Cigarette prices were up 3.7% from a year earlier and 3.6% from the previous month in May. The nation’s consumer-price index – a measure of prices for a basket of goods and services – climbed 1.2% in May from a year earlier, slower than the 1.5% year-over-

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year rise in April, official data showed. The key gauge of consumer inflation edged down 0.2% from the previous month.

The increase in cigarette prices added 0.06 percentage point to the month-on-month change of the headline index. Cigarettes account for only a small portion of the total (In 2011 it was estimated at around 3.4%, according to China Business News, citing Nomura economists).

The National Bureau of Statistics does not release data on the weightings of the CPI components, but most economists estimate that food takes the biggest share — about 30%. The index also includes rent and utilities, education and travel, and transport and telecommunications.

China is home to more than 300 million smokers and 43% of the world’s cigarette production, according to the American Cancer Society and the World Lung Foundation. Tobacco is also a leading cause of death in China, leading to 1.2 million deaths annually. It is expected to cause 3.5 million deaths a year by 2030, the two associations have said.

Grappling with sluggish revenues as economic growth slows, the government raised its tax on tobacco to 11% from 5% as of May 10. That’s the first tax hike on smokers since 2009.

Retail prices went up much more this time than in the previous tax hike, said 37-year old Li Jiyu, a Beijing resident who runs a shop selling alcohol and cigarettes.

“Prices have gone up nearly 10% on average,” he said while doing a little book-keeping in his small shop across across from a cluster of office towers.

Mr. Li said a tough new ban on smoking indoors that went into effect across Beijing last week may force some smokers to cut down on their cigarette consumption.

He said his suppliers raised the wholesale prices and that additional costs have been passed on to retailers. His sales of cigarettes are down from previously, though he declined to say how much business has gone up in smoke.

A middle-aged shopper, who said he had just arrived in Beijing on business, paid 16 yuan (\$2.60) for a pack of Zhongnanhai, a long-time favorite brand named after the headquarters of the ruling Communist Party.

“I pay more now for cigarettes, but I buy those that are a little stronger; they last longer,” he said with a broad smile, revealing a set of tobacco-stained teeth. (Source:WSJ)

National Food Safety Promotion Week Kicked Off in June

A one-week national campaign to promote food safety was launched on Jun 15. 18 related departments including the food safety office of the State Council attended the opening ceremony.

In the main event, 500 delegates from related ministries, companies and press addressed the topic of “promote the food safety issue and enhance the legal system on food safety”. Ministry of Agriculture and CFDA released the latest blacklist of food, agricultural product and imported food companies.

An app by the CFDA was also released recently. The

app enables users to take quiz on information related to food and drug issues, which include how to tell rumors that are widely retweeted in social media. (Source: CFDA)

Free Care for Pregnant Women With HIV

China has pledged to offer free screening and treatment for HIV/AIDS and two other kinds of infectious diseases to pregnant women to control their transmission from mother to fetus."We decided to carry out a plan to prevent the transmission of AIDS, syphilis and hepatitis-B from mother to fetus by offering free screening services and comprehensive intervention treatment," according to a 2015 work plan announced by the National Health and Family Planning Commission on Tuesday.



The plan said that HIV-positive pregnant women would receive free anti-virus treatment at qualified medical and health institutes.

Medical and health organizations should provide confidential but quality antenatal and birth care to infected pregnant women, and encourage natural birth instead of through a cesarean section, read the plan.

"Proper medical treatment during pregnancy is important if an infected woman wants to have natural birth. After giving birth, both the mother and child still need to take prescription medication to reduce the transmission rate," Shao Yiming, an AIDS expert at the Chinese Center for Disease

Control and Prevention, told the Global Times.

Medical and health organizations should instruct the mothers to avoid breast-feeding and provide early tests for the HIV virus and anti-bodies as well as free anti-viral treatment to the newborn, the plan added.

The plan likewise encourages medical and health organizations at different levels to provide HIV/AIDS, syphilis and hepatitis-B education and offer professional consultations.

An increasing number of fertile women in China have been infected with HIV/AIDS and syphilis mainly through sexual transmission, which poses a serious challenge to preventing mother-to-fetus transmission, the National Health and Family Planning Commission said.

Meanwhile, the mother-to-child transmission rate of HIV/AIDS has slowly been dropping, while the congenital syphilis rate has remained at a high level in recent years due to the inadequate management of a floating population, delayed virus testing for pregnant women and limited prevention methods, according to the commission.

The work plan vows to expand prevention work to all cities and counties in China by the end of 2015, reduce the rate of mother-to-fetus transmission of HIV/AIDS to below 5 percent by 2020 and reduce the rate of babies born with syphilis to below 15 out of 100,000 live babies by the end of 2020.

Offering comprehensive intervention treatment to infected pregnant women and their children could minimize the transmission rate from mother to fetus and improve their health and quality of life, the plan explained.

Preventing the transmission of the diseases from

mother to fetus is important to reduce the death rate of pregnant women and children under 5 years old and increase the population quality at birth, the commission said. (Source: Global Times)

Unilever Expands Online Presence in China With New JD.com Deal

Consumer-products giant Unilever PLC is expanding its e-commerce presence in China to keep pace with the growing number of consumers buying shampoo and deodorant online.

On Monday, Unilever announced the opening of a store on JD.com's cross-border e-commerce platform to sell its Ponds, Dove and Vaseline brands, as well as offer for the first time in China some Lux shampoo products that are best sellers in Japan.

Unilever already has storefronts on JD.com's direct-sales site as well as on Tmall, operated by JD.com rival Alibaba Group Holding Ltd. The company's latest foray into Chinese e-commerce focuses on JD Worldwide, a platform for companies to sell goods as imports, meaning the wares don't have to go through a lengthy registration process to be marketed in China.

The new store, which opens during a month of deep discounting on JD.com tied to the e-commerce platform's June 18 anniversary, is expected to provide Unilever with an avenue to test new offerings online in China.

"If brands sell very well, we will import them in bulk," and then sell them on other e-commerce platforms in China, said Andy Li, director of Unilever's China e-commerce business.

Unilever's sales on JD.com more than tripled last year, a faster growth rate than on Tmall, Mr. Li said.



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Unilever's online sales total more than 1 billion yuan (\$161 million) a year in China.

Unilever, like others in the consumer-goods industry, has increasingly relied on emerging markets to drive the company's growth but has struggled to adapt to the migration 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. Retailing trends in China also suggest Unilever was among several Western companies that overestimated growth in brick-and-mortar sales.

Mr. Li said he believes Unilever has been ahead of many of its peers in the consumer-goods space in leveraging e-commerce in China to boost sales.
(Source: WSJ)

China's Agriculture Sector Going For Bigger Harvest

China has long controlled its staple grain import quota to ensure food security. But the nation's agriculture sector is welcoming high-end farming products from Europe.

Syngenta AG, the largest European producer of hybrid seeds and crop protection products, is just one of the foreign companies contributing to China's agricultural development.

Christoph Maeder, member of the executive board of Syngenta AG, says: "We are ... developing new technology which should enable farmers, together with the right agronomic knowledge, to really improve the farmers' productivity, and thereby also producing more sustainable farming methods."

China's food security needs an integrated and

comprehensive approach that includes international cooperation, infrastructure investment and education, as well as science and technology, Maeder says. He was speaking at the Swiss pavilion at Milan Expo 2015, which has food security and renewable energy as its themes.

Syngenta will exhibit in the Swiss pavilion from May 1 to June 12 during the expo. The company wants to highlight the challenges of food security and showcase the importance of innovation and partnership in the development of sustainable agriculture solutions at the expo.

China has the world's largest agricultural output, but it faces a severe shortage of arable land caused by urbanization, industrialization and climate change, according to a study by the China National Grain and Oils Information Center in March.

In addition to coping with environmental issues, China also has to feed a growing and increasingly wealthy population that wants better and more nutritious food.

China will need to feed 1.45 billion people amid a drive for more sustainable economic growth that focuses on quality over quantity and emphasizes environmental stewardship and equity.



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"From a long-term perspective, we believe that innovation, technology and collaboration will be the pillars of ongoing growth. Syngenta is willing to work with both the Chinese government and farmers to supply the quality tools needed to meet the demand of food security," says Maeder.

Last year, the Swiss company invested \$52.4 million (46 million euros) to build a factory in East China's Jiangsu province, producing more than 134 types of agrochemicals. It became operational in March.

The company also received a safety certificate from the Chinese Ministry of Agriculture for its Viptera corn, known as MIR 162, in December.

Syngenta has employed more than 2,000 in China since it started business in the country in 1998. It has invested \$360 million in China since 2000 to compete with established rivals from the United States and Germany.

The company's global sales in 2014 reached \$15.1 billion through the work of 28,000 people in more than 90 countries and regions.

Although China has a fragmented agricultural structure, with farm sizes smaller than those in developed nations, there is potential for growth says Maeder.

"Collaborating with international companies not only can accelerate the development and introduction of bio-technology, but also reduce vulnerability to pests, increase grain supplies and cut down food price inflation," says Tian Zhihong, a professor of food security and grain trade at Beijing's China Agricultural University.

To minimize the risk as much as possible, the central government has increased its investment in the development of agricultural biotechnology as well as offering subsidies for major grain-producing areas and farming cooperatives.

To prevent supply shortages of certain crops, China

in 2014 also approved the import of another two varieties of biotech soybeans developed by DuPont Pioneer, from the US, and Germany's Bayer CropScience AG.

With China and other parts of the world facing problems brought on by exhausted farmland, limited water resources and old farming methods, Syngenta launched the Good Growth Plan in 2013, with six measurable targets to help address the challenges of global food security and sustainable development.

The measures include increasing farm productivity while boosting resource efficiency, rejuvenating ecosystems and strengthening rural communities.

"We believe that businesses can play a greater role in helping growers farm more sustainably. Syngenta China made a significant contribution in empowering small holders and safe use training last year," says Pierre Cohadon, president of Syngenta China.

Under the plan, a total of 34 reference farms and 209 benchmark farms were established, covering corn, rice and potatoes in 2014. It also trained 350,000 people in safety programs, including 179,000 small-holder farmers last year.



Cohadon says this is only the beginning of the journey to 2020, the plan's deadline. Partnerships with a range of stakeholders are required to achieve these commitments and bring greater

benefits to the farmers, the environment and rural communities.

"The close alignment between our Good Growth Plan and the direction of China's agriculture modernization reflected in the No 1 Document will enable us to better support sustainable agricultural development in China," Cohadon says.

The annual No 1 Central Document targets agriculture and rural issues, such as optimizing grain production and safeguarding farmers' income.

Ding Lixin, a researcher at the Chinese Academy of Agricultural Sciences in Beijing, says just as the Chinese government wants to make good use of both domestic and foreign resources, so the participation of international companies will also encourage domestic companies to be more innovative.

"When local companies become bigger and more competitive, that will help the government to feel more comfortable and eventually modify the policy, and therefore allow foreign companies to increase their investments, patent technologies, talents and new jobs in China," says Ding.

In China, foreign companies are allowed to hold up to 49 percent of shares in a joint venture in crop seed businesses such as corn, wheat and rice.

Ding says they are still limited by local regulations, which is why these big names are willing to assist Chinese seed and agrochemical companies to grow bigger and more professional. (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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