

Austrade Opportunities in China for Cattle & Goat Genetics and Pasture Seed Webinar

**China Agribusiness &
Food & Beverage Team
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Australian Government
Australian Trade Commission



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Cattle Breeding in China

Presented by

Luisa Rust

Trade Commissioner Shanghai

Cattle Breeding in China

- Beef cattle is one of the fast growing sector of Livestock industry in China in recent 5 years.
- Current beef cattle breeds are: 52 Yellow Cattle Breeds; 6 breeding cattle varieties and 12 introduced breeds
- The industry concentration is relatively low. Northwest, Southwest, Central and Northeast China are the most important beef cattle production regions in China,



Cattle Breeding in China

Current Practice in China

- 2009 beef cattle characteristics
- Strong government support and policy to promote the livestock industry
- Industry trends
- Genetics situation
- Import and export situation



Cattle Breeding in China

Government 5-year plan (2011-2015) for Beef Cattle Development

- Innovation on breeding cattle and selection of new varieties through cross breeding and biotechnology to develop 2-3 new breeds
- Development of modern high efficiency production system with an aim to establish
 - A. 5-10 large scale and standardised beef cattle enterprises
 - B. 150-200 beef cattle demonstration farms
- Research and utilisation of new technology and practice for beef cattle breeding

Cattle Breeding in China

Protocols and Tariff Rates

- Current selection is restricted to Victoria, southern New South Wales and South Australia because these regions are free of the Bluetongue virus
- Import Permit and Tax Free Certification should be obtained prior to shipment

	Tariff	VAT
• cattle (pure bred)	0	0
cattle (not for breeding)	10%	13%
embryo	0	0
frozen semen	0	0

Cattle Breeding in China

Opportunities for Australia

- Animal genetics introduction and improvement of local cattle quality
- Feed formulation and production
- Technology development & transfer
- Modernization of Chinese livestock operations through JC/JV or acquisition
- Quality control and assurance systems
- Pasture production and processing
- Livestock waste treatment and management
- Training

Goat Breeding in China

Presented by

Kathy Chen

Business Development Manager, Guangzhou Office

Goat Breeding in China

Goat Farming Industry in China

- It is estimated that total goat numbers in China are 21.7% of the total goat number in the world and the goat number and gross production in China rank the first for many years
- China has a significant number of goat breeds, the total number of goats was 150 million in 2009
- According to “The Sheep and Goat Breeds in China” records, China has 24 goat breeds used as different types of production, including milk type, meat type, fibre type
- China still has other 25 species not been included in record, such as the local goat breeds and the introduced breeds

Goat Breeding in China

Current Practice in China



- Goat industry farming characteristics in 2010
- Goat and genetics Import situation and demand
- Emerging markets and best prospects for goat/sheep meat and goat milk in China
- Yunnan mission – opportunity in GD/Yunnan/Anhui

Goat Breeding in China

Regulations and Protocols

- Tariff rate - Pure for breeding
 - Sheep 0%
 - Goat 0%
- Tariff rate - Not for breeding
 - Sheep 10% + 13%VAT
 - Goat 10% + 13%VAT
- Export Quarantine Process



Goat Breeding in China

Government Plan to Develop Goat Industry

In recent years, China has adjusted the policy of animal husbandry to develop herbivore raising. The priority is put on the development of Grass-feeding livestock, such as cow and sheep and the development of meat goats is also one of the key items

- To develop good goat breeds
- To increase comprehensive benefit with further processing of goat products
- To extend feeding management and breeding technique
- To develop ecological goat raising industry by planting grasses
- To increase exports of goats and explore international markets by developing export-oriented goat industry.

Pasture Seeds in China

Presented by

Camille Sang

Business Development Manager, Nanjing Office

Pasture Seeds in China

Current Practice in China

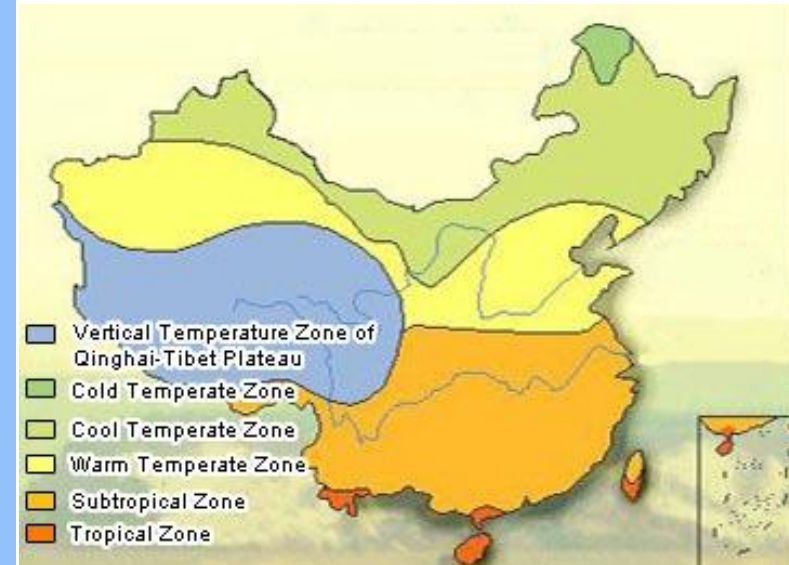
- Total grassland: 400 million hectares, 2nd in the world
- The annual pasture output: 60 million tons
- Pasture processing companies: over 300 in China
- Cultivated pastureland: 1.9%
- Degraded pastureland, decreased output and declined quality
- Main pasture varieties: lucerne and oat (total 50%)

Main imported seed varieties: rye grass and fescue





← Nine Pasture Zones



1. **Northeast:** Guinea grass, Clover, Astragalus adsurgens and Lespedeza
2. **Inner Mongolia Plateau:** Clover, Astragalus adsurgens, Sibiricus and Mongolian Sweetvetch
3. **Yellow River- Huaihe River- Haihe River Plain:** Clover, Astragalus adsurgens, Bromus Inermis and Tall Fescue
4. **Loess Plateau:** Clover, Astragalus adsurgens, Coronilla varia and Bromus Inermis
5. **Middle-Lower Reaches of Yangtze River:** White Clover, Ryegrass, Tall Fescue and Dallis grass
6. **South China:** Dallis grass, Bristlegrass, Wing bean grass and Leucaena
7. **Southwest:** White Clover, Ryegrass, Red Clover and Tall Fescue
8. **Qinghai-Tibet Plateau:** Sibiricus, Elymus nutans, Chinese Fescue and Clover
9. **Xinjiang Area:** Clover, Bromus Inermis, Sibiricus and Kochia scoparia

Pasture Seeds in China

Challenges and Opportunities

- The area of pastureland is extremely limited.
- China's grain subsidy policies have negative impacts on pasture planting.
- The underdeveloped planting, harvest and storage technologies restrict the extension of pasture land.
- Australia is one of the major suppliers.



Pasture Seeds in China

Central Government Five-Year Plan

- Modern seed industry: seed breeding, industry reforming, throughout improving
- 50 large seed enterprises
- Seed subsidy program for high-quality commercial seed
- Establish large seed production bases
- Support seed technology development



Pasture Seeds in China

Tariff

	Tariff	VAT
• Pasture seeds	0%	13%

Quarantine Process:

- Submit an application in advance for importing seeds
- Specify the quarantine requirements in the contracts
- Provide necessary phytosanitary/other certification
- Plant in isolation inspection zone for at least a growth cycle
- Notification for Quarantine Clearance

Educational Opportunities in China

Animal Husbandry, Pasture Seed

Presented by

Vivian Zhao

Business Development Manager

Opportunities for Education Providers

- Opportunities for Australian institutes specialised in Animal Husbandry and Grass Seed
- Cooperation Model & Best Practice



Details of the Yunnan Mission

Presented by

Alice Guo

Manager, Kunming Office

Kunming, Yunnan



Capital	Kunming
Surface area (km²)	394,000 sq. km (about the same as Japan)
Rural population (2008) 2010?	30,440,000 – 67%
Main languages	Mandarin (official language), Tibeto-Burmese, Tai dialects, Northern Tao dialects and Hmong-Mien
GDP for 2009	RMB617 bn (USD93 bn)
GDP for H1 2010	RMB304 bn (USD46 bn)
Total Agricultural Gross Output Value (CNY 2008)	159.45 billion
GDP growth rate (as of H1 2010)	13.8%
GDP growth rate (as of 2009)	12.1% (2001-2009 average: 10.1%)
2010 GDP target growth	9%
Per capita GDP (CNY 2008)	12,587
Main trading partners	ASEAN, India, Australia, Peru, Thailand, Japan, Brazil
Trade with Australia in 2009	Exports to Australia USD62 million Imports from Australia USD470 million

Major players related to the mission

- Yunnan Department of Commerce
- Yunnan Agriculture Bureau
- Yunnan Zhongke Embryo Biotechnology – *livestock breeding, embryo processing*
- Yunnan Beef & Pasture Centre – *technology research for beef cattle breeding and pasture production*
- Yunnan and Dali IA Station
- Yunnan LuShengMD (grass seeds)

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Mission program

Mission program

The program has been designed to maximise your visit.

Date	Details
Sunday 21 August	Arrival in Guangzhou
Monday 22 August	Delegate briefing at Austrade Guangzhou Site visit Evening travel to Kunming (ground transport to airport)
Tuesday 23 August	Australia china cattle and pasture forum, networking luncheon Mission delegates will present their products and services and have the opportunity to network with over 70 key decision makers from local government authorities, state owned and private enterprises Dinner for mission delegates with Yunnan's largest cattle producer
Wednesday 24 August	Field visits to Yunnan Beef and Pasture Centre and Goat Breeding Facility
Thursday 25 August	Business matching with local companies (<i>Arranged according to the industry of majority of the delegates</i>)
Friday 26 August	Field visit TBC

Yunnan Beef Cattle & Pasture Research Centre

Yunnan Beef Cattle & Pasture Research Centre was established in 1983 on the foundation of Sino-Australia technology program “Yunnan Livestock and Pasture Development Project”. The centre now is a provincial key institute on applicable technology research for beef cattle and pasture production. The centre has been engaged in the research on the livestock and pasture development and technology extension with great achievements made in pasture, beef, goat and dairy buffalo, contributing its speciality to the livestock industry development in Yunnan.

Professor Yang Guorong

- Director of Science & Research division of Yunnan Beef Cattle & Pasture Research Centre. Livestock specialist.
- Participated three international collaborative projects and 31 national and provincial projects working as a key technical expert.
- Honored the rewards of Science and Technology Progress awarded by Academy of Science of China and by Yunnan Provincial Government.

