

Voluntary Report – Voluntary - Public Distribution

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Report Name: MARA Plan Aims to Manage Swine Sector and Scale

Country: China - People's Republic of

Post: Beijing

Report Category: Agricultural Situation, National Plan, Policy and Program Announcements, Agriculture in the News, Livestock and Products

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Report Highlights:

On September 23, 2021, China's Ministry of Agriculture and Rural Affairs (MARA) published its Interim Implementation Plan to Manage Swine Production Capacity which provides management targets for the swine sector. The plan took effect on September 19, 2021 and provides targets for province-by-province sow inventories and the number of large-scale licensed swine farms. Though China's swine inventory is shaped by many factors, the apparent aim of the plan is to manage the swine sector and moderate supply swings for swine and pork production while facilitating sector concentration.

MARA Published Interim Implementation Plan to Manage Swine Production Capacity

On September 23, 2021, MARA announced its Interim Implementation Plan to Manage Swine Production Capacity, which took effect on September 19, 2021. The plan provides targets for province-by-province breeding sow inventories and large-scale swine farms. (Note: large-scale swine farms are those that slaughter over 500 head on an annual basis. Also, some of the province-by-province targets include other designated territories or business units). Each area/entity is prescribed a specific number for the “normal” sow inventory target. The plan requires that the national sow inventory be maintained at around 41 million head each year during the years from 2021 to 2025. The plan indicates that the number cannot fall below 37 million head (i.e., 90 percent of the target). If a province’s sow inventory fluctuates above or below 5 percent of the prescribed number, the central government indicates it will introduce control measures, including culling inefficient sows or providing subsidies and using other financial tools to get within an acceptable range of the target number. The plan is available at the following link along with other information about the plan requirements and operational mechanisms.

http://www.moa.gov.cn/govpublic/xmsyj/202109/t20210923_6377327.htm

The table, below, lists target sow numbers and number of large-scale hog farm for each MARA designated area/entity.

According to several industry contacts, this plan could help moderate swings in China’s swine and pork production over the longer term. Though, many contacts indicated that other factors, including animal diseases, market prices for swine and pork, hog producers’ profit, litter sizes and changes in litter sizes, and pork trade will all impact the ability for the sector to reach the targets.

Industry contacts believe this plan could accelerate concentration in the sector and support larger producers who tend to maintain, already, a stable inventory. It is apparent that this plan focuses on providing assurances to large-scale farms and is an effort to manage and stabilize the sector. Contacts believe that small producers, who account for almost half of China’s producers, will either gradually exit the market when the swine and pork prices are too low or will be motivated to scale-up their enterprises.

Table 1. China: MARA Breeding Sow and Large-Scale Farm Targets

Province	Breeding Sows - Normal Target (Unit: 1000 Heads)	Breeding Sows - Minimum Target (Unit: 1000 heads)	Large-Scale Swine Farms Target (Unit: Households/Farms)
Beijing	46	41	31
Tianjin	170	153	1,100
Hebei	1,870	1,683	6,600
Shanxi	550	495	3,900
Inner Mongolia	563	507	1,200
Liaoning	1,300	1,170	4,600
Jilin	910	819	2,600
Heilongjiang	1,450	1,305	1,600
Shanghai	85	77	100
Jiangsu	1,200	1,080	5,000
Zhejiang	650	585	2,700
Anhui	1,200	1,080	5,400
Fujian	900	810	5,000
Jiangxi	1,610	1,449	7,600
Shandong	2,850	2,565	11,700
Henan	4,000	3,600	10,600
Hubei	2,450	2,205	12,800
Hunan	3,560	3,200	10,000
Guangdong	1,900	1,710	4,500
Guangxi	2,200	1,980	8,200
Hainan	307	276	950
Chongqing	925	833	5,000
Sichuan	4,000	3,600	11,000
Guizhou	1,410	1,269	3,000
Yunnan	3,000	2,700	6,000
Tibet	100	90	19
Shaanxi	840	756	2,700
Gansu	650	585	1,900
Qinghai	65	59	100
Ningxia	81	73	250
Xinjiang	145	131	250
Xinjiang Production and Construction Corps	311	280	600
National Total	41,298	37,166	137,000

Attachments:

No Attachments.