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## China - Peoples Republic of

**Post:** Guangzhou

### **ATO Guangzhou spearheads 1st U.S.-China Biotechnology Inspection & Quarantine seminars**

**Report Categories:**

Agricultural Trade Office Activities

Biotechnology - GE Plants and Animals

Market Development Reports

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**Report Highlights:**

**Summary:** From May 21-25, 2012, ATO Guangzhou organized and led the U.S. Department of Agriculture's first U.S.-China Biotechnology Inspection and Quarantine seminar road show with three of the largest South China quarantine and inspection bureaus (CIQs). The road show included seminars and laboratory visits to Guangdong Provincial, Shenzhen (works independent of Guangdong CIQ), and Xiamen (Xiamen CIQ works independent of the Provincial Fujian CIQ). The seminars featured experts from the largest U.S. seed research and development industry and Chinese entities like the China National Quarantine and Inspection Association (CIQA) and the China Academy of Agricultural Sciences (CAAS). The engagement was also a milestone entrée for Crop Life China and U.S. grains producer associations such as the American Soybean Association—International Marketing and the U.S. Grains Council as well as trade interests like Cargill Investments China Ltd. to discuss food safety and food security in the context of biotechnology developments impacting U.S.-China agricultural trade.

South China ports play an important role in bulk grain imports. The seminars will significantly improve biotechnology knowledge of the port inspection officials and strengthen work relationships the ATO, industry, and the trade has with CIQs in major South China ports. With better understanding of biotechnology, the port officials will improve their technical inspections and help smooth the way for U.S. agricultural products into the South China market.

South China ports play an important role in the importation of bulk grains. According to WTA statistics, in 2011 South China ports imported a total value of \$3,182 million of U.S. soybeans (or 27 percent of total exports to China.) and \$273 million of U.S. corn (or 59 percent of total exports to China).

## General Information:

**Seminars and Discussion:** On May 21, U.S. Embassy Beijing's Agricultural Minister Counselor (AgMinCon) Scott Sindelar and ATO Guangzhou Director opened the first of three seminars and laboratory visits to Guangdong Provincial, Shenzhen (works independent of Guangdong CIQ), and Xiamen (Xiamen CIQ works independent of the Provincial Fujian CIQ). In each city, a full-day program covered broad biotechnology management systems, regulations, inspection methodologies and detection technologies, low-level presence (LLP) issues and product pipeline impacting U.S. grains exports to China. With support from related partners (Crop Life China, American Soybean Association – International Marketing, U.S. Grains Council) and the industry (Cargill Investments China Ltd.), the seminars reached out to nearly 200 inspectors and regulators who attended these highly successful events.



AgMinCon Sindelar  
answering audience  
questions

The AgMinCon delivered opening remarks and a presentation on the overview of the U.S. agricultural biotechnology industry and government regulatory agencies involved. Other speakers addressed various topics regarding plant biotechnology related regulation around the world, product pipelines, the latest detection methods in the United States, biotechnology inspection in China's ports and low level presence.

The series of seminars helped deliver a positive tone of information related to biotechnology, which is one of the technical tools in pursuing food security, food safety and sustainability agriculture around the world. The partnership with local inspection authorities also showed the goodwill of cooperation by the world's two largest agricultural producers, consumers and traders. A booklet of each presentation is available.



Dr. Gao Yong from  
Monsanto

The seminars uncovered a great deal of misunderstanding and concerns over biotechnology and U.S. grain imports. It also reassured us of the importance of educating, communicating and discussing these concerns periodically with both inspectors and general consumers. Local officials have been reticent about China's strategy in developing biotechnology as well as in sharing evidence supporting all of the benefits biotechnology production brings to reducing China's food security concerns and food inflation issues. According to some estimates, China is also a major user of biotechnology for a number of crops as

it considered to be the 6<sup>th</sup> largest user of biotechnology (estimate is based on planted acreage).



Mr. Zhang Xiaoping,  
China Representative  
of ASA-IM

ATO Guangzhou also arranged for the U.S. industry representatives to visit the laboratory facilities of Guangdong and Shenzhen CIQs, to gain a better understanding of their inspection methodology and food safety procedures for GMO grains. ATO Guangzhou also arranged for the U.S. industry group to visit one of China's largest bulk grain ports to gain a better understanding of logistical aspects involved in U.S. grains inspection.

Overview of the three CIQs and their importance to U.S. agriculture		
Guangdong Provincial CIQ	Shenzhen CIQ	Xiamen CIQ
<i>Importance to U.S. agriculture</i>		
Guangdong is one of the major import regions for U.S. agricultural products. From 2010 till now, Guangdong imported over 10 million metric tons of agricultural products from the U.S. Guangdong also imports the most variety of agricultural products from the States. Major U.S. agricultural imports include soybean (accounted for 25% of China's total soybean import volume), corn, wheat, breeding pig, frozen meat, fresh fruit, feed, hides and skins, and meat and bone meal.	Shenzhen is also a major port for U.S. agricultural products. In 2011, 430,000 tons of corn, 230,000 tons of soybean and 56,980 tons of wheat were imported through Shenzhen ports. Other major imports including wine, frozen meat, and snack food.	Xiamen recently emerged as a major import port in Southeast China for U.S. agricultural products. In 2011, 690,000 tons of soybeans, 87,500 tons of corn and 2,580 tons of wheat, with a total value of \$433.80 million were imported through Xiamen port. Other major imports include wine and frozen potato products. Bulk grains shipments to Xiamen ports in 2012:  -Soybean                690,000 tons, with a total value at \$404 million  -Wheat                2,580 tons, with a total value at \$797,000  -Corn                87,500 tons, with a total value at \$29 million
<i>Attitude toward biotechnology and U.S.-China cooperation on biotechnology</i>		
Different consumer attitudes towards biotechnology were described in the opening remarks addressed by DDG Huang of Guangdong CIQ. DDG Huang suggested to make his/her own decision based on food security situation and market needs.	Miles away from Guangdong CIQ, the questions from the Shenzhen CIQ inspectors were emotional and uneducated. Many of the questions were completely un-related to the trainings and had everything to do with personal feelings	DDG Huang of Xiamen CIQ a positive tone for the seminar. DDG Huang expressed her support to the program and how such cooperation facilitates trade. She set three goals for the seminar:  -Improve the understanding of

<p>The questions from Guangdong CIQ inspectors are more related to policy differences and inspection procedure details.</p>	<p>attached to biotechnology.</p> <p>It also shows further needs to educate both the inspectors and mass consumers on the realities of biotechnology.</p>	<p>biotechnology, especially GMO crops;</p> <ul style="list-style-type: none"> <li>-To learn about the latest inspection technologies;</li> <li>-Maintain open communication and promote further cooperation.</li> </ul>
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All three seminars generated active discussion. Many of the questions gave away the level of comfort, education, and background individuals had regarding biotechnology. Below is the summary of questions:

### Policy related questions:

- Does the United States have different inspection procedures towards exports to China that differ from those to EU countries?
- Will the United States adopt stricter export inspection procedures for bulk grain exports to the EU countries given their disregard for biotechnology?
- USDA's role in promoting biotechnology?
- USG's regulatory inspection procedures during biotechnology crops' plantation and trade?
- What is the impact of a contamination by unauthorized GMO varieties in bulk grain shipments? What can the USG do to facilitate the trade?
- Any possibility the U.S. side can provide seedling samples and inspection method reports for all commercialized crops to CIQs?
- USDA's progress in speeding up the approval process of biotechnology corn varieties under China's Ministry of Agriculture (MOA)?
- How to attain inspection methodology for biotechnology crops that have not approved by MOA?
- While the Chinese government has adopted support policies towards the importation of GMO contain grains, the Chinese consumers still has a litany of concerns, what's the USG's plan to improve this situation in China?
- What kinds of protection methods have been adopted by the government and industry to preserve indigenous non-GMO crops?
- Do U.S. farmers have their own right to choose the type of crops (GMO vs Non-GMO) that they want to plant?
- Will CIQ test U.S. alfalfa exports, currently as shipment claim they are non-GMO?
- Are different attitudes towards GMO crops caused by regulation reasons or safety risks?

- What kind of coordination exists among Chinese authorities when deal they with GMO crops?

### **Technical related questions:**

- Please provide CIQs field test standards for commercialized seeds?
- What is gene knock-out technology?
- Where would we locate approved biotechnology crops' DNA sequencing?
- What is the difference between the China National Inspection Standards and the U.S. Industry Inspection Standards on biotechnology?
- Please provide more detailed information of LLP sampling.
- What is the impact of GMO crops on environmental safety?
- What is the status for the approval of MIR162?
- How are Round-up Ready soybeans resistant to herbicides?
- Are there any differences in U.S. standards for GMO grains for human consumption vs feed ingredients?
- Please provide the latest information on GMO alfalfa varieties and planting areas.
- Why do both the EU and Japan ban GMO rice and products?
- What are the LLP parameters adopted by EU countries?

### **Trade related questions:**

- Quality of U.S. soybeans tend to be lower than those from South America? Such as higher content of foreign materials?
- Trade projection of Chinese corn imports by 2020?
- Any news on MOFCOM's anti-dumping tariff judgment on U.S. DDGS? Will it be consider as a non-tariff barrier?
- Are the speculation activities at the exchange market caused by grain price variations?

Suggestions: for follow-up activities

### **Attachment 1 Workshop ScheduleWorkshop Schedule**

**08:30-09:00 Registration**

**09:00-09:30 Opening ceremony**

- MC kick-off
- Speech by Scott Sindelar, Minister-Consular for Agricultural Affairs, U.S. Embassy
- Speech by local CIQ authority
- Speech by CropLife (China)

**09:30-10:00 Group Photo & coffee break**

**Theme1: Biotechnology regulation & management in U.S.**

**Chair: ATO**

- Agricultural Biotechnology: An Overview  
10:00 – 10:30 Scott Sindelar / Minister-Counselor for Agricultural Affairs/USDA



- Plant Biotechnology: Regulations, Safety and Pipeline  
10:30 – 11:30 Dr. Yong Gao/ Director Global Regulatory Policy & Scientific Affairs/ Monsanto



- Coming New Biotechnology Derived Soybeans

11:30 – 12:00 Mr.Zhang Xiaoping /China Country Director/ ASA-IM



- 12:00 – 12:30 Discussion

**12:30-13:30 buffet lunch**

**Theme2: detection method in inspection and quarantine**

**Chair: ATO**

- Detection Methods for Testing Biotechnology Products  
13:30 – 14:30 Dr. CHEN Jingwen from Syngenta



- 14:30 – 15:00 Discussion

**Theme3: inspection and quarantine in China**

**Chair: ATO**

- inspection and quarantine in China  
15:00 – 15:40 Prof Zhu Shuifang/Dr. Huang Xin from Chinese Academy of Inspection and Quarantine



- 15:40 – 16:00 Discussion

16:00 – 16:20 Tea break

#### **Theme4: LLP**

**Chair: ATO**

- LLP

16:20 – 17:00 Prof Huang Jikun or Dr. Yang Jun at Center for Chinese Agricultural Policy, Chinese Academy of Sciences



17:00 – 17:30 Discussion

**17:30 – 18:00 Closing**

- General Q&A and discussion session