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# China, Peoples Republic of

## Livestock and Products

### Semi-Annual

### 2001

**U.S. Embassy-Beijing**

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**Report Highlights:**

**Higher feed costs are likely to moderate swine inventory growth in 2001. Harsh winter weather has hurt cattle, sheep and goat herds. Meat import growth will continue despite delayed WTO entry and increased Government anti-smuggling efforts.**

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Includes PSD changes: Yes  
Includes Trade Matrix: No  
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## **Summary**

Overall demand for meat in China has increased in 2000 as the general economy has rebounded. Although the pace of economic growth has slacked off a bit in recent months, it should stay strong enough to keep meat demand strong in 2001.

Through the first half of 2000, feed prices also dropped which meant that margins were very good for swine farmers in particular and they began expanding pig numbers. The favorable feed situation has turned around in the last half of 2000 and early 2001 as corn prices have risen more than 25 percent. Although pork prices have largely kept pace with the higher feed cost, the expansion decisions made last summer should mean that pigs ready for slaughter should increase in coming months, putting downward pressure on prices. This should put a moderate damper on inventory growth in 2001.

Cattle, sheep and goat farmers, being less dependent on corn, should not hurt as much as result of higher feed cost. However 2001 inventory growth for these three has been hurt by unusually harsh winter weather in northern China. Livestock in Inner Mongolia have been particularly hard hit. Although total losses will probably be in the millions, for China's huge herds the effect in percentage terms will be small.

Longer than expected final talks mean that China's entry into the WTO will be delayed until late in 2001 at the earliest. This will mean delays in promised tariff reductions for beef and pork. At the same time, the Government has stepped up efforts to reduce grey-channel meat imports. These efforts are resulting in higher average costs for importers. This also likely means that imports which would have previously gone unreported are now showing up in statistics and to an extent exaggerating growth numbers. Traders still feel however that the real level of imports is growing at a good pace.

## **Cattle and Beef**

### **I: Situation and Outlook**

Prices for beef over the past 6 months have been stable except for a very recent modest rise. Recent extremely cold weather and snows in Inner Mongolia and Northeast China have put a strain on cattle in these areas. This has probably played a part in the recent price rise however increased demand usually associated with Chinese New Year is also likely playing a part.

Some sources indicate that the recent news about BSE in Europe has hurt consumption of beef. Prices would not indicate that the scare has led to a reduce in demand, however certainly the scare could have played a part in moderating demand growth and prices during much of the last half of 2000. The Government has already banned beef imports from Europe for sometime. On January 1, 2001, they went further and banned imports of all animal-derived feedstuffs produced in the European Union. The ban is very extensive including feather meal and fish meal.

Feed costs have less an impact on beef than for pork and chicken. Accordingly the recent rise in corn prices could help demand vis a vis these other meats. Given the structure of the beef industry any change will probably be largely reflected in price rises. Any change in cattle numbers will likely be minimal, since it is increases in the dairy herd and reduced need for draft animals is primarily influencing these numbers in the short run.

### **Policy**

The Government has taken a great interest in promoting cattle and beef production in recent years. They feel that increasingly affluent consumers will eat more meat and that they will diversify somewhat away from the current heavy emphasis on pork. This has resulted to several large development projects, including a \$200 million one with the World Bank. A series of other Government and private initiatives have created a significant increase in slaughter and processing facilities. It appears though that the cattle industry is falling well short of supplying enough animals to keep these plants running at capacity.

### **Trade**

The growth in beef imports continue. Well over half of all beef imports remain offal however significant increases are also occurring in muscle meat imports. Although some of these muscle meat imports are the high-end cuts for steaks and roast, much more significant are the low-end cuts which are less popular in Western countries and thus attractively priced for import into China. These cuts are used in many traditional Chinese dishes, in particular hot pot. The United States is doing particularly well in this muscle meat market and by official statistics it could well gain half of all these imports. On the other hand, Australia made big gains in 2000 in the offal market.

As with all meats, much of China's beef imports enter through grey channels. Recently the Government has considerably stepped up its efforts to stop this trade. Most notably, they have introduced a registration process for poultry meat imports which is supposed to better manage

imports. Importers and trading partners object to certain provisions of the procedure and they have apparently been modified and so far the process has not been too disruptive. The trade believes the same registration process will soon be required for beef and pork. It is important to remember the importance of this grey channel trade when looking at import statistics. Hong Kong re-exports undoubtedly capture much of the grey-channel trade but probably not all. So although there is little doubt that imports are increasing, this increased government enforcement could exaggerate the magnitude of increases in trade by forcing formerly illegal imports into legitimate channels.

With final discussions between China and its trading partners dragging on, China's entry into the WTO will now be delayed at least until the third quarter of 2001. This will mean that tariffs reductions triggered by WTO entry will continue to be delayed. The Chinese have agreed to reduce the main beef tariffs from 40 percent to 12 percent. When this commitment was made the plan was for the tariff to gradually drop from 2000 to 2004. Trading partners feel that no matter when China enters, the tariff will still need to fall to 12 percent by 2004. It is not clear however whether the Chinese government accepts this and it is possible they may ask that the target date be moved back in light of the delayed entry.

China's overall exports by volume remain flat. Interestingly however the mix of products has definitely changed over the last couple of years. The amount of canned beef imports has increased while the frozen and chilled exports have dropped. This reflects in part recent expansions in processing capacity.

**II. Statistical Tables**

PSD Table						
Country	China, Peoples Republic of					
Commodity	Animal Numbers, Cattle				(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Total Cattle Beg. Stks	124419	124354	126983	126983	130000	130000
Dairy Cows Beg. Stocks	4000	4000	4200	4200	4400	4350
Beef Cows Beg. Stocks	59000	59000	61000	61000	63000	628000
Production (Calf Crop)	40646	40646	42517	42517	43970	43800
Intra EC Imports	0	0	0	0	0	0
Other Imports	0	0	1	1	0	0
TOTAL Imports	0	0	1	1	0	0
TOTAL SUPPLY	165065	165000	169501	169501	173970	173800
Intra EC Exports	0	0	0	0	0	0
Other Exports	66	66	70	70	70	70
TOTAL Exports	66	66	70	70	70	70
Cow Slaughter	0	0	0	0	0	0
Calf Slaughter	0	0	0	0	0	0
Other Slaughter	37662	37662	39000	39000	40500	40300
Total Slaughter	37662	37662	39000	39000	40500	40300
Loss	354	289	431	431	400	900
Ending Inventories	126983	126983	130000	130000	133000	132530
TOTAL DISTRIBUTION	165065	165000	169501	169501	173970	173800
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meat, Beef and Veal				(1000 MT CWE)(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Slaughter (Reference)	37662	37662	39000	39000	40500	40300
Beginning Stocks	0	0	0	0	0	0
Production	5054	5054	5350	5350	5700	5650
Intra EC Imports	0	0	0	0	0	0
Other Imports	7	7	9	9	12	12
TOTAL Imports	7	7	9	9	12	12
TOTAL SUPPLY	5061	5061	5359	5359	5712	5662
Intra EC Exports	0	0	0	0	0	0
Other Exports	36	36	40	40	40	40
TOTAL Exports	36	36	40	40	40	40
Human Dom. Consumption	5025	5025	5319	5319	5672	5622
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	5025	5025	5319	5319	5672	5622
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	5061	5061	5359	5359	5712	5662
Calendar Yr. Imp. from U.S.	2	2	2	4	0	6
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

China's Live Cattle Imports by Origin (Number of Head)				
ORIGIN	1997	1998	1999	2000
				(Thru Qtr 3)
Canada	1,344	67	100	148
United States	212	3	6	0
Australia	0	1,411	0	0
New Zealand	20	173	0	0
Other	20	0	0	0
TOTAL	1,596	1,654	106	148
Source: China Customs HS Codes: 0102.1000 and 0102.9000 (f:\shared\lotus\lvstk\cattlebf\cattlimp.wk4)				

China's Live Cattle Exports by Destination (Number of Head)				
DESTINATION	1997	1998	1999	2000
				(Thru Qtr 3)
Hong Kong	59,266	65,582	59,410	45,261
Macau	5,547	5,980	5,639	4,213
Korea, DPR	851	1,997	524	17
Kazakstan	0	1,171	0	0
Saudi Arabia	0	0	0	0
Others	36	0	8	0
TOTAL	65,700	74,730	65,581	49,491
Source: China Customs HS Codes: 0102.1000 and 0102.9000 (f:\shared\lotus\lvstk\cattlebf\cattlexp.wpd)				



China's Fresh, Chilled and Frozen Beef Imports by Origin (Metric Tons)				
SOURCE	1997	1998	1999	2000
				(Thru Qtr 3)
Australia	2,165	2,616	2,703	1,842
United States	337	788	1,426	1,364
New Zealand	30	137	274	362
Japan	16	3	3	1
Hong Kong	1	0	1	0
Others	41	4	147	100
TOTAL	2,590	3,548	4,554	3,669
Source: China Customs HS Codes: 0201.1000, 0201.2000, 0201.3000, 0202.1000, 0202.2000, 0202.3000 (f:\shared\lotus\lvstk\cattlebf\fcfbim.wk4)				

China's 2000 Total Imports Of Fresh, Chilled, Frozen and Canned Beef (1,000 MT)			
	Quantity	Conversion	Quantity
	(Thru Qtr 3)	Factor	Carcass Basis
Frsh, Chld, Frzn, carcass	0.655	1.00	0.655
Frsh, Chld, Frzn, boneless	3.014	1.40	4.220
Canned	0.353	1.40	0.494
TOTAL			5.369
Source: China Customs (f:\shared\lotus\lvstk\cattlebf\fcfbim0.wk4)			

CHINA'S DIRECT AND INDIRECT IMPORTS OF BEEF MEAT AND OFFAL 1999, 2000 (Metric Tons)				
	Direct	Re-exports	Direct	Re-exports
	Imports	to China	Imports	to China
Country of Origin	to China	from HK	to China 1/	from HK 2/
	1999	1999	2000 (thru qtr.3)	2000 (thru qtr.3)
<b>MEAT</b>				
Australia	2,703	317	1,842	214
U.S.	1,426	1,116	1,364	1,685
New Zealand	274	615	362	548
Brazil	0	176	0	372
Other	151	251	101	619
Total Beef Imports	4,554	2,475	3,669	3,438
<b>OFFAL</b>				
U.S.	10,505	7,743	7,763	7,315
Australia	2,410	5,094	6,450	5,026
New Zealand	2,168	1,200	6,061	806
Canada	2,154	746	808	1,390
Uruguay	195	1,185	249	1,400
Brazil	353	8,308	62	11,423
Argentina	565	5,939	40	6,208
Japan	178	0	27	0
Netherlands	0	330	0	121
Others	1,077	1,241	298	2,037
Total Beef Offal Imports	19,605	31,786	21,758	35,726
<b>TOTAL BEEF &amp; BEEF OFFAL</b>	<b>24,159</b>	<b>34,261</b>	<b>25,427</b>	<b>39,164</b>
1/ Source: China Customs 2/ Source: Hong Kong Customs (f:\shared\lotus\lvstk\cattlebf\ttlbfim0.wk4)				

China's Fresh, Chilled and Frozen Beef Exports by Destination (Metric Tons)				
DESTINATION	1997	1998	1999	2000
				(Thru Qtr 3)
Hong Kong	6,868	7,845	8,571	7,608
Israel	370	1,865	1,436	1,256
Palestine	471	4,247	1,979	956
Russia	21,291	26,691	6,124	792
Korea, DPR	1,122	1,038	232	201
Japan	0	0	22	79
Macau	85	92	75	50
Singapore	63	0	0	0
Others	1,224	1,263	722	903
<b>TOTAL</b>	<b>31,494</b>	<b>43,041</b>	<b>19,161</b>	<b>11,845</b>
Source: China Customs HS Codes: 0201.1000, 0201.2000, 0201.3000, 0202.1000, 0202.2000, 0202.3000 (f:\shared\lotus\lvstk\cattlebf\fcfbfex.wk4)				

China's 2000 Exports of Fresh, Chilled, Frozen, Canned and Preserved Beef (1,000 MT)			
	Quantity	Conversion	Quantity
	(Thru Qtr 3)	Factor	Carcass Basis
Frsh, chl, frzn, carcass	0.041	1.00	0.041
Frsh, chl, frzn, boneless	11.804	1.40	16.526
Canned and Preserved	10.975	1.40	15.365
<b>TOTAL</b>			<b>31.932</b>
Source: China Customs (f:\shared\lotus\lvstk\cattlebe\bfcfcex0.wk4)			

CHINA RETAIL BEEF PRICES (RMB/KG, US\$ 1=8.27)									
	1999				2000				Change 99/00
Provinces	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Dec-Dec
NAT'L AVG 1/	13.47	12.72	12.61	12.76	12.90	12.50	12.44	12.78	0.16%
Beijing	11.60	14.00	13.00	13.47	13.00	12.60	13.10	13.30	-1.26%
Tianjin	11.53	12.00	13.25	12.15	11.00	12.40	11.50	12.40	2.06%
Hebei	12.44	12.44	12.95	12.00	12.43	12.69	12.25	11.71	-2.42%
Shanxi	13.89	12.73	12.73	13.61	14.25	13.31	14.03	14.98	10.07%
Inner Mongolia	13.33	12.00	12.10	12.41	13.00	11.88	11.81	12.09	-2.58%
Liaoning	13.91	13.68	13.82	13.27	13.15	12.82	13.18	13.63	2.71%
Jilin	13.78	n/a	13.70	13.00	12.10	12.80	13.10	12.60	-3.08%
Heilongjiang	13.00	13.50	12.50	13.00	13.00	12.00	n/a	13.00	0.00%
Shanghai	17.33	16.00	n/a	18.00	18.00	18.00	18.00	17.00	-5.56%
Jiangsu	16.67	14.46	13.50	14.00	13.50	13.68	12.40	14.00	0.00%
Zhejiang	16.08	16.67	15.06	15.97	16.54	16.21	16.00	15.54	-2.69%
Anhui	12.07	11.00	12.07	12.51	12.25	10.83	11.64	12.11	-3.20%
Fujian	15.29	13.13	14.13	15.63	15.67	15.66	14.31	14.88	-4.80%
Jiangxi	14.71	11.00	12.00	12.77	13.16	12.34	12.28	12.96	1.49%
Shandong	12.37	11.52	12.34	11.91	11.56	12.29	12.05	12.36	3.78%
Henan	12.82	13.07	14.42	13.09	12.09	11.74	12.23	12.16	-7.10%
Hubei	12.11	10.91	11.44	11.91	11.22	11.24	12.00	11.38	-4.45%
Hunan	13.48	11.71	12.13	12.67	13.24	12.43	11.55	12.64	-0.24%
Guangdong	17.56	16.11	16.33	16.73	16.33	16.47	16.00	16.44	-1.73%
Guangxi	12.08	11.38	11.33	11.57	12.00	11.35	11.38	11.59	0.17%
Hainan	12.77	11.50	13.36	13.90	14.00	13.00	14.25	14.98	7.77%
Sichuan	11.45	11.13	10.47	10.57	11.03	10.24	10.64	11.18	5.77%
Guizhou	14.00	11.00	10.89	11.54	9.00	10.16	10.22	11.13	-3.55%
Yunan	14.77	14.22	13.74	13.84	14.06	14.34	13.83	13.82	-0.14%
Tibet	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Shaanxi	13.20	13.29	13.00	11.75	12.39	12.33	12.25	12.52	6.55%
Gansu	12.63	13.38	12.40	11.69	12.30	12.87	12.60	11.85	1.37%
Qinghai	12.60	13.58	11.50	11.10	11.90	12.80	10.38	11.57	4.23%
Ningxia	13.00	14.00	14.00	12.30	13.00	12.00	14.00	12.50	1.63%
Xinjiang	14.00	13.50	13.25	13.25	13.00	13.20	13.20	n/a	n/a
Chongqing	12.14	11.57	10.71	11.37	11.29	9.71	13.35	10.29	-9.50%

Source: The Ministry of Agriculture (MOA)  
1/ The national average price is based on the average price of all the counties selected for sampling survey.  
(f:\shared\lotus\lvstk\cattlebf\beefprc.wk4)

## Swine and Pork

### I. Situation and Outlook

After very strong demand growth in the middle 1990's prompted Chinese swine producers to expand quickly oversupply combined with a modest slowdown in overall economic growth led to a drop in prices than bottomed out in 1999 some 30 percent off their 1998 peak. In the last half of 1999 prices rebounded as producers inventories and demand picked up with an improvement in the economy. Pork and pig prices rose although not to the levels of the middle 1990's. After backing off a bit, prices remained relatively constant through the first 3 quarters of 2000. Importantly as well for producers, feed prices fell 25 percent off their late 1998 highs which meant profit margins were good and producers began rebuilding inventories.

Unfortunately this favorable feed price situation has changed over the last 6 months. Corn prices have already risen over 25 percent since early last summer and with the government holding on to their corn stocks and restricting imports, lower feed prices anytime before the 2001 corn crop becomes available seems unlikely. Most of the increased feed costs have been realized in higher pork prices due to still relatively tight supplies and good demand. Although it has slackened a bit in recent months, overall the Chinese economy has rebounded from sluggish growth in 1999-98 which is being reflected in stronger pork demand. However herd-expansion decisions made in early and mid- 2000 when feed prices were lower will soon mean more pigs coming to market. In addition both poultry meat and beef prices have not seen pork's rise in prices. This means that in coming months pork and pig prices should see some downward pressure resulting in a leaner bottom line for hog producers. As a result the expansion of the hog herd should cool off some in 2001. The depth of this drop will depend much on Government policy. Producers are lobbying hard to allow cheaper corn imports but so far their efforts have been resisted. China's entry into the WTO would probably prompt corn imports but final working-party negotiations have dragged on so long in Geneva that it now seems unlikely that China will enter before late in 2001.

### Trade

China's recent rise in domestic pork prices should help imports as international prices have stayed stable. Still given the large jumps in imports currently being experienced, its effect will be negligible. This market is going through an opening process which will continue to push up imports for the next couple of years regardless of what happens with prices. Through the third quarter of 2000, imports were already well above 1999, indicating that the 2000 total will be 50 percent higher.

As noted in the beef section, the Government continues to step up measures to control illegal imports. The efforts so far have focused on the huge poultry trade but pork imports have also seen stricter enforcement which has meant a real increase in the price of imports. That pork imports continue to grow steadily probably shows the strength of demand in China. However it probably also means, to a degree, that the statistics are capturing more imports which previously would not have shown up in direct imports or even Hong Kong re-exports. Very likely the Government will continue to clamp down on smuggling as they are quite intent on making China

a modern trading country particularly after entry into the WTO. The paradox could be that after China enters WTO, this stricter enforcement will cause the real cost of pork imports to actually increase even though several key tariffs will drop from 20 to 12 percent. Despite this possible short-term loss, few would argue against the long-term benefits to both exporters and importers of a more transparent, consistent and fair import system than the current arbitrary and unpredictable process dominated by grey-channel trade.

## II. Statistical Tables

PSD Table						
Country	China, Peoples Republic of					
Commodity	Animal Numbers, Swine				(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
TOTAL Beginning Stocks	422563	422563	430198	430198	440000	440000
Sow Beginning Stocks	35000	35000	36000	36000	37000	37000
Production (Pig Crop)	530470	530470	552800	552800	573000	570000
Intra EC Imports	0	0	0	0	0	0
Other Imports	2	2	2	2	0	0
TOTAL Imports	2	2	2	2	0	0
TOTAL SUPPLY	953035	953035	983000	983000	1013000	1010000
Intra EC Exports	0	0	0	0	0	0
Other Exports	1961	1961	2000	2000	2000	2000
TOTAL Exports	1961	1961	2000	2000	2000	2000
Sow Slaughter	0	0	0	0	0	0
OTHER SLAUGHTER	519772	519772	540000	540000	560000	559000
Total Slaughter	519772	519772	540000	540000	560000	559000
Loss	1104	1104	1000	1000	1000	1000
Ending Inventories	430198	430198	440000	440000	450000	448000
TOTAL DISTRIBUTION	953035	953035	983000	983000	1013000	1010000
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meat, Swine				(1000 MT CWE)(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Slaughter (Reference)	519772	519772	540000	540000	560000	559000
Beginning Stocks	0	0	0	0	0	0
Production	40056	40056	41600	41600	43300	43200
Intra EC Imports	0	0	0	0	0	0
Other Imports	83	83	120	140	130	170
TOTAL Imports	83	83	120	140	130	170
TOTAL SUPPLY	40139	40139	41720	41740	43430	43370
Intra EC Exports	0	0	0	0	0	0
Other Exports	119	119	110	110	110	110
TOTAL Exports	119	119	110	110	110	110
Human Dom. Consumption	40020	40020	41610	41630	43320	43260
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	40020	40020	41610	41630	43320	43260
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	40139	40139	41720	41740	43430	43370
Calendar Yr. Imp. from U.S.	9	9	10	10	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0



China's Live Swine Imports by Origin (Number of Head)			
ORIGIN	1998	1999	2000
			(Thru Qtr 3)
United States	252	276	773
France	0	150	684
Canada	897	214	319
Denmark	532	374	171
U.K.	0	614	0
Vietnam	2,360	0	0
Other	86	187	0
TOTAL	4,127	1,815	1,947
Source: China Customs HS Codes: 0103.1000, 0103.9110, 0103.9120 and 0103.9200 (f:\shared\lotus\lvstk\swnimpog.wk4)			

China's Live Swine Exports by Destination (Number of Head)				
DESTINATION	1997	1998	1999	2000
				(Thru Qtr 3)
Hong Kong	2,125,562	2,046,059	1,821,306	1,474,731
Macau	155,085	157,651	139,623	104,987
Myanmar	0	0	309	786
Others	0	405	12	0
TOTAL	2,280,647	2,204,115	1,961,250	1,580,504
Source: China Customs Hs Codes: 0103.1000, 0103.9110, 0103.9120 and 0103.9200 (f:\shared\lotus\lvstk\swinepk\hogexpds.wk4)				

China's Fresh, Chilled and Frozen Pork Imports by Origin (Metric Tons)				
Country	1997	1998	1999	2000 (Thru Qtr 3)
Netherlands	0	0	12,152	24,052
Denmark	0	1,325	12,148	23,524
Canada	2,163	2,341	12,826	17,203
United States	556	7,746	8,207	11,884
United Kingdom	0	1,652	9,158	10,527
France	0	1,323	1,858	2,127
Others	39	1,402	2,072	1,362
TOTAL	2,758	15,789	58,421	90,679
Source: China Statistics HS Codes: 0203.1110, 0203.1190, 0203.1200, 0203.1900, 0203.2110, 0203.2190, 0203.2200 and 0203.2900 (f:\shared\lotus\lvstk\swinepk\fcfpkimp.wk4)				

China's 2000 Total Imports of Fresh, Chilled, Frozen, Canned and Preserved Pork (1,000 Metric Tons)			
	Quantity (Thru Qtr 3)	Conversion Factor	Quantity Carcass Basis
Frsh, Chld, Frzn	90.679	1.0	90.679
Canned and Preserved	0.341	1.2	0.409
TOTAL			91.088
Source: China Customs (f:\shared\lotus\lvstk\swinepk\fcfcvim0.wk4)			

CHINA'S DIRECT AND INDIRECT OFFICIAL IMPORTS OF PORK MEAT AND OFFAL, 1999, 2000 (Metric Tons)				
	Direct	Re-exports	Direct	Re-exports
	Imports	to China	Imports	to China
Country of Origin	to China	from HK	to China 1/	from HK 2/
	1999	1999	2000 (thru qtr. 3)	2000 (thru qtr. 3)
<b>MEAT</b>				
Netherlands	12,152	9,704	24,052	6,913
Denmark	12,148	2,065	23,524	4,115
Canada	12,826	4,433	17,203	2,498
United States	8,207	1,263	11,884	1,074
United Kingdom	9,158	1,643	10,527	1,279
France	1,858	469	2,127	931
Germany	0	3,648	38	3,554
Others	2,072	1,620	1,324	1,942
<b>Total Pork Imports</b>	<b>58,421</b>	<b>24,845</b>	<b>90,679</b>	<b>22,306</b>
<b>OFFAL</b>				
U.S.	36,109	32,641	35,457	24,947
Netherlands	7,026	29,385	12,832	32,222
Denmark	13,402	14,811	9,142	16,236
Canada	7,233	12,078	5,701	12,318
France	2,346	5,569	3,894	9,081
United Kingdom	3,981	10,586	3,665	8,503
Germany	303	6,802	25	6,091
Brazil	1,359	1,473	0	898
Others	1,942	6,261	1,429	7,104
<b>Total Pork Offal Imports</b>	<b>73,701</b>	<b>119,606</b>	<b>72,145</b>	<b>117,400</b>
<b>TOTAL PORK &amp; PORK OFFAL</b>	<b>132,122</b>	<b>144,451</b>	<b>162,824</b>	<b>139,706</b>
1/ Source: China Customs, 2/ Source: Hong Kong Customs (f:\shared\lotus\lvstk\swinepk\ttlpkim0.wk4)				

China's Fresh, Chilled and Frozen Pork Export by Destination (Metric Tons)				
Destination	1997	1998	1999	2000 (Thru Qtr 3)
Hong Kong	31,215	29,146	35,689	29,593
Singapore	3,726	2,450	2,746	3,784
Macau	2,728	2,463	1,986	1,480
Russia	60,844	68,618	11,306	935
Korea, DPR	1,118	649	635	636
Slovenia	260	120	0	0
Others	3,495	1,529	1,381	1,169
TOTAL	103,386	104,975	53,743	37,597
Source: China Customs HS Codes: 0203.1110, 0203.1190, 0203.1200, 0203.1900, 0203.2110, 0203.2190, 0203.2200 and 0203.2900 (f:\shared\lotus\lvstk\swinepk\fcfpexds.wk4)				

China's 2000 Exports of Fresh, Chilled, Frozen, Canned and Preserved Pork (1,000 MT)			
	Quantity (Thru Qtr 3)	Conversion Factor	Quantity Carcass Basis
Frsh, Chld, Frzn	37.597	1.00	37.597
Canned and Preserved	41.020	1.20	49.224
TOTAL			86.821
Source: China Customs (f:\shared\lotus\lvstk\swinepk\fcfcpx0.wk4)			

CHINA RETAIL HOG PRICES									
	1999				2000				Change 99/00
PROVINCE	Mar	Jun	Sep	Dec	Mar	Jun	Jun	Sep	Dec-Dec
AVERAGE 1/	5.53	4.89	6.20	6.12	5.67	5.45	6.03	6.11	-0.16%
Beijing	4.60	6.80	7.73	6.40	5.87	6.40	6.80	7.35	14.84%
Tianjin	5.27	4.70	7.13	5.83	5.55	5.88	6.85	7.03	20.58%
Hebei	3.85	4.11	6.08	5.17	4.86	5.25	5.75	6.27	21.28%
Shanxi	4.55	4.43	6.38	5.75	4.84	4.96	6.09	6.52	13.39%
Inner Mongolia	5.73	4.80	6.45	6.81	5.96	5.17	6.40	6.30	-7.49%
Liaoning	3.93	3.84	6.15	5.15	4.74	5.04	5.78	6.00	16.50%
Jilin	4.56	n/a	8.06	5.20	4.60	4.80	5.58	6.26	20.38%
Heilongjiang	4.50	4.60	6.40	4.90	4.20	4.20	n/a	5.00	2.04%
Shanghai	6.43	5.70	7.35	7.73	6.80	6.98	7.80	7.35	-4.92%
Jiangsu	4.77	4.09	5.87	5.65	5.28	4.88	5.73	5.72	1.24%
Zhejiang	5.98	5.41	6.93	6.91	6.15	5.76	6.44	6.77	-2.03%
Anhui	5.79	4.48	6.56	6.57	6.03	5.65	6.00	6.43	-2.13%
Fujian	7.00	6.20	7.14	7.68	7.11	7.23	7.40	7.38	-3.91%
Jiangxi	6.01	4.63	6.18	6.63	6.14	6.13	6.50	6.55	-1.21%
Shandong	4.30	4.13	5.69	5.45	5.28	5.28	5.84	5.96	9.36%
Henan	4.50	4.13	5.85	5.78	5.34	5.17	5.65	6.09	5.36%
Hubei	5.89	4.66	6.75	6.02	5.62	5.55	6.04	5.01	-16.78%
Hunan	5.82	4.87	6.22	6.50	5.98	5.91	6.40	6.43	-1.08%
Guangdong	7.35	6.37	7.33	7.46	7.33	7.08	7.30	7.49	0.40%
Guangxi	6.16	5.68	6.04	6.38	6.06	5.89	5.94	6.02	-5.64%
Hainan	9.10	7.90	8.71	8.90	9.50	8.07	8.78	8.63	-3.03%
Sichuan	5.45	4.05	5.05	5.27	5.15	4.40	5.15	5.27	0.00%
Guizhou	8.80	5.63	5.92	6.13	4.80	5.70	5.91	5.99	-2.28%
Yunan	6.99	6.17	6.21	6.39	5.85	5.39	5.56	5.44	-14.87%
Tibet	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Shaanxi	4.84	4.37	5.32	4.83	5.22	4.37	5.46	5.50	13.87%
Gansu	5.24	3.76	5.56	5.84	4.79	4.89	6.20	6.11	4.62%
Qinghai	7.43	6.57	7.90	7.77	5.92	5.67	6.32	7.06	-9.14%
Ningxia	4.00	4.40	5.07	5.10	4.00	5.00	6.00	6.40	25.49%
Xinjiang	6.30	5.05	5.10	5.40	6.50	6.00	6.00	n/a	n/a
Chongqing	5.81	4.36	5.04	5.27	5.34	4.35	5.06	5.07	-3.80%

Source: MOA

1/ The national average price is based on the average price of all the counties selected for sampling survey.

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CHINA RETAIL PORK PRICES (RMB/KG, US\$1=8.27)									
	1999				2000				Change 99/00
Provinces	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Dec-Dec
NAT'L AVG 1/	9.90	8.65	10.63	10.54	9.89	9.56	10.51	10.69	1.42%
Beijing	8.50	9.00	11.33	9.33	8.07	8.30	10.25	10.35	10.93%
Tianjin	7.67	6.00	10.25	9.78	7.50	9.63	12.00	11.75	20.14%
Hebei	7.38	7.34	10.51	9.57	8.57	9.31	10.85	10.87	13.58%
Shanxi	8.05	7.54	10.51	9.68	8.38	8.62	10.07	11.26	16.32%
Inner Mongolia	9.53	7.67	9.72	9.30	8.09	7.31	9.78	10.06	8.17%
Liaoning	7.52	6.91	10.86	9.28	8.28	8.75	10.02	10.59	14.12%
Jilin	7.59	n/a	10.08	9.36	7.64	8.07	9.63	10.62	13.46%
Heilongjiang	9.35	6.75	8.75	8.95	6.50	7.40	n/a	9.00	0.56%
Shanghai	12.95	12.25	14.25	14.53	13.90	13.75	14.00	14.00	-3.65%
Jiangsu	9.71	8.37	11.36	12.50	9.88	9.63	10.58	10.68	-14.56%
Zhejiang	9.26	8.28	11.15	11.44	10.17	9.80	10.68	11.18	-2.27%
Anhui	10.50	7.75	11.53	11.31	10.95	10.34	10.90	11.27	-0.35%
Fujian	12.20	10.69	11.68	11.75	11.70	11.61	11.42	11.40	-2.98%
Jiangxi	10.80	8.83	11.21	11.41	10.85	10.66	11.41	11.53	1.05%
Shandong	8.13	7.31	10.56	10.28	9.47	9.00	10.47	10.69	3.99%
Henan	8.53	7.62	10.08	10.65	9.52	9.14	10.22	10.90	2.35%
Hubei	10.82	8.99	11.93	11.69	10.80	10.43	11.56	11.44	-2.14%
Hunan	10.27	9.05	11.32	11.04	10.18	10.28	11.05	11.04	0.00%
Guangdong	13.65	11.26	11.29	12.59	12.59	12.13	12.31	11.64	-7.55%
Guangxi	11.74	10.73	11.32	11.53	11.29	11.01	10.94	10.86	-5.81%
Hainan	13.07	11.50	12.33	12.80	13.50	10.33	11.75	12.28	-4.06%
Sichuan	9.92	8.00	9.51	9.70	9.59	8.50	9.60	9.68	-0.21%
Guizhou	13.00	9.36	9.80	9.34	10.00	9.48	9.02	9.73	4.18%
Yunan	11.84	10.31	10.31	10.74	10.10	9.07	9.43	9.54	-11.17%
Tibet	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Shaanxi	8.90	7.29	10.00	8.80	10.41	7.70	9.26	8.63	-1.93%
Gansu	9.09	7.09	10.26	10.23	8.18	8.48	11.06	10.58	3.42%
Qinghai	11.70	9.57	10.90	11.40	10.80	10.50	11.25	11.96	4.91%
Ningxia	8.00	6.75	7.87	9.50	8.00	6.07	10.00	7.90	-16.84%
Xinjiang	15.00	8.25	9.50	9.80	9.00	9.80	9.80	n/a	n/a
Chongqing	10.57	7.93	9.97	9.61	9.57	9.04	9.40	9.63	0.21%

Source: MOA

1/ The national average price is based on the average price of all the counties selected for sampling survey.

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CHINA RETAIL PIGLET PRICES (RMB/KG, US\$1=8.27)									
	1999				2000				Change 99/00
PROVINCES	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Dec-Dec
AVERAGE 1/	6.42	4.84	6.82	7.11	7.52	7.66	8.37	8.33	17.16%
Beijing	7.60	5.00	5.60	5.80	6.37	6.70	7.10	7.63	31.55%
Tianjin	7.20	4.80	6.80	6.50	8.80	8.95	10.00	10.40	60.00%
Hebei	3.58	3.64	6.13	5.37	6.69	7.80	7.70	7.91	47.30%
Shanxi	6.81	4.48	7.39	6.81	7.25	9.17	9.83	10.33	51.69%
Inner Mongolia	10.00	5.60	7.93	7.25	9.50	10.62	11.10	10.63	46.62%
Liaoning	5.05	3.27	6.49	5.35	6.44	8.40	8.09	8.55	59.81%
Jilin	6.22	n/a	7.22	5.91	8.49	7.23	7.44	7.34	24.20%
Heilongjiang	8.00	4.60	6.10	5.20	4.00	5.00	n/a	5.50	5.77%
Shanghai	6.48	5.70	7.70	8.25	7.58	8.20	9.18	9.00	9.09%
Jiangsu	3.89	2.82	5.86	4.70	5.90	5.83	6.90	5.68	20.85%
Zhejiang	5.21	3.96	6.65	6.97	6.73	7.03	7.82	6.77	-2.87%
Anhui	6.03	4.20	6.53	7.47	8.57	7.53	7.44	8.49	13.65%
Fujian	7.11	6.29	8.45	8.74	8.29	8.95	11.98	8.95	2.40%
Jiangxi	6.37	4.40	7.25	8.11	7.94	9.35	10.02	9.15	12.82%
Shandong	4.11	3.14	5.29	5.61	6.01	6.29	6.90	6.76	20.50%
Henan	4.50	3.37	5.58	7.11	7.84	8.17	9.54	8.65	21.66%
Hubei	6.75	3.66	7.56	7.48	9.54	8.54	10.26	10.59	41.58%
Hunan	6.22	4.19	6.49	7.29	7.89	9.36	10.83	10.35	41.98%
Guangdong	7.30	6.09	7.82	7.97	8.31	8.86	9.06	8.91	11.79%
Guangxi	5.74	5.55	6.71	6.90	6.95	7.79	8.23	7.33	6.23%
Hainan	10.10	8.25	9.45	9.78	10.25	9.33	10.23	10.43	6.65%
Sichuan	7.30	4.09	5.20	6.02	6.82	5.44	6.27	6.48	7.64%
Guizhou	9.80	6.57	6.63	6.66	6.40	5.20	6.33	6.85	2.85%
Yunan	11.08	8.25	7.66	8.07	8.65	7.45	7.15	8.06	-0.12%
Tibet	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Shaanxi	8.38	3.55	4.86	5.20	6.01	6.53	7.05	7.98	53.46%
Gansu	9.88	4.86	6.61	7.93	8.36	8.28	9.83	10.24	29.13%
Qinghai	19.80	10.83	7.56	9.10	8.20	8.03	8.36	9.64	5.93%
Ningxia	4.00	4.00	5.33	9.00	10.00	8.00	12.00	11.50	27.78%
Xinjiang	n/a	10.50	11.00	11.00	9.80	10.00	10.00	n/a	n/a
Chongqing	8.89	4.64	5.43	7.06	7.64	5.58	6.44	7.11	0.71%

Source: MOA  
1/ The national average price is based on the average price of all the counties selected for sampling survey.  
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## **Sheep and Goats**

### **I. Situation and Outlook**

A particularly hard winter in parts of China has led to a significant loss of sheep and goats in early 2001. The worst hit area was Inner Mongolia which accounts for 18 percent of all sheep and 9 percent of all goats in China. The bad weather will likely lead to a smaller lamb crop in 2001. One positive effect though, the reduction in inventory should help put some upward pressure on prices. Sheep prices in particular have been weak recently as good demand for wool has pushed up inventories. Despite these losses, the Chinese herd and meat production will still see significant rises in 2001. A strong Chinese economy should continue to push up demand for both meat and wool. Sheep and goat meat are also helped by a shift toward more variety in the traditionally pork-dominated Chinese diet.

#### **Trade**

As with other meats, imports of sheep and goat meat are continuing to show solid year on year gains. Much of this trade, as with pork, beef and poultry is offal and cuts which are more marketable in China than in Western countries. Still a potential market exists for higher quality cuts, particularly for lamb, since domestic production in these areas is nil, and increasing incomes are making this type of product more affordable. Increases in imports should continue at nearly the same rate in 2001 as 2000. It is important to note that the increases may be exaggerated somewhat by recent government efforts to reduce grey channel exports in meat. This has forced formerly unreported imports into official statistics. This effect could last for several years as the process, though showing some success is only gradually reducing smuggling. China's entry into WTO will have little effect on sheep and goat meat imports. The largest cut in tariffs is from 23 to 20 percent in just a few lines.

Exports dropped off greatly in 2000. Most of this can be attributed to losses in exports to Hong Kong. Higher prices in Southern China combined with lower world prices have made this market less profitable. However, live exports, again primarily to Hong Kong, are continuing the previous year's level. Barring a sudden change in prices these trends should continue much the same in 2001.



## II. Statistical Tables

PSD Table						
Country	China, Peoples Republic of					
Commodity	Animal Numbers, Sheep				(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
TOTAL Beginning Stocks	268143	269035	271130	279258	280420	290000
Ewes, Beginning Stocks	130000	130000	140000	135000	0	140000
Production (Lamb Crop)	196000	190758	210000	201500	0	208000
Intra EC Imports	0	0	0	0	0	0
Other Imports	0	0	0	0	0	0
TOTAL Imports	0	0	0	0	0	0
TOTAL SUPPLY	464143	459793	481130	480758	280420	498000
Intra EC Exports	0	0	0	0	0	0
Other Exports	13	13	10	12	0	12
TOTAL Exports	13	13	10	12	0	12
Ewe Slaughter	0	0	0	0	0	0
Lamb Slaughter	0	0	0	0	0	0
Other Slaughter	192500	180000	200000	190000	0	198500
TOTAL Slaughter	192500	180000	200000	190000	0	198500
Loss	500	522	700	746	0	2488
Ending Inventories	271130	279258	280420	290000	0	297000
TOTAL DISTRIBUTION	464143	459793	481130	480758	0	498000
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meat, Lamb, Mutton and Goat				(1000 MT CWE)(1000 HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Slaughter (Reference)	192500	180000	200000	190000	0	198500
Beginning Stocks	0	0	0	0	0	0
Production	2560	2513	2650	2650	0	2770
Intra EC Imports	0	0	0	0	0	0
Other Imports	11	10	10	15	0	20
TOTAL Imports	11	10	10	15	0	20
TOTAL SUPPLY	2571	2523	2660	2665	0	2790
Intra EC Exports	0	0	0	0	0	0
Other Exports	6	4	6	1	0	1
TOTAL Exports	6	4	6	1	0	1
Human Dom. Consumption	2565	2519	2654	2664	0	2789
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	2565	2519	2654	2664	0	2789
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	2571	2523	2660	2665	0	2790
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

China's Live Sheep and Goat Exports by Destination (Number of Head)				
DESTINATION	1997	1998	1999	2000
				(Thru Qtr 3)
Hong Kong	6,754	6,184	4,349	4,875
Nepal	7,605	5,405	5,408	3,250
Macau	0	173	2,797	350
Others	107	480	898	168
TOTAL	14,466	12,242	13,452	8,643
Source: China Customs HS Codes: 0104.1010, 0104.1090, 0104.2010 and 0104.2090 (f:\shared\lotus\lvstk\sheepmt\shpexdes.wk4)				

China's Fresh, Chilled and Frozen Sheep and Goat Meat Imports by Destination (Metric Tons)				
ORIGIN	1997	1998	1999	2000
				(Thru Qtr 3)
New Zealand	4,000	8,987	9,882	10598
Australia	43	175	543	887
United States	3	6	9	3
Others	5	26	8	98
TOTAL	4,051	9,194	10,442	11,586
Source: China Customs HS Codes: 0204.1000, 0204.2100, 0204.2200, 0204.2300 0204.3000, 0204.4100, 0204.4200, 0204.4300, 0204.5000 (f:\shared\lotus\lvstk\sheepmt\fcfmtimp.wk4)				

China's 2000 Total Import Of Fresh, Chilled, Frozen, Canned and Preserved Sheep and Goat Meat (1,000 Metric Tons)			
	Quantity	Conversion	Quantity
	(Thru Qtr 3)	Factor	Carcass Basis
Frsh, Chld, Frzn, carcass	10.865	1.0	10.865
Frsh, Chld, Frzn, boneless 1/	0.721	1.2	0.865
Canned and Preserved	0.014	1.2	0.017
<b>TOTAL</b>			<b>11.747</b>
1/ Conversion factor is the average factor of boneless sheep and goat meat Source: China Customs (f:\shared\lotus\lvstk\sheepmt\fcfcmm0.wk4)			

China's Fresh, Chilled and Frozen Sheep and Goat Meat Exports by Destination(Metric Tons)				
DESTINATION	1997	1998	1999	2000
				(Thru Qtr 3)
Hong Kong	878	2,174	2,948	634
U.A.E.	132	102	34	77
Macau	185	237	221	74
Saudi Arabia	46	0	25	49
Others	66	326	231	167
<b>TOTAL</b>	<b>1,307</b>	<b>2,839</b>	<b>3,459</b>	<b>1,001</b>
Source: China Customs HS Codes: 0204.1000, 0204.2100, 0204.2200, 0204.2300 0204.3000, 0204.4100, 0204.4200, 0204.4300, 0204.5000 (f:\shared\lotus\lvstk\sheepmt\fcfmexds.wk4)				

China's 2000 Total Export Of Fresh, Chilled, Frozen, Canned and Preserved Sheep and Goat meat by Destination (1,000 Metric Tons)			
	Quantity	Conversion	Quantity
	(Thru Qtr 3)	Factor	Carcass Basis
Frsh, Chld, Frzn, carcass	0.936	1.0	0.936
Frsh, Chld, Frzn, boneless	0.065	1.2	0.078
Canned and Preserved	0.013	1.2	0.016
TOTAL			1.030
Source: China Customs (f:\shared\lotus\lvstk\fcfcMex0.wk4)			

CHINA RETAIL GOAT AND SHEEP MEAT PRICES (RMB/KG,US\$1=8.27)									
	1999				2000				Change 99/00
Provinces	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Dec-Dec
AVERAGE 1/	15.29	14.40	14.61	14.69	14.96	14.29	13.99	14.38	-2.11%
Beijing	17.00	14.00	15.20	15.33	14.67	14.60	16.55	15.38	0.33%
Tianjin	13.50	12.00	13.50	13.38	12.50	14.13	13.75	14.38	7.47%
Hebei	14.07	13.65	14.21	13.66	15.00	13.54	13.75	12.94	-5.27%
Shanxi	12.84	12.38	12.80	12.82	13.94	11.68	12.66	14.10	9.98%
Inner Mongolia	12.33	11.91	12.16	11.59	12.78	12.71	13.40	12.20	5.26%
Liaoning	15.65	15.78	15.62	15.18	14.98	15.24	15.12	15.75	3.75%
Jilin	17.25	n/a	14.30	15.89	14.50	15.89	15.50	15.78	-0.69%
Heilongjiang	13.00	14.50	14.00	13.50	14.00	13.00	n/a	14.00	3.70%
Shanghai	18.30	16.00	16.00	17.50	18.00	18.00	18.00	18.00	2.86%
Jiangsu	14.75	13.33	13.95	16.00	13.00	15.00	12.20	14.34	-10.38%
Zhejiang	16.82	14.67	14.33	17.40	17.77	13.75	17.74	19.78	13.68%
Anhui	13.25	14.00	13.50	13.40	12.50	13.00	13.00	13.27	-0.97%
Fujian	22.67	20.00	21.00	22.33	22.00	21.33	21.71	22.00	-1.48%
Jiangxi	17.75	n/a	18.00	16.38	17.99	16.10	17.00	17.22	5.13%
Shandong	15.10	14.22	14.58	15.30	14.39	14.90	14.03	14.43	-5.69%
Henan	14.70	14.20	15.17	13.62	13.95	13.36	12.86	13.29	-2.42%
Hubei	12.34	13.00	12.00	11.84	12.24	13.00	12.57	12.84	8.45%
Hunan	14.86	13.77	14.27	15.25	15.10	16.25	13.50	14.80	-2.95%
Guangdong	20.95	17.75	17.38	19.75	19.14	19.43	18.86	20.75	5.06%
Guangxi	17.65	16.31	16.15	17.71	18.50	16.75	15.70	18.80	6.15%
Hainan	26.07	22.00	26.25	24.92	25.50	22.33	25.53	25.50	2.33%
Sichuan	11.97	11.43	11.60	12.14	12.35	11.09	11.31	11.94	-1.65%
Guizhou	n/a	13.10	14.33	14.67	12.00	13.50	13.00	13.50	-7.98%
Yunan	14.13	13.14	12.64	13.38	13.27	14.44	13.17	13.32	-0.45%
Tibet	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Shaanxi	13.50	14.14	13.58	13.33	14.87	13.83	14.25	14.08	5.63%
Gansu	12.63	13.00	12.63	11.79	12.14	12.06	12.11	11.99	1.70%
Qinghai	12.30	14.13	9.40	10.00	11.60	12.70	8.43	10.20	2.00%
Ningxia	11.50	12.50	12.33	10.60	10.60	10.67	12.00	12.50	17.92%
Xinjiang	16.00	13.00	15.00	13.50	14.00	14.00	14.00	n/a	n/a
Chongqing	12.80	11.17	8.00	12.10	12.67	11.00	10.00	11.67	-3.55%

Source: The Ministry of Agriculture (MOA)

1/ The national average price is based on the average price of all the counties selected for sampling survey.

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**Other Livestock Products Trade Tables**

China's Tallow and Grease Imports by Origin (Metric Tons)				
				Market
Country	1998	1999	2000	Share
			(Thru Qtr 3)	2000
Australia	48,636	69,701	120,046	37.4%
New Zealand	61,517	79,905	71,285	22.2%
United States	9,022	62,718	58,887	18.3%
Canada	31,502	80,701	54,607	17.0%
Hong Kong	22,915	19,824	11,065	3.4%
Netherlands	109	199	2,933	0.9%
Singapore	34	62	1,232	0.4%
South Korea	33	824	606	0.2%
Indonesia	2,465	436	177	0.1%
Macau	39	714	121	0.0%
Taiwan	902	1,755	80	0.0%
Japan	105	97	49	0.0%
Malaysia	412	0	7	0.0%
Others	1,339	170	187	0.1%
<b>TOTAL</b>	<b>179,030</b>	<b>317,106</b>	<b>321,282</b>	<b>100.0%</b>
Source: China Customs HS Code: 1501.0000, 1502.0010, 1502.0090, 1503.0000 (f:\shared\lotus\lvstk\other\t&gimorg.wk4)				

CHINA'S IMPORTS OF BREEDING ANIMALS AND ANIMAL GENETIC MATERIALS										
		Number (heads)				Value (\$1,000)				
1/		1997	1998	1999	2000	1997	1998	1999	2000	
BREEDING CATTLE (0102.1000)										
DIRECT IMPORTS										
	Canada	103	67	95	148	511	295	544	680	
	Australia	0	1,411	0	0	0	956	0	0	
	New Zealand	20	173	0	0	167	578	0	0	
	U.S.	212	3	6	0	934	128	51	0	
	Subtotal	335	1,654	101	148	1,612	1,957	595	680	
BREEDING SWINE (0103.1000)										
DIRECT IMPORTS										
	U.S.	0	252	276	773	0	426	293	716	
	France	0	86	150	684	0	167	252	882	
	Canada	395	897	214	319	539	1308	362	443	
	Denmark	229	532	374	171	451	1088	649	308	
	U.K.	669	0	614	0	893	0	2094	0	
	Sweden	0	0	187	0	0	0	251	0	
	Other	49	0	0	0	84	0	0	0	
	Subtotal	1,342	1,767	1,815	1,947	1,967	2,989	3,901	2,349	
1/ China Customs data is reported only through the third quarter of 2000										
2/ HK Re-Export data is reported only through the third quarter of 2000										



IMPORTS OF BREEDING ANIMALS AND ANIMAL GENETIC MATERIALS, CON'T										
			Volume				Value (\$1,000)			
			(kg)							
			1997	1998	1999	2000	1997	1998	1999	2000
SEMEN (0511.1000)										
DIRECT IMPORTS										
	Canada		17	1	1	61	31	11	14	51
	U.S.		0	44	15	0	0	72	25	0
	Australia		0	0	0	0	0	0	0	0
	India		0	0	0	0	0	0	0	0
	Netherlands		0	0	0	0	0	0	0	0
	New Zealand		9	50	0	0	16	35	0	0
	Subtotal		26	95	16	61	47	118	39	51
2/	HK RE-EXPORTS									
	U.S.		44	0	0	0	n/a	0	0	0
	TOTAL		70	95	16	61	47	118	39	51
EMBRYOS (0511.9920)										
DIRECT IMPORTS										
	Japan		0	1	0	8	0	5	0	37
	Taiwan		0	7	0	0	0	1	0	0
	Canada		13	1	24	36	24	18	169	231
	U.S.		24	10	92	0	143	124	115	0
	New Zealand		0	5	77	16	0	32	383	35
	Russia		0	0	n/a	81	0	0	n/a	177
	Denmark		0	0	n/a	30	0	0	n/a	13
	Other		0	0	22	0	0	0	47	0
	Subtotal		37	24	215	171	167	180	714	493
2/	HK RE-EXPORTS									
	U.S.		0	0	0	0	0	0	0	0
	TOTAL		37	24	215	171	167	180	714	493
TOTAL IMPORTS (Value only)							3,793	5,244	5,249	3,573
DIRECT IMPORTS							3,793	5,244	5,249	3,573
HK RE-EXPORTS							0	0	0	0
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**Tariff Schedules for Livestock Products**

Tariffs on Cattle and Beef, Effective January 1, 2000					
					Effective
		General	MFN	V.A.T.	Rate
					(mfn+vat)
Cattle, Breeding	0102.1000	0%	0%	13%	13.0%
Cattle, Other	0102.9000	30%	10%	13%	24.3%
Beef, Fresh	0201.1000.1	70%	45%	13%	63.8%
	0201.2000.1				
	0201.3000.1				
Beef, Chilled, Frzn	0201.1000.9	70%	45%	17%	69.6%
	0201.2000.9				
	0201.3000.9				
	0202.1000				
	0202.2000				
	0202.3000				
Source: China Customs					

Tariffs on Hogs and Pork, Effective January 1, 2000					
		General	MFN	V.A.T.	Effective Rate (mfn+vat)
Swine, Breeding	0103.1	0%	0%	13%	13.0%
Swine, Other	0103.911	50%	10%	13%	24.3%
	103.9120				
	103.9200				
Pork, Fresh	0203.1110	70%	20%	13%	35.6%
	0203.1190				
Pork, Chilled, Frzn	0203.1200.9	70%	20%	17%	40.4%
	0203.1900.9				
	0203.2110				
	0203.2190				
	0203.2200				
	0203.2900				
Source: China Customs					

Tariffs on Sheep/Goats and Mutton, Effective January 1, 2000					
		General	MFN	V.A.T.	Effective Rate (mfn+vat)
Sheep, Breeding	104.1010	0%	0%	13%	13.0%
Sheep, Other	104.1090	50%	10%	13%	24.3%
	104.2010				
	104.2090				
Sheep/Goat Meat, Fresh	0204.1000.1	70%	23%	13%	39.0%
	0204.2100.1				
	0204.2200.1				
	0204.2300.1				
	0204.5000.1				
Sheep/Goat Meat, Chilled, Frzn	0204.1000.9	70%	23%	17%	43.9%
	0204.2100.9				
	0204.2200.9				
	0204.2300.9				
	0204.3000				
	0204.4100				
	0204.4200				
	0204.4300				
	0204.5000.9				
Source: China Customs					

Tariffs on Hides and Skins, Effective January 1, 2000					
		General	MFN	V.A.T.	Effective Rate (mfn+vat)
	Raw Hides				
-Whole hides&skins of bovine animals, of a weight per skin not exceeding 8 kg when simply dried, 10 kg when dry-salted, or 14 kg when fresh, wet-salted or otherwise preserved	4101.1000	17%	5%	17%	22.8%
-Other hides and skins of bovine animals fresh or wet-salted:					
-Whole	4101.2100	17%	5%	17%	22.8%
-Butts and bends	4101.2200	17%	5%	17%	22.8%
-Other	4101.2900	17%	5%	17%	22.8%
-Other hides&skins of bovine animals, otherwise preserved	4101.3000	17%	5%	17%	22.8%
	Wet Blues				
-Whole bovine skin leather, of a unit surface are not exceeding 28 square feet (2.6m2)	4104.1000	35%	9%	17%	27.5%
-Other bovine leather and equine leather, tanned or retanned but not further prepared, whether or not split:					
-Bovine leather, vegetable pre-tanned	4104.2100	35%	9%	17%	27.5%
-Bovine leather, otherwise pre-tanned					
-Chrome-tanned bovine leather (Wet blue skin leather)	4104.2210	17%	7%	17%	25.2%
-Other	4104.2290	35%	9%	17%	27.5%

Source: China Customs

Tariffs on Tallow and Grease, Effective January 1, 2000					
		General	MFN	V.A.T.	Effective Rate (mfn+vat)
Lard and Poultry Fat, Raw	1501.0000	35%	12%	17%	31.0%
Bovine & Sheep/Goat, Raw	1502.0010	70%	8%	17%	26.4%
Bovine & Sheep/Goat, Other	1502.0090	30%	8%	17%	26.4%
Lard, Stearin, Oil, Oleostearin,	1503.0000	30%	15%	17%	34.6%
Oleoil and Tallow Oil					
Margarine of Animal or Vegetable	1517.1000 1/	80%	40%	17%	63.8%
Fats or Oil, Edible Mixture					
Other Margarine of Animal Fats	1517.9000.1 1/	70%	40%	17%	63.8%
Edible Mixture					
Other Margarine of Vegetable	1517.9000.9 1/	70%	40%	13%	58.2%
Oil, Edible Mixture					
Animal or Vegetable Fats and Fractions, Inedible Mixture	1518.0000 1/	70%	40%	17%	63.8%
Source: China Customs 1/ these items are not included in the trade tables in this report f:\shared\lotus\lvstk\tarrif\tarifsum					