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CFDA: New Health Food Registration System Launched

On June 30, CFDA's review center released a document on its official website on the change of filling the health food application form. A new online health food registration system is about to be launched soon.

To make sure relevant work can be proceeded smoothly, the state authority offered a template for applicants, who will need to submit a disc with e-version of application materials and in paper version as well.

The applicants need to submit the above material to the administration office of CFDA. (Source: Shuzheng Kangxun)

China's Food of Special Use Generally Safe

Wang Hong, chief of special food registration management department of CFDA said recently that China's food of special use are generally safe, developing in a healthy way.

Ms. Wang said at a recent food consumption seminar that based on the spot check results in 2016 of food with special use, the standard rate is 98.1%, which is out of 4200 batches of samples. This rate was up by 1.6% from 2015 and 4.25 from 2014.

However, problems including lacking for clear orientation of products, too many ingredients, false advertisement, illegal marketing and additives still pose great threat to the development of the local industry.

Ms. Wang said the government will promote the development of food of special use in the principle of laws, science and reform. (Source: Shuzheng Kangxun)

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China Eyes Booming Biotech and Medical Industries

China plans to build 10 to 20 professional biotechnology and medicine zones each with a total output value of 10 billion yuan (about 1.4 billion U.S. dollars) by 2020, an official with the Ministry of Science and Technology said Friday.

Five to 10 professional biological manufacturing zones will also be established each with the same amount of output value by that time, said Zhang Zhaofeng, who is in charge of biological and medical technology, at a meeting on social development and sci-tech innovation held in Wuhan, capital city of central China's Hubei Province.

China has ranked second worldwide in the number of published papers and biotechnology patents for five consecutive years, according to the ministry.

In 2015 alone, China witnessed the publication of more than 80,000 life science papers and applications for over 20,000 biotechnology patents, it said.

More efforts are needed to boost the use of biological big data and protect biological resources, as well as to develop new vaccines and antibodies with independent intellectual property rights, it said.(Source: Xinhua)

Zhengzhou Takes Down Illegal Online Food Vendor

As part of recent campaign to crack down on illegal food cases, the local food and drug regulators in Zhengzhou teamed up with other local authorities to take down illegal online food vendors.

So far this year, over 5300 food vendors were taken down from the major food delivery platforms, which are based in Zhengzhou. Online food delivery services have become increasingly popular among consumers in Zhengzhou.

Moreover, the authorities have launched events to promote food safety in local markets., which will

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involve over 200 companies and institutions, and will open for complaint reports from consumers.
(Source: Dahewang)

China's Consumer Economy on Track to Add Nearly \$2 Trillion by 2021

China's Consumer Economy to Add Nearly Two Trillion Dollars By 2021: Report

China's consumer economy is expected to continue to grow fast and may increase by 1.8 trillion U.S. dollars by 2021, according to a recent report.

Even as overall economic growth eases, China's consumer economy is benefiting from an emerging upper-middle-class and more affluent households, a younger population that is eager to spend, and e-commerce through digital channels, according to a report by Boston Consulting Group (BCG) and AliResearch, the research arm of Alibaba Group.

"Because of these factors, Chinese consumers on average are spending more, and they're trading up to higher-quality products," said Jeff Walters, partner at BCG and co-author of the report.

Chinese are more comfortable buying online than people in other countries, and by 2021, 90 percent of all purchases in China will involve digital technology at some point in the process, whether it be browsing, comparing prices, or making the actual purchase, Walters added.

As China's economy matures, its consumers are becoming more diverse. Rather than targeting large, homogenous demographic segments, companies need to understand the emerging consumer profiles, along with their distinct preferences and needs, the report pointed out.

Chinese consumers are far more brand-savvy than in the past, and consumption boundaries like age and gender are disappearing. Meanwhile, Chinese are increasingly likely to be single, which means a growing demand for different types of products, such as furniture designed for single person apartments, smaller appliances, and food sold in smaller sizes and more convenient packaging.

Chinese shoppers are also increasingly aware of environmental issues and sustainability, and they want their purchases to be both good for them and for the planet.



AliResearch found that 66 million people, about 16.2 percent of the consumers on Alibaba's China retail marketplaces, bought five or more green products in 2015, up from just 4 million in 2011, and these consumers were willing to pay higher prices - around one-third more, on average, for sustainable products.

For companies, tapping into these new profiles requires more accurately segmenting consumers, understanding their needs to ensure that new products and services resonate, and seamlessly integrating the shopping experience between digital channels and physical stores, among other priorities, according to the report.(Source: Xinhua)

Overseas Shoppers Sustain Chinese E-Commerce Boom

The Chinese online shopping market has boomed in recent years as local shoppers took to it like duck to water, and will likely continue to boom on the back of indulgent consumers overseas.

According to a cross-border trade report jointly released by online payment provider Pay-Pal and research firm Ipsos, China rose to be the most popular cross-border e-commerce destination for the first time in 2016, dislodging the United States and the United Kingdom.

Up to 21 percent of the 28,000 respondents from 32 countries said they had shopped on Chinese websites last year.

China's online market is even more appealing to Russian shoppers. Latest figures provided by Russia's largest e-payment service Yandex shows that Russian consumers spent up to \$4.3 billion on cross-border e-commerce platforms last year. And 80 percent of that amount was spent on Chinese platforms.

Many Chinese e-commerce platforms are striving to make themselves known to the outside world.

Alibaba Group is one of the best examples. In 2010, it set up its international B2C marketplace AliExpress, which had more than 100 million overseas buyers from 220 countries and regions by April 10 this year.



Over the past 12 months, AliExpress registered over 60 million active users. More than 20 million of them had made purchases on the platform.

Shen Difan, general manager of AliExpress, said one of the medium-term targets of Alibaba's go-global campaign is 100 million users. By 2025, Alibaba expects to serve 2 billion consumers worldwide, among whom 1 billion would be overseas users.

Another leading platform JD rolled out its cross-border B2C platform in 2015, with an English version and a Russian version.

The platform aims at helping Chinese companies' quality products and well-known brands to reach international markets. Leading discount e-commerce platform Vip launched its flash sale platform VIPme at the end of 2015 to test the waters in overseas markets.

iReserach estimates the total cross-border e-commerce volume, including both retail and B2B sales, reached 6.3 trillion yuan (\$921.9 billion) in 2016, a number that is expected to reach 8.8 trillion yuan by 2018.



At a time when China is faced with some difficulties in exports, cross-border e-commerce platforms are raising fresh hopes for high economic growth.

The government has announced related regulations

in the past two years to facilitate the development of cross-border trade.

In 2015, the Ministry of Commerce announced a guideline to promote the establishment of 100 overseas warehouses of Chinese e-commerce platforms. The State Council also confirmed in an executive meeting in 2016 the establishment of 12 cross-border e-commerce pilot zones in the country.

Data from internet market consultancy iResearch show that China's total online shopping rose 24.7 percent year-on-year to reach 4.7 trillion yuan last year. That was 14 percent of China's total retail volume.

The Ministry of Commerce said China has been the world's largest online retail market since it outperformed the US in 2013. Total e-commerce in China was worth 26.1 trillion yuan last year, or 39.2 percent of the global volume. (Source: China Daily)

New China Newsletter Launched by NutraIngredients-Asia

NutraIngredients-Asia had launched a new China email newsletter to deliver the latest news on supplements, regulation and consumer trends, with articles published in both Chinese and English.

Each edition will contain coverage of the latest news, research, market and regulatory developments from China and the wider Asia Pacific region

NutraIngredients-Asia Editor-In-Chief Gary Scattergood said: "*There has never been a better time to focus on health, nutrition and dietary supplements in China.*

"We hope that by publishing a selection of articles in Chinese as well as English we will be able to enhance our coverage and provide a better service to the industry.

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"This applies equally to those people working in China, and companies in the wider Asia Pacific region which want to reach an audience in the country."

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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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