



SHANGHAI AGRICULTURE AND AGRI-FOOD MARKET BULLETIN

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The Shanghai Canadian Consulate produces a bi-monthly French/English Agriculture and Agri-food market bulletin. The bulletin provides Canadian exporters with timely market information and opportunities in the Yangzi Delta region.

La version française est disponible sur demande.



RECENT BUSINESS DEVELOPMENT EVENTS

Canada Pork International (CPI) Seminar Successfully Conducted in Shanghai

The Canada Pork International (CPI) seminar was successfully conducted at the Shanghai Westin Hotel on September 23. CPI delegation Members met with 130 local meat professionals from Shanghai and other provinces of China. They are mainly the meat importers, processors, retailers and from hotels, restaurants and also from the local Chinese cuisine associations.

Prior to the seminar, arrangements were made for the CPI delegation members to visit the pork processing plant of Shanghai Food Group Corporation, and to understand the current level of technologies and the grading standard that a typical Chinese meat processing company is practically using.

The CPI delegation members will follow up with the Chinese contacts that they have established during this 2004 seminar. The Agfood team of the Canadian Consulate General in Shanghai will continue to support and assist the business inquires and trade leads.

Canadian Seminar Held in the 2004 Jiangsu Provincial AgriExpo in Lianyungang City

Invited by the Jiangsu provincial government, Henry Deng, Senior Commercial Officer of the Canadian Consulate General led representatives of two Canadian companies in Shanghai to conduct a Canadian Seminar in the 2004 Jiangsu

Provincial AgriExpo in Lianyungang on October 23. Lianyungang is the most northern city in Jiangsu province, and is one of the main agrifood production bases of China. Same as Zhejiang, Jiangsu is one of the richest provinces in China, famous for its agricultural products such as rice, oilseed, cotton and aquaculture industries.

The AAFC newly made DVD was played at the beginning of the Canadian Seminar, to promote the Canadian agfood capability and food safety. The Canadian Hydronov (vegetable) briefed to the 50 senior agfood audiences on their Shanghai project and their business development plan in East China. The Canadian Hanfeng Group presented their tree nursery and fertilizer projects in Shanghai. Mr. Deng, in his presentation introduced the APF as well as current developments of Canadian agfood industry and export capabilities. This Canadian Seminar was very effective in raising awareness and profile for Canada in Jiangsu province, and with a very positive impact to the Yangzi Delta participants.

VISITS & PLANNED TRADE INITIATIVES

1. Manitoba Deputy Premier Wowchuck will lead a business delegation to Shanghai November 6-8, and will visit Anhui province and Beijing after the Shanghai portion.
2. Canadian Gourmet In-store Promotion at the Shanghai First Food Store Co., Ltd. (720 Nanjing Dong Road) November 9-23, to promote 400 SKUs packaged food products from BC, Ontario and Quebec.
3. Canadian Seafood Promotion at Shanghai PaciCan Restaurant (5th Floor, 863 Nanjing Xi Road, owned by a Canadian), will feature live lobster, geoduck, oyster and crab, from

November 15 to mid-December. Canadian wines will also be promoted during the period.

AGFOOD TRADE NEWS

1) China's "green food" industry increased 30%; export increased 50% in the recent 5 years. By the end of 2003, there are 2,047 companies in China that produce "green food" (some organic certified) with a total of 4,030 products. "Green food" in China has domestic sales of US\$8.8 billion, and export of US\$1.08 billion.

2) The Chinese Ministry of Commerce recently issued the "2005 Quota for imported Palm Oil, Soybean Oil, Rapeseed Oil and Sugar". The quota for palm oil is 31,680 tonnes (10% for state-owned importers), soybean oil 35,871 tonnes (10% for state-owned importers), rapeseed oil 12,430 tonnes (10% for state-owned importers) and sugar 19,450 tonnes (70% for state-owned importers).

3) China's edible oil production is estimated 20 million tonnes for 2004, with 3 million tonnes of surplus. China's import duty for sugar will be lowered to 15% from 20% of 2003.

4) Shanghai First Food Store is one of the packaged food retail outlets in Shanghai that has more than 70 years of history. Since September, the store hosted a US food in-store promotion, followed by the Brazilian food fair. With 400+ SKUs of packaged food products, the Canadian Gourmet festival will be held November 9-23, and by the end of 2004, the store will host French, Italian and Australian food promotions in it, and in its chained stores of Shanghai Jieqiang Supermarket Co.

5) Carrefour is looking into Wenzhou of Zhejiang province for its business expansion. However, one of Carrefour's chained stores was recently found to sell unqualified rice. The rice was sold in bulk. In October, one of Carrefour's stores in Shanghai was reported to sell the products that did not meet the sanitary requirement.

6) The Wal-Mart will conduct a purchasing fair in Hangzhou, capital city of Zhejiang province in November, to meet the needs of Zhejiang suppliers. According to the Hangzhou authority, Wal-Mart picks up one or two cities in China to host its annual purchasing fair. It will be the first time that Wal-Mart hosts the

fair in Zhejiang, one of the richest provinces in the East China region.

INFORMATION AVAILABLE ON REQUEST

1) The Zhejiang Organic Food Market Report (July 2004, English)

2) Food Distribution in Yangzi Delta (a market study of July 2003, English and French)

3) The "Black List" that the Chinese State Administration Bureau of Industry & Commerce issued – it lists the 54 dairy factories in China that produce bad-quality milk powder products (10 in the Yangzi Delta region, none in Shanghai, list available in Chinese language)

4) The newly-updated contact list of wine importers and the bottled water importers in Shanghai (English)

5) The Management Regulations of Foreign Business Investing in Commercial Field issued by the Chinese Ministry of Commerce (effective June 1, only in Chinese language)

6) The Latest Standard of Retailing Format Classification issued by the Chinese Ministry of Commerce (effective October 1, in Chinese language but will be translated into English)

IMPORTANT NOTICE

We will update our contact information in December to print the 2005 Directory of Canadian Suppliers of Food Products. We have 28 companies in the 2004 Directory. If you recently established contacts in Shanghai and the Yangzi Delta region that you wish to add to our 2005 Directory, please inform us by December 10. Please note that the local companies need to import food from Canada on regular basis (not just once or twice a year). Thank you.

CONTACT INFORMATION

Canadian Consulate General in Shanghai

Suite 604, Four Shanghai Centre, 1376 Nanjing Xi Lu
Shanghai 200040

Tel: (86-21) 6279-8400 * Fax (86-21) 6279-7456

<http://shanghai.gc.ca>

We also produce a Chinese language market bulletin highlighting Canadian products, technologies and potential business leads from Canadian companies. For information on submitting a business lead or for distribution, please contact Ms. Dora Wang at: dora.wang@international.gc.ca