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## China, Peoples Republic of

### Poultry and Products

### Semi-Annual Report

### 2007

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**Report Highlights:**

U.S. broiler meat exports (predominantly frozen broiler cuts, offal, broiler feet or paws, and processed meat) to Mainland China, including transshipments via Hong Kong, reached \$335 million in CY 2006. Last year broiler feet and paws accounted for about 50 percent of China's total imports, and the United States became the largest supplier to China again. Demand for U.S. broiler meat will continue to grow in 2007 and beyond. China's broiler imports in 2007 are forecast to increase 27 percent to 360,000 MT, and China's broiler exports will increase by 2 percent to 330,000 MT.

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Includes PSD Changes: Yes  
Includes Trade Matrix: Yes  
Semi-Annual Report  
Beijing [CH1]  
[CH]

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## Executive Summary

U.S. poultry shipments to China and transshipments via Hong Kong (i.e. frozen broiler cuts, offal, broiler feet or paw, processed broiler) reached \$335 million in CY 2006. The United States became the largest supplier to China again in 2006. Demand for U.S. broiler meat remains strong. This trend is expected to continue in 2007 and beyond, as China's poultry output will grow slowly due to continuing impact of highly pathogenic avian influenza (HPAI).

During December 2006, FAS Beijing organized the 2<sup>nd</sup> Sino-U.S. Food Safety Bilateral workshop in Beijing, and the ongoing objective is to smooth U.S.-China trade in meat and poultry products. At the meeting, agreement was reached in several areas aimed to minimize disruption of U.S. exports to China. China agreed to accept industry e-mailed information (i.e., dates of export certificates and the numbers) for meat and poultry shipments, in lieu of their original request that the U.S.-side implement complete electronic, export certification. China also agreed to cooperate in developing microbiological risk assessment and testing methodologies for food borne-pathogens. China did not agree to immediately resume imports of poultry from four U.S. States, New York, Rhode Islands and Connecticut, Pennsylvania due to outbreaks of low pathogenic avian influenza (LPAI)—H5N2—in the four states, however, USDA, the U.S. poultry industry are working to resolve the issue. Finally, as the result of USDA-AQSIQ food safety collaboration, China has not "delisted" any meat and poultry plants since early 2006.

During 2007, FAS Beijing forecasts China's boiler meat production to increase by nearly 2 percent to 10.5 MMT. China's slow growth in poultry production will lead to strong import demand in 2007. China's broiler imports in 2007 are forecast at 360,000 MT, a 27 percent increase from last year. However, imports will not fully recover to the level before the HPAI outbreaks in 2003. China's broiler exports in 2007 are forecast to increase by over 2 percent to 330,000 MT from a previous year's 3 percent decrease due to strong cooked poultry demand in key export markets such as Japan and South Korea.

## Broiler

### **China's broiler meat production in 2007 forecast to increase nearly 2 percent to 10.5 MMT; coupled with strong consumer demand, imports will rise**

Post forecasts China's broiler production in 2007 to increase by nearly 2 percent over last year to 10.5 MMT. Production is still recovering from the negative impact of HPAI outbreaks the last couple of years in China.

China's relatively slow production growth, coupled with recovering consumption, will drive imports in 2007, thus providing a good opportunity for the United States to expand exports. U.S. total exports (broiler meat and paws) in 2006 were almost doubled to 390,748 MT valued at \$298 million for direct shipments and transshipments through Hong Kong. This transshipment of U.S. poultry through Hong Kong actually decreased by 5 percent, to 38,682 MT, valued at \$36.6 million.

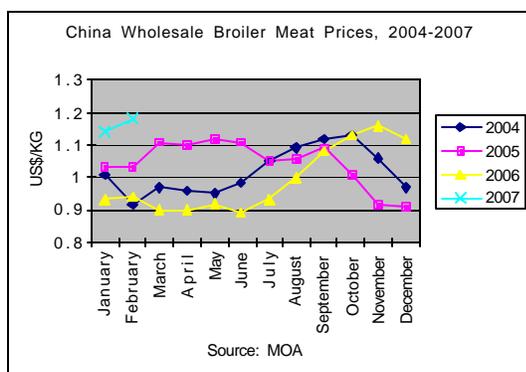
By comparison, China's market size in 2003 prior to the HPAI outbreaks was 565,531 MT valued at \$325.2 million for the world and 545,398 MT valued at \$398.2 million for direct shipments from the United States.

China's broiler meat and feed conversion ratios have improved from 1:2.5 in the 8<sup>th</sup> Five-Year-Plan (1990-1995) to 1:2.0-2.2 currently due to feed development. However, China's broiler production is heavily dependent on domestic corn production, imported soybeans and soy meal products, as well as imported fishmeal. Further, tight availability of domestic feed

grains due to land constraints, domestic corn use for alcohol and ethanol fuel, and fluctuating world prices for soybean and soy meal products, all translate to constraints for China's broiler production for the foreseeable future. This situation will lead to continued growth in imports. The U.S Poultry and Egg Export Council (USAPPEC) estimates that U.S. exports to China could rival Russia by 2009.

FAS Beijing adjusted the forecast for slaughter numbers for 2007 and 2006 slightly up to 7.8 billion and 7.64 billion respectively to reflect China's broiler average carcass weight (1.35 kg).

Chinese farmers are still concerned about expanding broiler production because of continued HPAI outbreaks in the neighboring countries of Russia, Japan, South Korea, Thailand and Vietnam. China imports all grandparent-breeding western bred stocks from abroad. The Chinese industry says China's 2006 imports were only slightly higher than 2005 to 542,000 sets, much lower than that in 2002 (598,000 sets) and 2003 (571,000 sets) before HPAI outbreaks. As a result of this slow growth in breeding stock supplies, China's crop increase in 2007 will continue to be sluggish.



The price chart on the left demonstrates China's recovering poultry consumption as HPAI outbreaks decline during 2006. The two rounds of HPAI outbreaks pushed broiler prices down by 12 and 15 percent respectively from beginning to mid 2004 and from November 2005 to July 2006. However, HPAI outbreaks in 2006 (10 outbreaks in 7 provinces with 90,000 birds infected, 47,000 birds dead and 2.9 million birds culled) reduced considerably compared with 2005. AI vaccinations have now covered 95 percent of China's poultry except isolated farms providing processed materials for broiler exports requested by

importing countries such as Japan.

While helping broiler farmers and processing companies with tax exemption for the whole year of 2006, the Chinese Government continues to strengthen disease monitoring at live poultry wet markets. Sellers must show a certificate to prove their live poultry come from AI-free areas. The State Council's No. 89 document issued in December 2006 requires not only strengthening disease control at live poultry markets, but also calling to gradually replace live poultry slaughtered at wet markets with poultry slaughtered at designated slaughterhouses. Beijing took the lead and closed down all live poultry wet markets in November 2006. These steps are a sign that China must change the traditional preference for on-the-spot-slaughter at wet markets. Limited cold storage facilities at wet markets will lead to more sales of frozen products, including imported broiler products.

In January 2007, the Ministry of Agriculture (MOA), Ministry of Health, Ministry of Finance, General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) and the State Forestry Administration jointly announced the National Plan of Animal Disease Prevention System Construction, 2004-2008. The project will total \$1.1 billion (8.8 billion RMB) from the Central and local governments. This project will target to reduce nearly \$2.2 billion (? 17 billion) in direct economic losses, and major animal diseases including AI and FMD will hopefully get under control. This project is also aimed to gain back consumers' confidence.

**Broiler consumption in 2007 forecast to increase by 2 percent to 10.6 MMT**

Post forecasts China's broiler consumption in 2007 to increase by 2 percent to 10.6 MMT from the estimated 10.3 MMT in 2006. As HPAI outbreaks decline and consumers have better knowledge how to prevent it, consumers are becoming desensitized to AI news. Although domestic production growth has been slow, large imports have off-set the difference. Consumers also believe that imported products are safer following the strict inspection and quarantine upon entry into China. Consumers are also selecting imported broiler products, as well as more red meat, during HPAI outbreaks. As a result of increased imports and decreased exports, combined with consumption recovering, broiler consumption during 2006 and 2007 is not impacted as bad as expected.

The impacts on consumption from China's HPAI outbreaks also depend on products and where they consume. Chicken feet or paws, wings, wing tips and leg cuts were not impacted as much as whole birds and breast meat due to consumers' preferences. Breast meat is mainly consumed at high-end hotels and restaurants or western fast food chain restaurants, while the other products are mainly consumed at homes, low-end restaurants and canteens of schools, organizations and the military, as well as fast food door-to-door delivery companies. Cooked young local breed broilers under 1 kg sold at supermarkets or retail hops are also popular.

Spent hen consumption was impacted due to the live poultry market closure during the HPAI outbreaks. Southern Chinese like local breed, yellow-feathered broilers, while Northern Chinese like western breed broilers. Chicken feet and paws seem more immune to the HPAI effect due to traditional food habits.

China has 1.3 billion people. If each person consumed one pair of chicken feet or paws, 2.6 billion birds need to be slaughtered. To make one 25-MT container of chicken feet and paws, 400,000 broilers must be slaughtered. These huge numbers explain why chicken feet and paw imports account for about 50 percent of China's total broiler product imports. (Please refer to CH7006 for more information on chicken paw, wing and wing tips exports to China).

### **Imported broiler products are distributed mostly via wholesale markets**

Most traders are not willing to sell imported poultry products in Chinese super markets because most of them are small players who import through MOFCOM's identified importing companies with import rights. As poultry imports are subject to both automatic registration form (ARF's) of the Ministry of Commerce (MOFCOM) and Import Meat Quarantine Permits (IMQP's) of AQSIQ, they have to pay a certain amount of fees to importing companies in order to get ARF and IMQP thus increasing cost. Supermarkets normally charge a big sum of money for marketing promotion called "access fee". It is not worth paying when supply is small and unstable. So, Imported boiler products are distributed first via the wholesale terminals like the cold warehouses in Panyu, Guangdong Province, and Shanghai City, then go to first class wholesale markets in provincial capital cities, then further go to secondary wholesale markets in smaller cities and places. Wholesale prices have been going in response to higher international prices, Traders are willing to pay more money to get quality broiler for better profit.

### **China broiler imports in 2007 forecast to increase by 27 percent to 360,000 MT**

Post forecasts China's Broiler imports to increase by 27 percent to 360,000 MT from 283,000 MT in 2006. Broiler meat imports (excluding chicken paws) in 2006 recovered to 62 percent of the level prior HPAI outbreaks in 2003. Imports in 2007 are forecast to continue recovering to 79 percent. A new trend possibly leading to increased imports it that many Chinese consumers have shifted from imported broiler to substitute domestic broilers due to HPAI, as they believe imported products are safer after strict inspection and quarantine when

entering China. U.S. export increase has also been favored by the devalued exchange rate against the RMB.

An exciting opportunity is that U.S. broiler exports to China could rival Russia by 2009, according to U.S. trade estimates. China became the second largest U.S. export market with 392,836 MT valued at \$297 million in 2006, based on U.S. data for direct shipments. December 2006 exports already surpassed Russia. Another factor for the United States to expand exports to China is continued HPAI outbreaks in other countries, France for example. China just suspended French exports to China due to recent HPAI outbreak. France is China's 4<sup>th</sup> largest supplier. The United States is still faced with strong competition from Brazil. However, only one company is eligible to export to China due to AI impact last year, recovering Brazilian domestic demand and stronger Real exchange rate against U.S. Dollars will also constrain Brazilian exports.

### **USDA and U.S. industry timely communications with AQSIQ smooth trade**

A critical factor for successful U.S. exports to China is timely communication between the Foreign Agricultural Service (FAS) in Beijing with the AQSIQ and Entry-Exit Inspection and Quarantine Bureaus (CIQ's) at entry ports. FAS Beijing organized 2 high-ranking food safety bilateral meetings with AQSIQ, presided over by USDA Under Secretaries and an AQSIQ Vice Minister. The last food safety bilateral in December 2006 resulted in the signing of a bilateral Memorandum of Cooperation for food safety issues.

FAS Beijing also organized seminars and meetings the last 3 years for USAPEEC representatives, USAPEEC local representatives and traders to meet with AQSIQ and CIQ officials to discuss trade technical issues. AQSIQ and USDA officials have agreed to meet regularly at least once a year to discuss bilateral trade issues and concerns. AQSIQ relisted all the U.S. poultry plants for eligible exports to China, which were delisted at the beginning of 2006 due to pathogen and residue detections. Now AQSIQ no longer delists U.S. plant immediately after detections and gives a 45-day corrective period instead.

### **AQSIQ requires electronic certification as of March 3, 2007**

AQSIQ requires that beginning March 3, 2007 U.S. meat plants be subject to electronic certification in order to crack down smuggling. An interim pre-notification is used until USDA and AQSIQ work out an official electronic certification system. U.S. plants should e-mail to AQSIQ ([h\\_cert@ciq.org.cn](mailto:h_cert@ciq.org.cn)) the information no more than FSIS meat export health certificate number and the date after the certificate is signed. More information may be requested by AQSIQ later. USDA intends to work closely with AQSIQ on this issue to do the same as U.S. competitors, Australia and New Zealand, which have already done the electronic certification with AQSIQ. U.S. plants should remember to write correct information to avoid delayed AQSIQ clearance for inspection and quarantine. It is too early to say how much it will impact U.S. trade.

### **China states exporting cooked poultry to the U.S., based on imported materials from the U.S. and Canada, is not economical**

In 2005, USDA published the final rule to allow Chinese cooked poultry to the United States on the conditions to use materials from USDA approved slaughter plants and processed in AQSIQ approved Chinese plants. Only U.S. and Canadian materials are eligible. USDA requested that AQSIQ provide a list of Chinese exporters with contact information and labeling samples. However, AQSIQ states this trade is not economical and is instead targeting USDA approval to use domestic materials, because rising international broiler prices and international transportation, combined with unfavorable exchange rate against U.S.

Dollars, will make re-exports uncompetitive. The issue of cooked poultry exports to the United States is China's top priority for agriculture.

### Broiler exports to increase 2 percent to 330,000 MT

China's exports are forecast to increase by 2 percent to 330,000 MT from a 3 percent decrease in 2006 at 322,000 MT. The growth in 2007 is not large based on the situation of China's traditional export markets. Japan is forecast to reduce imports due to high stocks. Japan's "Positive List", stricter inspection and quarantine requirements, already doubled some processing materials and reduced China's pace of increase in exports considerably. Japan's newly occurred HPAI outbreak in Japan may help maintain demand for cooked poultry imports at least at last year's level

Russia used to be China's large export market, but Russia changed to implement import quota policy reducing trade with China. This will not change in 2007.

As HPAI outbreaks decline in China, The mainland has just successfully explored new markets for its fresh and chilled poultry to Hong Kong and Macau in 2006, as both markets have reduced their own broiler slaughter. That explains why China reduced live bird exports to the two destinations. This trend will continue in 2007.

### Poultry Eggs

The China National Statistics Bureau (NSB) just announced China's 2006 total poultry egg production—29.5 MMT—nearly 6 percent increase from last year. The pace of increase was the same as last year. Post believes that most of the increase was contributed by duck and goose egg increase. Egg production was not impacted by HPAI outbreaks as much as the broiler industry. The strong demand for duck and goose meat in South China and prosperous Chinese down garment exports drive duck and goose production up steadily. It is also because there are little substitutes for chicken eggs. Post forecasts China's poultry egg production in 2007 to increase by 5 percent to 31 MMT. Almost all domestic poultry eggs are consumed in China.

China Poultry Egg Production, 2001-2007 (1,000 MT)

	2001	2002	2003	2004	2005	2006	% Change 2006/05
Total Poultry Egg	23,367	24,627	26,067	27,237	28,795	29,500	5.72

Source: China Statistics Bureau

China only imports breeding hatching eggs. China's imports in 2006 increased from 3,440 pieces to 202,320 pieces due to recovering broiler and egg production in 2006. Increased hatching egg imports setoff reduced live chicken breeding stocks in 2006. China's year-on-year hatching egg import shot up from 3,400 pieces in 2005 to 202,320 pieces due to HPAI impacts. Eggs are not easy to be contaminated by HPAI. Hungary dominates 94 percent supplies to China. The United States is the second largest hatching egg supplier to China.

China mainly exports shelled eggs. Its exports in 2007 are forecast to increase 2 percent to 1.2 million pieces from last year's 1 percent decrease, because the Mainland mainly exports to Hong Kong and Macau, accounting for about 90 percent of China's total egg exports. Tight availability of eggs for Hong Kong and Macau from HPAI countries in Asia is forecast to lead China's export increase to the two destinations.

## PS&amp;D table for broiler meat

## PSD Table

**Country** China, Peoples Republic of  
**Commodity** Poultry, Meat, Broiler

(MIL HEAD)(1000  
 MT)(PERCENT)

	2005	Revised		2006	Estimate		2007	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2005	01/2005		01/2006	01/2006		01/2007	01/2007
Inventory (Reference)	0	0	0	0	0	0	0	0	0
Slaughter (Reference)	7550	7550	7550	7620	7620	7640	7700	0	7800
Beginning Stocks	0	0	0	0	0	0	0	0	0
Production	10200	10200	10200	10350	10350	10350	10520	0	10520
Whole, Imports	0	0	0	0	0	0	0	0	0
Parts, Imports	219	220	219	370	275	283	430	0	360
Intra-EU Imports	0	0	0	0	0	0	0	0	0
Other Imports	0	0	0	0	0	0	0	0	0
Total Imports	219	220	219	370	275	283	430	0	360
Total Supply	10419	10420	10419	10720	10625	10633	10950	0	10880
Whole, Exports	0	0	0	0	0	0	0	0	0
Parts, Exports	331	358	331	350	470	322	365	0	330
Intra EU Exports	0	0	0	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0	0	0	0
Total Exports	331	358	331	350	470	322	365	0	330
Human Consumption	10088	10062	10088	10370	10155	10311	10585	0	10550
Other Use, Losses	0	0	0	0	0	0	0	0	0
Total Dom. Consumption	10088	10062	10088	10370	10155	10311	10585	0	10550
Total Use	10419	10420	10419	10720	10625	10633	10950	0	10880
Ending Stocks	0	0	0	0	0	0	0	0	0
Total Distribution	10419	10420	10419	10720	10625	10633	10950	0	10880
CY Imp. from U.S.	147	147	147	272	175	272	301	0	301
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
Balance	0	0	0	0	0	0	0	0	0
Inventory Balance	0	0	0	0	0	0	0	0	0
Production Change	2	0	2	1	1	1	2	-100	2
Import Change	26	0	26	69	25	29	16	-100	27
Export Change	37	0	37	6	31	-3	4	-100	2
Trade Balance	112	138	112	-20	195	39	-65	0	-30
Consumption Change	2	0	2	3	1	2	2	-100	2

## Broiler trade matrix

China Broiler Meat Imports, 2004-2006 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
Origin	Quantity	Quantity	Quantity	% Change
	2004	2005	2006	2006/2005
World	180,071	370,873	572,218	54.29
United States	75,645	196,659	390,748	98.69
Brazil	60,810	142,872	142,812	-0.04
Argentina	42,587	24,188	27,702	14.53
Chile	0	2,502	9,044	261.47
France	0	1,659	1,266	-23.69
Philippines	0	59	488	727.12
Canada	775	2,758	150	-94.56
Thailand	173	122	0	-100.00
Other	81	54	8	-85.19
HS Code: 020711, 020712, 020713, 020714 and 160232				
Note: China chicken paw imports under HS Code 02071422 is included in this table, but excluded in the PS&D table.				
Source: WTA/GTA China Customs Statistics				

China Chicken Paw Imports, 2004-2006 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
Origin	Quantity	Quantity	Quantity	% Change
	2004	2005	2006	2006/2005
World	n/a	189,178	289,171	52.86
United States	n/a	103,211	156,974	52.09
Brazil	n/a	60,724	98,851	62.79
Argentina	n/a	23,138	26,907	16.29
Chile	n/a	2,034	6,439	216.57
Other	n/a	71	0	-100.00
HS Code: 020714.22				
Source: WTA/GTA China Customs Statistics				

Hong Kong Broiler Re-Exports to China, 2004-2006 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
	Quantity	Quantity	Quantity	% Change
Origin	2004	2005	2006	2006/2005
World	104,653	105,503	177,393	68.14
Brazil	32,506	43,202	113,420	162.53
United States	44,638	41,937	38,682	-7.76
Argentina	7,371	5,284	11,454	116.77
Chile	3,304	5,068	7,720	52.33
Iran	2,260	3,710	2,352	-36.60
France	2,067	728	932	28.02
Canada	2,273	404	273	-32.43
United Kingdom	2,435	268	199	-25.75
Other	7,799	4,902	2,361	-51.84

HS Code: 020711, 020712, 020713, 020714 and 160232  
Note: China chicken paw imports under HS Code 02071410 is included in this table, but excluded in the PS&D table.  
Source: WTAWTA from Hong Kong Census and Statistics Department

Hong Kong Chicken Paw Re-Exports to China, 2004-2006 (2004-2006)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
	Quantity	Quantity	Quantity	% Change
Origin	2004	2005	2006	2006/2005
World	54,515	68,407	117,087	71.16
Brazil	15,518	24,223	74,345	206.92
United States	23,327	27,803	23,658	-14.91
Argentina	6,234	4,987	11,112	122.82
Chile	1,213	3,630	4,731	30.33
Iran	2,233	3,710	1,947	-47.52
Canada	825	176	23	-86.93
Turkey	3,096	3,215	0	-100.00
Other	2,069	663	1,271	91.70

HS Code: 020714.22  
Source: WTA Hong Kong Census and Statistics Department

China Broiler Meat Exports, 2004-2006 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
Destination	Quantity	Quantity	Quantity	% Change
	2004	2005	2006	2006/2005
World	240,960	331,524	321,761	-2.94
Japan	136,516	178,411	196,282	10.02
Hong Kong	61,868	88,569	91,892	3.75
Korea South	1,989	8,673	12,320	42.05
Bahrain	2,825	4,272	4,821	12.85
United States	1,197	4,154	3,027	-27.13
Macau	1,051	1,739	2,001	15.07
Iraq	1,465	2,062	1,593	-22.74
Singapore	1,442	1,483	1,409	-4.99
Somalia	3,680	3,796	1,323	-65.15
Kenya	0	293	1,170	299.32
Maldives	345	651	1,021	56.84
Albania	4,273	5,430	545	-89.96
Georgia	835	1,873	406	-78.32
Armenia	50	1,969	96	-95.12
Moldova	1,029	8,237	0	-100.00
Korea North	3,834	5,003	0	-100.00
Azerbaijan	739	2,847	0	-100.00
Mozambique	204	2,592	0	-100.00
Uzbekistan	200	1,267	0	-100.00
Other	17,763	9,147	3,855	-57.86

HS Code: 020711, 020712, 020713, 020714 and 160232  
Note: No exports of chicken paws  
Source: WTA/GTA China Customs Statistics

China Import M.F.N Tariff Rate on Frozen Chicken Products, 2001-2007 Based on Weight ((Unit: RMB/KG) (\$1=RMB7.76)									
HS Code		2001	2002	2003	2004	2005	2006	2007	% Change 2005/04
2007.1200	Frozen whole broiler	1.6	1.6	1.3	1.3	1.3	1.3	1.3	0.00
0207.1411	Frozen broiler cuts with bones	1.2	1.0	0.8	0.6	0.6	0.6	0.6	0.00
0207.1419	Frozen broiler cuts, boneless	2.7	1.5	1.2	1.0	1.0	1.0	1.0	0.00
0207.1421	Frozen broiler wings	2.3	1.2	1.0	0.9	0.9	0.8	0.8	11.11
0207.1422	Frozen chicken paws	1	0.8	0.6	0.5	0.5	0.5	0.5	0.00
0207.1429	Frozen chicken wingtips, livers					0.5	0.5	0.5	-
* 0207.2900	Frozen wingtips, paws, liver	1	0.8	0.6	0.5	n/a	n/a	n/a	-
0504.0021	Broiler gizzard	1.7	1.7	1.4	1.4	1.4	1.3	1.3	0.00

Source: China Customs  
\* Note: Since January 1, 2005, China Customs created a new HS Code (0207.1422) for chicken paws and a new HS Code (0207.1429) for chicken wingtips and livers instead of HS Code 02072900 which contained all the three products in the past.

CHINA WHOLESALE BROILER MEAT PRICES ON AVERAGE  
2004-2007 (US\$/KG, \$1=RMB7.76)

	2004	2005	2006	2007	% Change 2007/06
January	1.01	1.03	0.93	1.14	22.58
February	0.92	1.03	0.94	1.18	25.53
March	0.97	1.11	0.90		
April	0.96	1.10	0.90		
May	0.95	1.12	0.92		
June	0.98	1.11	0.89		
July	1.05	1.05	0.93		
August	1.09	1.06	1.00		
September	1.12	1.09	1.08		
October	1.13	1.01	1.13		
November	1.06	0.92	1.16		
December	0.97	0.91	1.12		

Source: The Ministry of Agriculture

CHINA WHOLESALE LIVE CHICKEN PRICES ON AVERAGE  
2004-2007 (US\$/KG, \$1=RMB7.76)

	2004	2005	2006	2007	% Change 2007/06
January	1.10	1.13	0.87	1.27	45.98%
February	1.02	1.17	1.11	1.24	11.71%
March	0.98	1.21	1.00		
April	1.07	1.28	1.02		
May	1.13	1.33	0.98		
June	1.18	1.2	0.95		
July	1.21	1.16	0.91		
August	1.24	1.18	1.04		
September	1.22	1.22	1.03		
October	1.21	1.08	1.23		
November	1.17	0.98	1.22		
December	1.22	0.97	1.17		

Source: The Ministry of Agriculture

CHINA'S WHOLESALE CHICKEN EGG PRICES  
ON AVERAGE 2004-2007 (US\$/KG, \$1=rmb 7.76)

	2004	2005	2006	2007	% Change 2007/06
January	0.63	0.69	0.58	0.7	20.69%
February	0.55	0.68	0.57	0.77	35.09%
March	0.60	0.64	0.54		
April	0.58	0.64	0.54		
May	0.59	0.72	0.54		
June	0.66	0.71	0.55		
July	0.67	0.71	0.59		
August	0.74	0.74	0.65		
September	1.92	0.72	0.74		
October	0.71	0.67	0.72		
November	0.68	0.62	0.74		
December	0.68	0.61	0.75		

Source: The Ministry of Agriculture