

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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China - Peoples Republic of

Post: Beijing ATO

Success For a Bran New Product

Report Categories:

Export Accomplishments - Other

Grain and Feed

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Report Highlights:

The cooperative efforts of the Animal and Plant Health Inspection Service and ATO/Beijing helped to open the market for rice bran as a feed product, and secure initial shipments in short order. Total exports for the year since that time amount to \$4 million.

General Information:

Cooperation between APHIS, ATO, Chinese importers and U.S. exporters have helped to build a new market for rice bran as a feed ingredient. Animal feed has been one of the fastest areas for growth in U.S. exports to China. In the past five years alone, U.S. exports of feed and fodder have risen from slightly less than \$72 million to \$970 million. Along with the increase in volume, is a boom in the variety of different products being exported. The recent success with rice bran is a good example, but is also an example of how USDA offices work with importers and suppliers to remove barriers and build markets.

In 2011, the U.S. Agricultural Trade Office in Beijing (ATO/Beijing) was approached by the China National Materials Industry Import & Export Corporation (Sinoma Import & Export). Sinoma was a large state-affiliated importer of ores and related products for industry, but was increasingly interested in feed products for China's fast-growing animal industry. Many of the ingredients were already present in the market, and ATO was able to provide established contacts. However, one of the ingredients listed was rice bran – a product that at the time did not have market access, but which ATO and Sinoma both identified as having strong market potential.

To resolve the market access issue, ATO directed Sinoma to the Beijing office of USDA's Animal and Plant Health Inspection Service (APHIS). APHIS is the technical agency working with Chinese regulators on health issues related to animal and plant products. APHIS worked with their Chinese counterparts and with Sinoma to gain market access for rice bran as a feed ingredient. Access was officially granted in December of 2011. Shortly afterward, ATO began working with U.S. exporters on issues related to additives in U.S. rice bran, ensuring that all additives were approved in China, so that the first shipments could move smoothly.

The culmination of this effort came in 2012, when Sinoma signed contracts for 12,000 metric tons of rice bran, of which 8,000 tons, worth 3.2 million dollars, had shipped by the end of the year. Interest has only increased, and the main limit on Sinoma's imports has been their ability to source more product. ATO is now working with Sinoma and U.S. industry organizations to find additional suppliers.