



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - Public distribution

**Date:** 10/10/2008

**GAIN Report Number:** CH8089

## China, Peoples Republic of

### Agricultural Situation

### Weekly Hongbao

### 2008

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**Report Highlights:**

This report provides a news synopsis of trade policy and agriculture/commodities in China. Policy news includes: 1) China sets melamine levels for milk products and 2) After Three Deaths, China Bans One Brand of Herbal Drug

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Annual Report  
Beijing [CH1]  
[CH]

## Policy

### **China sets melamine levels for milk products**

In the wake of the ongoing tainted dairy scandal, on October 8, the Government of China introduced national standards for levels of the industrial chemical melamine permitted in milk and food products. The crisis has been blamed on dairy suppliers who are accused of adding melamine to watered-down milk to fool quality control tests and make the product appear rich in protein. Wang Xuening, a Health Ministry official, acknowledged that small amounts of melamine can leech from the environment and packaging into milk and other foods, but said that deliberate tainting is explicitly forbidden. Melamine limits considered safe were set at 1 milligram per kilogram of infant formula and 2.5 milligrams per kilogram for liquid milk, milk powder and food products that contain more than 15 percent milk. (Source: Associated Press, Oct 8)

### **After Three Deaths, China Bans One Brand of Herbal Drug**

The Chinese government announced that it had banned the sale and use of one brand of herbal medicine after three people injected with it died and three others fell seriously ill, revealing a new product safety issue even as the government is grappling with the scandal over tainted milk. The problem drug has been identified as a preparation of Siberian ginseng made by Wandashan Pharmaceutical, based in northeastern China. It was not immediately clear whether Wandashan marketed its products outside of China. However, the company claims it had recalled all products containing the herb within 24 hours of receiving word from the government. (Source: The New York Times, Oct 9)