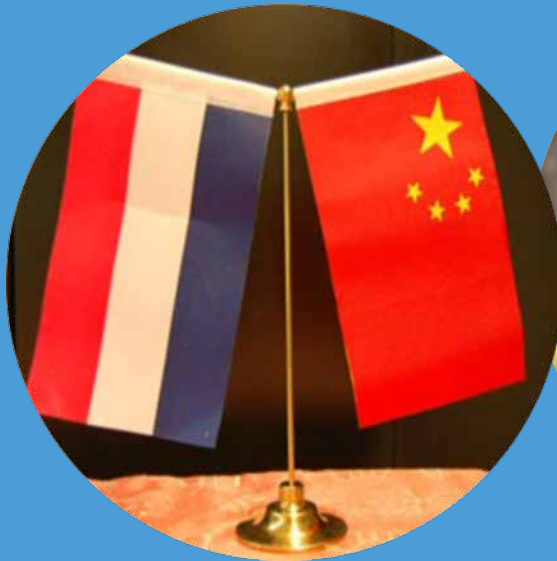


Harvesting Golden Opportunities for the Dutch Agri-business in China

Xiaoyong Zhang email: xiaoyong.zhang@wur.nl

Thom Achterbosch email: Thom.achterbosch@wur.nl

Wageningen UR (University & Research Centre)



How Strategic is Chinese agrofood?

OEM INFANT FORMULA



+31 642711383 tim@privatelabeltrader.com

荷兰牛奶公司

- Key non-EU market for NL exports (2% of ag exports, 2nd largest after US)
- China a key competitor for commodities: soybean, cereals, vegetable oils, phosphate
- Chinese growth market for high value consumer goods



Strategic positions in agricultural markets

§ Do governments take strategic positions in agricultural markets, and why?



§ Market prices/transactions reflect the scarcities in the food and agriculture system

§ Positions reflect other rationales, e.g. independence or stability



§ Bilateral/multilateral policy, market exchange and/or reciprocal agreements

Opportunities for strategic agricultural partnership with China

§ Food security no. 1 policy objective for Beijing

§ China's "*bringing-in*" strategy for agricultural science and technology

- Critical imports: goods and related services
- Modernizing high-value chains – particularly for urban consumers
- Food safety and quality infrastructure, farm-to-fork

CHINESE DEMAND FOR GOODS, SERVICES AND TECHNOLOGY FROM DUTCH AGRI-FOOD

(Colours qualify the opportunities)*

	Import demand for Dutch export goods	Breeding and genetics	Production and processing	Supply chain management and logistics
Horticulture supply chains (focus on vegetables)	Imports of high yielding seed varieties	Production and R&D on high yielding and locally adjusted varieties	Knowledge services for more integrated cultivation systems	Cold storage, cold chain, agrologistics
	Imports of fresh and processed fruit and vegetables	Seed quality control system / NAK	Raising the volume of protected crops in the Northern regions	Reducing post-harvest losses
		Collaboration between Dutch universities and Chinese seed firms	Integrated and/or organic pest management	Integrated vegetable supply chains
			CSR/raising awareness on societal outcomes of improved cultivation	Quality control systems
Potato supply chains	Imports of seed potatoes	Production and R&D on locally adjusted varieties	Processing and production of consumer products	Cold storage, cold chain
	Imports of processed potato products	Seed potato quality control system	Cultivation and mechanization	Reducing post-harvest losses
Meat supply chains (and other animal products)	Imports of consumer products, ready to eat	R&D on modern genetic materials	Disease prevention and antibiotics use	
	Imports of modern genetic material		Feed conversion	
			Manure management	
			Slaughtering technology	
Dairy supply chains	Imports of infant formula and other dairy products	Modern genetic materials	Food safety control systems and knowledge	Quality control systems
			Disease control and veterinary drugs	Cold storage, cold chain
		Automated milking systems	Management of mega-farms with integrated production	
			Dairy production systems	

Obstacles for improving the position of Dutch agri-food activities

§ Several import regulations are restricting market access

§ IPR and equity rules penalize genetics/breeding

§ Post-harvest / consumer activities less regulated

Long-term partnership to improve agricultural investment climate

Dutch triple helix to promote agri-food wide partnership, e.g:

- Breeding and genetics for self-sufficiency and resource efficiency
- Quality control institutions deliver food safety & health
- Strengthening agricultural skills and S&T

§ Reciprocity / leverage : level playing field, market access, IPR, lower entry costs for SMEs, knowledge collaboration

Market Access and unlevel Playing Fields: Is it really a problem?

List of Fresh Fruits Registered for Export to China With Protocols from AQSIQ 2014

Exporting Country	Category
Australia	Mandarin, Orange, Lemon, Grapefruit, Lime, Mango, Apple (Tasmania), Grape, Cherry
New Zealand	Mandarin, Orange, Lemon, Apple, Cherry, Grape, Kiwifruit, Plum, Pear, Prune
Chile	Kiwifruit, Apple, Grape, Plum, Cherry, Blueberry, Avocado
U.S.	Plum, Cherry, Grape, Apple, Citrus, Pear
Spain	Mandarin, Orange, Pomelo (Grapefruit), Lemon.
France	Apple, Kiwifruit
Netherlands	Pear



Example one: Dilemma of Dutch seedpotato export to China

§ LNV/EL&I/EZ already busy for more than 20 years

§ But could small things such as stagiaire and a simple lunch have played a role?

People are more important than paper!



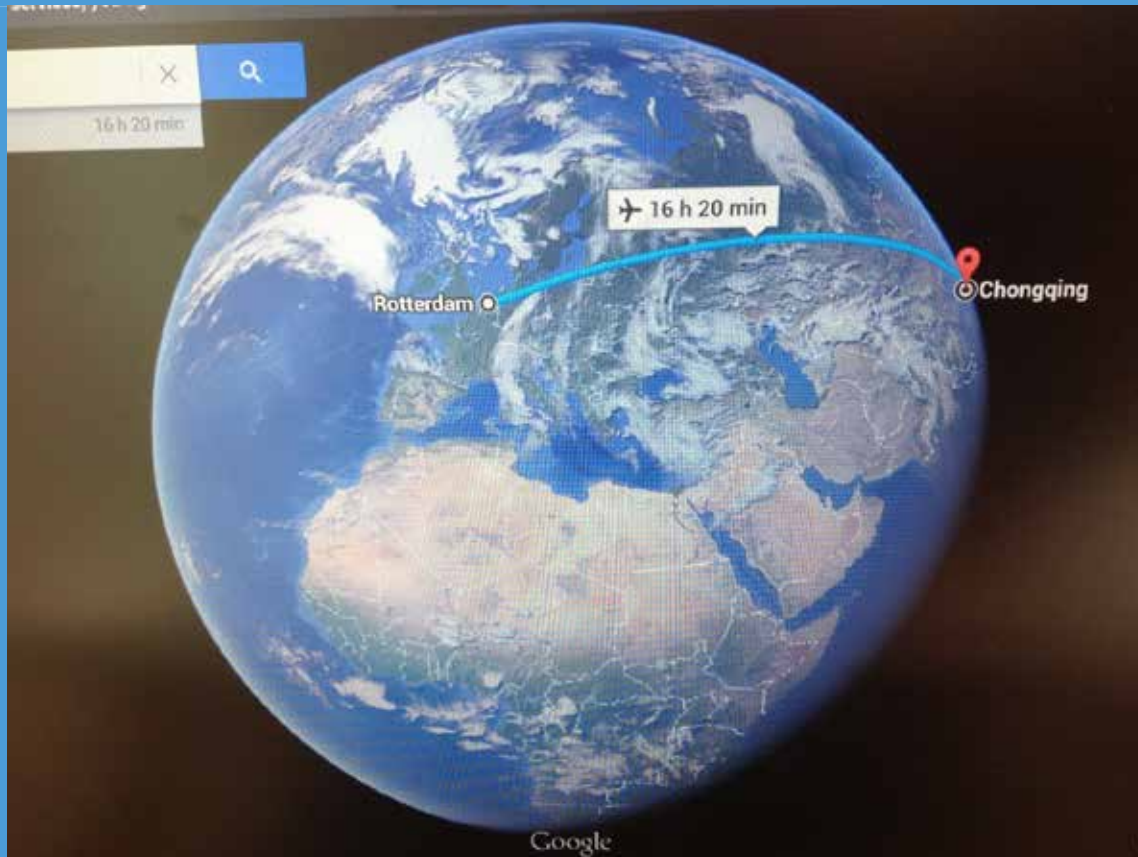
Example Two: AQSIQ officials angry with translator

§ Dutch exporting bumblebees to China for fruit pollination

§ Koppert called me for urgent help.



One of Many Golden Opportunity's in the Next 10 Years: Rotterdam-Chongqing International rail line



Wageningen UR can make shipment of cut roses from Kenya to the NL by sea

§ Switch from air freight to sea freight
(transit time: 27 days) with stable quality

§ Vase life after boat transport 13.7 days

§ Rotterdam to Chongqing only two weeks.

§ 1/5 of the cost the by air

§ Golden road for Dutch Agrifood export to China!

§ Interdepartmental cooperation is needed: minez, minienm, minbzk, minvws, etc. of course, golden triangle!



Thank you for
your attention!
谢谢！



WAGENINGENUR
For quality of life