

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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China Agricultural Outlook Avoids Current Situation and Forecast

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Agricultural Situation

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Report Highlights:

From April 20-21, 2019, China's Ministry of Agriculture and Rural Affairs (MARA) and the Chinese Academy of Agricultural Sciences co-hosted the "China Agricultural Outlook Conference (2019-2028)", which included market forecasts for major agricultural commodities over the next decade. The theme of this year's event was "Information Leads Agriculture Towards High Quality Development" echoing China's continuing efforts to modernize agriculture. **Note:** Nearly all of the speakers avoided discussing the African Swine Fever situation in China, and its impact on China's situation and outlook for livestock and feed demand in MY 2019/20.

General Information:

The 2019 China Agricultural Outlook Conference was held from April 20-21, 2019 in Beijing. The event drew about 500 participants, including government officials from Australia, Europe, Africa, and the United States, as well as representatives from FAO and the Organization of Economic Cooperation and Development (OECD). Reuters and official state media outlets filed reports from the event (See references below).

At the Opening Ceremony, MARA Vice Minister Han Jun reported that China's supply-side structural reform was progressing according to plan. China will continue lowering its state-owned grain and cotton stocks, and maintain "sufficient" domestic supplies of cotton, sugar, edible oils, and dairy products. He emphasized that China must gradually shift from a focus on absolute output to more intensive agricultural practices and to raise quality standards--a key benchmark to achieve what Chinese President Xi refers to as a "moderately well off society."

Vice Minister Han also announced that China will soon unveil a new path forward to comply with its commitments outlined in China's 2001 WTO Accession Agreement. Additionally, he said that China will maintain a steadfast policy of "absolute food security," and will continue to promote smallholder producers, citing Japan and Europe as examples to follow.

Speakers introduced the pest and disease monitoring capabilities of MARA's Early Market Warning Committee and CAAS' Institute of Agricultural Information. Additionally, other speakers reviewed the market situation and outlook for grains, oilseeds, and animal production from marketing year (MY) 2018/19.

On April 21, USDA officials delivered two presentations about "The U.S. Corn Market Situation and Outlook" and "The Comparative Cost of Production of Soybeans and its Impact on Global Trade."

FAS-China Comment:

The China Agricultural Outlook Conference was established in 2014 following extensive capacity building efforts by USDA and the United Nations Food and Agricultural Organization (FAO). In its 5th year, the China Agricultural Outlook Conference has demonstrated itself as primarily a government promotional event. It has yet to begin drawing widespread interest from private traders and commercial end-users.

There were no new major policy measures announced at the event. Nearly all of the speakers notably avoided discussions of the African Swine Fever situation in China, and its impact on China's situation and outlook for livestock and feed demand in MY 2019/20.

References:

2019 China Agricultural Outlook Conference

<http://aocm.agri-outlook.cn/en/>

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http://www.xinhuanet.com/english/2019-04/17/c_137984867.htm

China Daily: “China's grain output expected to stay stable: report”

<http://europe.chinadaily.com.cn/a/201904/20/WS5cbb07c3a3104842260b7561.html>

China Daily: “Pork imports expected to stay high, prices likely to climb over next 2 years”

<https://www.chinadaily.com.cn/a/201904/23/WS5cbe6730a3104842260b7ac6.html>

FAO: “China’s Agricultural Outlook Report (2019-2028) released today in Beijing”

<http://www.fao.org/china/news/detail-events/en/c/1191739/>