



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - Public distribution

Date: 2/13/2009

GAIN Report Number: CH9006

China, Peoples Republic of

Agricultural Situation

Weekly Hongbao

2009

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Report Highlights:

This report provides a news synopsis of trade policy and agriculture/commodities in China. News includes: 1) Avian Influenza H5N1 Outbreak Reported in Xinjiang Province 2) Outbreak of Blue Ear Disease Reported in Shanxi Province 3) Textile and Garment Export Rebate Rate Increased 4) MOA Lays out Plan to Consolidate Farm Product Quality and Safety and 4) Health Ministry Solicits Comments on Food Additives

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

Avian Influenza H5N1 Outbreak Reported in Xinjiang Province: On February 10, the Ministry of Agriculture (MOA) reported an outbreak of high pathogenic H5N1 avian influenza in a chicken farm in He Tian City of Xinjiang. MOA reported bird mortality of 519 birds from 1,330 birds showing symptoms of AI. Follow-up measures included a culling of more than 13,000 birds. Xinjiang accounts for less than one percent of China's poultry production. (Source: MOA website, 02/10/2009)

Outbreak of Blue Ear Disease Reported in Shanxi Province: On February 11, MOA confirmed that the recent deaths of 1,056 pigs in a small farm town in Shanxi were caused by blue ear disease. In 2007, an outbreak of blue ear disease led to the deaths of more than 10 million pigs and caused a sharp rise in pork prices that continued for more than six months. This comparatively minor incident in Shanxi is reportedly under control. While detections of blue ear disease in China are still common and the threat of a serious outbreak remains, MOA has become more aggressive in containment of the disease, applying forced culling and other measures to prevent movement of sick pigs. (Source: MOA website, 02/11/09)

Textile and Garment Export Rebate Rate Increased: According to news reports, the Chinese State Council raised the export rebate for textile and garments, now the fourth time since August 2008, up one percentage point to 15 percent in an effort to boost exports. Industry insiders say this increase could yield US\$1.12 billion profit. The government also allocated funds for technology upgrades and for manufactures to relocate to central and western China. Local apparel manufactures believe that these measures will widen profit margins and provide numerous employment opportunities. (Source: ATO/Guangzhou and local press, 02/12/09)

MOA Lays out Plan to Consolidate Farm Product Quality and Safety: The Ministry of Agriculture has worked out a plan to consolidate agricultural product safety during 2009 through a series of measures including: intensified market inspection, residue monitoring scheme, and training/education. The end goal is to halt the use of illegal chemicals like melamine in raw/fresh milk and feed, high toxic pesticides in vegetable production, and banned animal drugs in aquaculture farming. The plan will also increase the compliance rate for pesticide residue and veterinary drug residue by two percent. (Source: Ministry of Agriculture web site, 02/11/09)

Health Ministry Solicits Comments on Food Additives: The Ministry of Health published on its web site a group of food additives and food nutrition enhancers for public comment about their dosage levels and scope of application. Additives such as lactoflavin and calcium hydrophosphate are included. The deadline for comments is March 12, 2009. See the link for details.

<http://www.moh.gov.cn/publicfiles/business/htmlfiles/mohwsjdj/s3594/200902/39085.htm>

(Source: Ministry of Health web site, 02/11/09)